Family Economy And Economic Contribution of Children In Iran: An Overview

Akbar Aghajanian

An important factor in the high level of fertility in most agricultural societies is the economic utility of children to parents. Children in these societies not only are a source of psychic satisfaction but also provide considerable economic benefits to the family. They may be economically valuable in two ways: as active participants in the current productive and serving activities of the household and as a future source of old-age security for parents. In fact, in the absence of any social security system, children are the major source of old-age and illness security. Furthermore, the economic structure of agricultural societies, with the household as the major unit of economic production, provides opportunities for the children's economic role in the family economy.

The major source of economic contribution of children is their labor, which is either part of the parental family production or else of outside activities. For instance, children can contribute directly to the family


*This research was made possible by a grant from the Rockefeller Foundation under the Population Development Research Program.*

Akbar Aghajanian holds M.A. and Ph.D. degrees in Sociology from Duke University. He is affiliated with the Department of Sociology and the Population Center of Shiraz University, Shiraz, Iran. His area of research includes social and economic changes, and their micro-consequences.
production by such activities as weeding the family farm or can contribute by income from outside wages. Another form of their labor contribution can be that of activities not directly related to the family's economic production, such as the household tasks of sweeping or bringing water, which release other family members for direct labor contribution.4

Our concern in this paper is the direct labor contribution of children. Specifically, the intent here is first to provide through personal observation a general overview of the direct economic contribution of children in rural Iran and further to illustrate these observations by drawing on the recent population sample survey data. The basic purpose of this paper, however, is to provide a background for an intensive macrolevel study of the economic value of children and fertility in the Iranian agricultural communities.

Measurement of Child Labor Force Contribution from Census Data

Unlike their indirect labor contribution, children's labor activities as unpaid family workers or wage earners are partly reflected in the census data on age-specific economic activity rates. The published data are useful for macrolevel studies and for illustrative purposes in a study of the labor contribution of children, although these kinds of data have some important limitations. The basic limitation of census data is that the tabulation of activity rate or employment rate is dictated by the minimum legal age of employment in the country. Usually, this minimum age is different from the actual starting age of children in the labor force. The Iranian census publications use the minimum age of ten. Yet the actual age of entrance to the labor force in rural areas and even in some cities is often as low as seven to eight.

A second limitation is that census data are usually collected in the off-season in agricultural communities, when the activity rate of children is low. Hence, the census figures underestimate the extent of children's economic activities. The Iranian censuses are taken in November, a slack time of the year. This limitation, however, may provide the advantage of showing the year-round rate of children's participation in the labor force rather than a figure inflated by the peak seasonal demand for labor.

Given these limitations, the analysis in this study is based on the

published information on the economic activity of children ten to fourteen, from the 1971 sample survey of population of Iran, which is the most recent source of data disaggregated at the provincial level. Unfortunately, the detailed data from the 1976 census of population are not yet available. Also used here are published data from the 1972 census of agriculture of Iran, which provides information at the provincial level comparable to the 1971 population data.

Productive Activities of Children in Rural Iran

In Iran, as in many other Asian countries, children provide a variety of economic utility, ranging from old-age security to direct income contribution to the family. In the agricultural communities, where 54 percent of the population was living in 1976, children provide economic benefits to their parents through diverse activities inside or outside the family economy. In addition to their activities such as sweeping or bringing water, rural children contribute directly to the family production through their unpaid labor and through income from their work for other families.

The labor activity of children varies by sex. The activities of female children are restricted to those possible within the house, where they are secluded and separated from male strangers. Young girls make a direct economic contribution by carpet weaving. In fact, in many Iranian villages, little girls start their carpet-weaving activity from age seven to eight with the simple job of knotting. By the time they are fifteen to sixteen, when they are ready to go to a husband's family, they can work on a carpet independently. Young unmarried Iranian women are not paid if they work in their parental household. If they work outside, their wages go to the father.

The direct labor activities of male children range from herding, which does not require any basic skill and starts from ages as low as six, to such activities as weeding, fruit picking, and irrigating fields at older ages. The activities of male children vary across seasons. Work such as fruit picking and weeding is basically available in spring and in early summer. Leaf sweeping and fuel (wood) collection are fall jobs, and herding is mostly limited to spring and summer. A complete list of the activities of children, however, has yet to be prepared by intensive studies and participant observation in the villages of different regions.

The labor activity of children can be in the form of unpaid family work or wage-earning work depending on the socioeconomic class of the family. With either form, the economic rewards go directly to the
family—actually to the father, who has strict control over all the household assets and income. Iranian villages generally contain two distinct classes: (1) peasants who cultivate land they own or rent and (2) landless families. Although a small portion of the landless families are craftsmen and village-level merchants, the overwhelming majority are laborers.

Children of the landless class, like the adult members of their family, depend on wage-earning jobs available from the landholding families. Such jobs are available during the peak-season, which is from May to September. During this period, children can work along with the adult members of their families in harvesting and other activities for the peasant families. A child usually earns about one-half the wage of a regular adult male worker. All wages accrue to the family since food is usually provided for the workers during the peak-season.

The wage-earning jobs, usually, are only available from landowners with relatively large farms and those who cannot supply all the labor they need from the unpaid family work force. Usually, a peasant family with five hectares of land has to employ at least two persons from outside during harvesttime. Such cases, however, are infrequent because most peasants have less than five hectares. According to the 1972 census of agriculture, almost 60 percent of the families had landholdings of less than five hectares. Hence, the demand for outside labor even during the peak-season is very limited. Throughout the year, a male child from the landless class can be employed as a herder, which enables him to earn about 3,000 rials per year, and a pair of new shoes and a shirt at the end of the year. This is almost equal to one-half of the earning of an adult male. Such jobs are again very limited because many families do not have large herds that require outside help. The female children of the landless class may earn some money by carpet weaving. Yet their families do not have enough capital to start family carpet businesses.

not are there many other families among the landholding class that need outside labor for their carpet weaving. It is possible that a landless family will have its carpets financed by a city merchant, but this alternative is available to the very few villages that are near cities and have relatively good transportation. In general, it seems that the limitation of demand for wage-earning jobs in the villages results in a low level of economic utility of children of landless families.

The children of peasant families, on the other hand, can weave the family carpets, work on the family farm, and shepherd the family herd.


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Their employment is less geared to the availability of wage-earning jobs at the village level. There is, however, variation within the peasant families related to differences in the amount of assets, particularly land that the family holds. The larger the asset, the more the possibility of direct involvement of children in the productive activities from very young ages.

In sum, direct economic activities of children are sex-specific; female children work basically inside the house and on carpet weaving or in other household industries. Male children work in agriculture and outside the house. Children of the landless families, like their parents, depend on the wage-earning jobs available, particularly during the peak-season. Children of peasant families, on the other hand, work as unpaid family workers, and the larger the assets that the peasant family holds, particularly land, the greater the economic utility of the children. Some of these points can be illustrated with the published data from the 1971 sample survey of population and the 1972 agricultural census. Yet there is a need for intensive household-level studies for an understanding of the nature of the economic contribution of children and its relation to sex, age, family structure, and socioeconomic status.

Activity and Employment Rate of Children in Rural Iran, 1971

While macrolevel census data do not show the economic importance of children to families with particular demographic and socioeconomic characteristics, they suggest the economic importance of children in rural areas. From Table 1, it is clear that almost one-third of children ten to fourteen are economically active in rural Iran. This high rate is still based on the data collected in the off-season time. It would be about double during the peak-season, when there are a variety of activities for which the cheap labor of children can be used. The relatively significant labor contribution of children in rural Iran is more evident when the children’s activity rate is compared with the rates from other countries at different levels of industrialization (see Table 1). Indeed, Iranian children’s rate of participation in the labor force is significantly higher than the average rate for all agricultural societies.

The extent of children’s participation in the labor force varies by sex. While only 10-8 percent of female children are economically active, about 43 percent of male children are reported to be in the labor force. This differential in the rate of labor force participation by sex is related to the requirement of the work organization of females, particularly
unmarried girls, which should provide for their seclusion and separation. Such work organization is rarely provided for jobs outside the home, and jobs inside the household are not many. So the low rate of female children’s participation in the labor force is both a matter of supply and demand.

Sex-typing and Industrial Distribution of Employed Children

As noted above, children’s economic activities are sex-specific. The labor activities of female children are those possible inside the home, where they are separated from male strangers. On the other hand, the male children participate in a large range of activities outside the home. Data presented in Table 2 support the sex-specificity of economic activities. Table 2 presents the industrial distribution of employed

Table 1
Activity Rate of Children 10-14 in Rural Iran and Other Countries Classified by Degree of Industrialization

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Iran</td>
<td>43.0%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Industrial</td>
<td>4.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi-industrial</td>
<td>13.2</td>
<td>—</td>
</tr>
<tr>
<td>Countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural</td>
<td>23.9</td>
<td>10.2</td>
</tr>
</tbody>
</table>


— insignificant rate.

Table 2
Industrial Distribution of Employed Children 10-14 in Rural Iran, 1971

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>85.5%</td>
<td>27.3%</td>
<td>62.9%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.7</td>
<td>7.7</td>
<td>15.4</td>
</tr>
<tr>
<td>Others</td>
<td>6.8</td>
<td>4.9</td>
<td>5.6</td>
</tr>
</tbody>
</table>

children by sex. While 85.5 percent of male children are employed in agriculture, only 27.3 percent of female children are so employed. On the other hand, about 70 percent of employed female children are working in manufacturing, in contrast to only 7.7 percent of the employed male children. This high rate of employment of female children in manufacturing is due to the work organization of these activities in rural Iran. (Manufacturing activity in rural areas is primarily created by carpet and cottage industries, which are inside one's own family or sometimes in other families' homes.) Such work organization is approved by the religious barrier of seclusion and separation required for females.

Socioeconomic Class and Distribution of Employed Children by Class of Worker

Table 3 presents the distribution of employed children by class of worker. Almost 73 percent of all employed children are reported as unemployed family workers in contrast to only 24.1 percent employed as wage earners. There is no significant difference in type of employment by sex. 74.8 percent of employed male children and 77.4 percent of employed female children are employed as unpaid family workers.

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unpaid Family Worker</td>
<td>70.8%</td>
<td>77.4%</td>
<td>72.6%</td>
</tr>
<tr>
<td>Wage-earners</td>
<td>25.5</td>
<td>20.5</td>
<td>24.1</td>
</tr>
<tr>
<td>Own Account Workers</td>
<td>2.6</td>
<td>1.1</td>
<td>2.2</td>
</tr>
<tr>
<td>Others</td>
<td>1.1</td>
<td>1.0</td>
<td>1.1</td>
</tr>
</tbody>
</table>


Findings from the data presented in Table 3 point to the limitation of demand for wage-earning labor in the Iranian agricultural society. This limitation has important bearing on the relation between children's economic contribution and their socioeconomic class. In fact, the children of the landless class cannot afford to have their family carpets to work on; they depend on the jobs available from the landholding families. Yet most of these families have small holdings of land and
other assets, and they try to maximize their profit by full utilization of unpaid family labor, which results in scarcity of wage-earning jobs. Consequently, children have much less economic utility for landless families than for landed families. There are two possible demographic responses to this lower economic utility of children among landless families. It is possible that landless families limit their fertility and reduce the number of children (there are empirical data on this type of response). 6 Another possible explanation is the movement of the young male children of landless families to the cities for work. This alternative response is yet to be investigated.

Land, Technology, and Children: Economic Contribution

The availability of land as an important input factor in the demand for child labor is not only significant at the household level but also at the macrolevel across districts and provinces. In fact, the demand for child labor in agriculture is dependent on the availability of land, the essential element for agricultural production. In the past, the low rate of population growth and hence low rate of entrance into the labor force have made the land limitation a less significant factor in the demand for labor in general and for child labor in particular. High rates of population growth in today’s agricultural societies of Asia, however, make land availability an important factor in the demand for child labor. Furthermore, the relation between land availability and demand for children is influenced by the level of technology and the agricultural machinery available to replace human labor. In general, it is expected that land availability increases the demand for child labor, while the availability of agricultural machinery has a negative effect on this demand.

To test these hypotheses, we use the provincial level data available from the 1971 population sample survey and the agricultural census of 1972 of Iran. The choice of province as a unit of analysis is not ideal, but unfortunately, it is the only level at which the Iranian data are disaggregated in the latest publications. The 1972 census of agriculture provides the information on the amount of arable land, number of farming families, and the number of agricultural machines for each province. Two variables were constructed from these data: (1) a land availability variable, which is the ratio of arable land to the number of

farming families, or the amount of land per farming family averaged for the provinces; and (2) a technology variable, which is constructed by dividing the number of agricultural machines by the total hectares of arable land in each province.

Table 4 shows the simple correlation between children's participation in the labor force and the two determinants of demand for labor in agriculture across twenty-two provinces in Iran in 1971. When the activity rate of both sexes is considered as the dependent variable, the correlation between land availability and participation is positive, small, and statistically insignificant. Also, a negative correlation of 0.27 is found between children's participation in the labor force and the availability of agricultural machines such as tractors. Yet it is not statistically significant. Furthermore, there is no significant relation between the rate of children's participation and either of the two variables. The latter finding is simply explained by the fact that most activities of female children are within the home and less directly related to agricultural production.

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>0.40*</td>
<td>0.29</td>
<td>0.11</td>
</tr>
<tr>
<td>Technology</td>
<td>-0.54**</td>
<td>-0.42</td>
<td>-0.2*</td>
</tr>
</tbody>
</table>

Note

*Significant at 0.05
**Significant at 0.001

See text for definition of the variables.

When the rate of male children's participation in the labor force is considered, the results support our basic hypotheses. The positive correlation between land availability and labor force participation of male children is 0.40 and significant at 0.002. Similarly, the negative correlation between level of labor force participation and technology variable is 0.54 and statistically significant at 0.001. These strong correlations give partial support to our hypotheses regarding the
Availability of land and the level of technology applied in determining the current economic utility of children. Full support for these hypotheses, however, requires both household-level data and disaggregated data for the districts, more homogeneous areas that allow multivariate analysis of relevant variables, including various measures of social and economic modernization.

Conclusion

Macrolevel data from the 1971 sample survey of Iran’s population illustrate the importance of children’s economic contribution to the Iranian agricultural society. Almost one-third of all children and about 43 percent of male children ten to fourteen are reported as economically active in rural Iran. These activity rates, however, are underestimates of the economic contribution of children because they are related to the off-season and cover children of ten to fourteen. A large number of children below age ten are actively employed in economic production, and the activity rates during the period between May and September is much more than the rates observed from the census data. There are not only significant differences between the level of participation of male and female children, but there are also differences in the type of activity in which they are involved. Female children are basically employed in household industries and work inside the home, while male children are mainly employed in agriculture. Employment of both sexes, however, takes the form of unpaid family work. Almost 70 percent of employed children work as unpaid family workers. Hence, there are not many wage-earning jobs available at the village level. There is a significant positive relation between the availability of land and male children’s participation in the labor force and also a significant negative relation between availability of agricultural machinery and male children’s participation.

These macrolevel findings provide significant clues to the current economic utility of children, its differentials, the causes, and the consequences of these differences among rural families. Household-level data are needed for further understanding of the nature of the economic activity of children, its differentials and consequences.