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# Impact of Economic Growth and Child Labor: Evidence from Sub-Saharan Africa Countries

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**Abstract:** This study examines the impact of economic growth and child labor in Sub-Saharan Africa countries using a panel data from 1990 to 2017 for 32 countries. We apply the Generalized Methods of Moments (GMM) as our main estimating technique with robustness checks using two-stage least squares (2SLS) regression analysis to address the endogeneity that could cause the direction of the bias to be either positive or negative. This study seeks to establish the causal link between economic growth and child labor, which suggests important implications for eradicating child labor for Sub-Saharan African Countries. Results found that the real GDP as an explanatory variable shows a positive and significant coefficient at 1% level. The explanation could be the inclusion of institution variable which suggests that stronger institutions reduce child labor regardless of whether real GDP is increasing or not. Therefore, results show that economic growth initially increases child labor but as growth is sustained over time, child labor tend to decline in Sub-Saharan African countries. This study provides several implications for the policymaker on globalization and child labor, and suggests effective policy against child labor on promoting the development of functioning credit markets in Sub-Saharan African countries and facilitating access to these markets for poorer households. Continuing investment in building the knowledge base on child labor needs to inform policy responses. Finally, International cooperation and partnership will also be critical to progress an end to child labor.

**Keywords:** Child Labor, Economic Growth, Generalized Methods of Moments