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PORTUGUESE CHILD LABOUR: AN ENDURING TALE OF EXPLOITATION

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Abstract
Child working remains a significant minority activity in semi-industrialized parts of the Portuguese labour market. This article outlines the scale and spatial extent of the phenomenon before debating the role of children employed in the textiles, clothing and footwear sectors. We consider key determinants governing supply and demand for these workers together with an evaluation of state-sponsored efforts to alleviate the situation. Analysis shows that some factories in mono-industrial parts of north-west and central-eastern interior Portugal are continuing to resist the globalization of competitive pressures. This is achieved by reducing real labour costs, utilizing informal work practices, exploiting the cheap productive capacity which minors bring and the legislative loopholes which prevent its eradication.

KEY WORDS ★ child labour ★ informal work practice ★ manufacturing industry ★ Portugal

Extent of child labour
Portugal has struggled to compile accurate information on a child-working phenomenon which, by its clandestine nature, does not lend itself easily to rigorous investigation (Ministério do Trabalho e Solidariedade, 1999). The broadcast of several documentary TV programmes in the 1990s helped...
raise the issue into public consciousness (Pestana, 2003). Moreover, trade union concerns, media debate and political pressure from the European Union (EU) led to calls for investigation. Surveys were undertaken resulting in speculation that, in the first half of the 1990s, up to 200,000 child labourers were at work (Williams, 1992). However, the most recent authoritative estimate in 2001 suggested that there were 49,000 child workers, comprising around 4 percent of all Portuguese children between the ages of six and 15 (ILO, 2002). While the variation in figures suggests a decrease during the decade, it is clear that child labour still represents a significant minority activity. The 2001 household survey showed that agriculture (particularly in the small holding/family plot sectors) accounted for the largest proportion (around one half) of children working in Portugal. But it is in manufacturing that the issue is most fiercely contested. According to the ILO (2002) some 13 percent of all child workers were found employed illegally in the secondary industry, and in turn, almost 4 percent of those were working in the textiles, clothing and footwear (TCF) sectors. The number of children working directly in factories has fallen since the turn of the millennium, but a crude calculation suggests that there are still 1,960 children at work, stitching clothes, knitting woollen wear and assembling shoes.

While some new forms of child labour in theatre shows, fashion modelling and advertising have emerged (Pereira, 2004), most labour is still of a traditional and informal nature (Sarmento, 2004). The spread of small and medium-sized industrial businesses in north-west Portugal is rooted in the minifundismo (small, local farming) land ownership pattern. It reflects long-standing management models and relies upon a strong family-based entrepreneurial spirit, in terms of self-subsistence and/or self-employment. Both of these production environments have utilized child labour, meaning they are now common in the agricultural, civil construction, manufacturing and commercial sectors (SIETI, 2003). These workers, invariably encouraged by family circumstances, can be found in locations as diverse as farms, smallholdings, quarries, factories, market stalls, cafes, restaurants, boarding houses and circuses. In extreme cases, these activities can extend into prostitution or the exploitation of trabalho infantil (those under the legal minimum working age of 16) in pornographic literature or as drugs-couriers (Cecchetti, 1998). Given this range of activities, the remainder of the article will focus upon the manufacturing sector, and one subsector – textiles, clothing and footwear – in particular.

### Labour market issues

The distribution of working children in manufacturing illustrates the localized nature of the TCF industry and its spatial concentration in the north-west of the country. Textiles factories are common in many small towns and villages around the urban centres of Braga, Guimarães and Porto, along the Ave Valley, as well as the central-eastern distritos (counties) of Guarda and Castelo Branco. As the scale of analysis becomes smaller, the influence of child labour becomes more important. Indeed, in many mono-industrial towns such as Felgueiras, the TCF (and, in this case, shoe-making) factories may provide the only source of locally available jobs for adults and children alike. At the micro scale, therefore, and as we shall see, child labourers continue to underpin local economies and give ongoing cause for concern.

Employment of this type reflects the internationalization of Portugal’s economy, especially since the 1960s, and through accession to the EU in 1986 (Goulart and Bedi, 2007). This process, fuelled by the country’s comparatively cheap labour costs (Corkill, 1999: 114–24), favoured those traditional, labour-intensive and low-skilled sectors of industry where the advantages of using even cheaper child workers could be exploited. Faced with competitive strains imposed initially by joining the Single European Market, as well as more recently by exposure to increasing global competition (from China, Turkey, etc.), Portugal received considerable EU structural and cohesion funds to modernize its industry (Syrett, 2002: 73, 79). While many TCF firms built new factories, invested in new machinery or upgraded the quality of their products to add value and become export-oriented, some business people preferred to cut labour costs further. Industrialists took advantage of employing perhaps 10 children for the equivalent of one adult worker’s wage, but gaining 10 times the productivity from their collective inputs (Eaton and Pereira da Silva, 1998: 338). The flexibility afforded by these
illegal child labourers, and the lack of any requirement for them to register for social welfare or national insurance contributions, meant that factory owners were able to seek further comparative advantage by significantly reducing their real labour costs. In turn, the question of whether these firms only survive due to the availability of child labour or whether, because child labour exists, they adapt the labour process to rely on child labour in order to increase the rate of profit, is an interesting one. Despite this conundrum, the outcome appears to have been a polarization of wealth: many business people earned comfortable livings and demonstrated considerable levels of disposable income. Felgueiras has the second-highest concentration of ownership of Ferrari sports cars (behind Monaco) in Western Europe but only 81 percent of the average Portuguese per capita purchasing power (INE, 2007). At the same time, many of the child workers continue to operate in precarious, sometimes even dangerous working conditions (SIETI, 2003), with little recourse to health and safety protection.

Ironically, these factors gave many local economies a resilient nature. In the face of economic recession affecting Portugal since 2000 many businesses have applied for bankruptcy. Between 2005 and 2007, annual closures increased from 2,055 to almost 4,000, and in 2007, 838 manufacturing companies shut down; a number of which were in the TCF sector (Almeida, 2008). In the central-eastern interior of Cova da Beira (a traditional textile-producing area centred upon Covilhã, Belmonte and Fundão), 51 textiles operations closed between 1994 and 2006, resulting in the loss of 3,500 adult workers jobs (Pereira, 2008). These employment reductions and loss of wages have had severe impacts on household incomes in the area. However, many other factories simply reduced their adult workforce, and cultivated a level of production based upon trabalho infantil. These informal labour market arrangements have, therefore, enabled many local economies in semi-rural, semi-industrialized and peripheral parts of the country to survive the downturn. Moreover, several multinational (e.g. Zara/Inditex) and domestic companies have subcontracted out their production as international textiles tariffs have decreased, further increasing the role of small businesses in this sector. Consequently, for many unemployed and impoverished parents the only way to generate much needed income was through the industrious efforts of their children. This often came at the expense of their attendance at school and educational attainment, and in a further twist, helped contribute to the ongoing cycle of deprivation found in these areas (Chagas Lopes and Goulart, 2005). The question remains, however: will child labour disappear as TCF factories close, or, will the closures serve to strengthen the informal networks still remaining by increasing the number of children employed?

Determinants of child labour

Child labour often occurs in circumstances where much of the population is either complacent or actively in favour of it. Barroso (2001), a representative of CAP (Portugal’s large and medium-sized farmer’s/landowner’s association), for example, argued that working would: ‘avoid the [children] wandering without anything to do, or spending the money they don’t have gaining addictions, some of them very serious.’ His words echoed the findings of Villaverde Cabral (1995) who claimed that 42 percent of Portuguese believe child labour is acceptable in certain circumstances. Some parents question the value of an expensive and poor-quality education system, with too few highly trained teachers and outdated facilities. Others see child work as an empowering process, giving them life and vocational skills which they could not gain in school. It is not surprising, therefore, to find that the authorities have struggled to alter engrained attitudes, especially ones that have prevailed in semi-peripheral areas of the country for generations.

Key determinants of child labour include, on the supply side, growing adult unemployment rates and chronic poverty among families (Invernizzi, 2005); and, on the demand side, factory owners willing to offer work opportunities to menores (minors) in many of the semi-rural, and partially industrialized areas of the country. In the face of considerable pressures on household incomes, families opted to put their children into employment rather than gaining an education or engaging in leisure activities (Chagas Lopes and Goulart, 2005). This cultural determination means that, while in the short term the household may benefit from them earning money, in the longer
term these youngsters’ ambitions are being impeded. Entering the job market too early can have a detrimental impact on children’s abilities to gain qualifications, proceed to higher education, and ultimately improve the country’s human capital (Goulart and Bedi, 2008). It is a dilemma with few easy solutions.

Initiatives aimed at alleviating child labour are embodied in Portugal’s Programa para Prevenção e Eliminação da Exploração do Trabalho Infantil (PETI – Programme for the Prevention and Elimination of the Exploitation of Child Labour). Established in 2004, and utilizing the slogan ‘Our Work is to Study’, this government-sponsored organization was charged with altering the ‘intolerable’ exploitation of those minors in work, as well as rectifying the tendencies for some to abandon their schooling early (PETI, 2006). Significantly, PETI was not compelled to eradicate child labour but rather was expected to influence the poor conditions under which children were working so that their life experiences could be improved. This assumption – that it is better to alleviate what exists rather than to try to end a working pattern which has been utilized by many families for generations – is important. In a time of rapid societal change but enduring deprivation in many semi-peripheral parts of the country, the entrenched attitudes among some industrialists and the complacency of society at large appear to have conditioned the government’s level of intervention. As a result, and in spite of its members’ commitment, this lack of judicial or regulatory power suggests that PETI’s efforts may bring only limited success.

Discussion

Returning to the case of Zara, the retailer’s parent company Inditex, based in Madrid, investigated the allegations made against it. In a recurring theme, the company found no evidence of children at work in its subcontracting firms. Given the press coverage and the likelihood that evidence of children working would have been removed or ‘covered up’, there is a suspicion that little has changed. Indeed, technically, the engagement of Carlitos and Miguel to sew shoes is not an offence under current Portuguese labour legislation. Informal arrangements have exploited a loophole which is linked to subcontracting and working in a private home on behalf of a company for piece-rates is considered a legal activity. Not surprisingly, therefore, this newer, disguised form of child labour has proliferated (Sarmento et al., 2005), although its real scale remains unknown and almost impossible to control.

Even in the more traditional setting where children work in small factories, denial of its existence is still common. Between 1998 and 2001, surveys suggested an increase in attendance at school and a decrease in children working outside the household, results which were corroborated by intensified inspections by the Inspeção Geral do Trabalho (IGT – Portugal’s General Inspectorate of Labour). Nevertheless, detections of child labourers are rare, especially as it is not always evident where the household starts and the factory stops in these small, independent, enterprise-led economies. Between 2002 and 2006, for example, the IGT found a total of 97 child workers in more than 45,700 factory visits. The detection rate, if reliable, of one child per 471 inspections shows significant improvement on previous years (between 1997 and 2001, there were 808 minors found in 21,400 inspections giving a 1 in 26 detection rate) but it is still a feature (IGT, 2007: 38). Furthermore, detection is only part of the story because corruption and complicity within local communities continues, prosecutions of exposed employers are scarce, and deterrents such as fines and custodial sentences remain largely ineffective.

In conclusion, child labour in Portugal’s TCF industries is closely linked to the geography of the sector, with its concentration in the north-west and central-eastern interior. Factories in many mono-industrial settlements such as Felgueiras are resisting the globalization of competitive pressures through reducing their real labour costs and utilizing child workers. To some extent, we have seen that this is culturally determined and locally acceptable practice. This is because many towns are rooted in a culture of small-scale farming and part-time industrial work where children have long been employed. It is a complex phenomenon, and while child labour has decreased in Portugal it has not been eliminated. Industrialists in the TCF sectors continue to offer direct – and, increasingly, indirect – employment to minors in the domestic household sphere. Often this occurs with the tacit approval of
parents and almost invariably with low levels of pay. Financial expediency and the practical reality for some children having to abandon education early to work and earn money (however small) often outweighs the moral objections raised by concerned parties. Therefore, as long as the practical and financial benefits to local communities outweigh the indignation which periodically surfaces among NGOs, trade unions, educational watchdogs, community associations, politicians and the general public, it is likely that allegations like those which ensnared Zara will continue to emerge.

Indeed, unless interested stakeholders come together to alter the structural (mono-industrial, cultural and educational) characteristics which promote the use of child labour, little will change. Some localized Portuguese economies will continue to exploit both the cheap productive capacity which minors bring to the labour market, and the legislative loopholes which prevent such practices’ eradication.

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