

Position Paper - Children's issues

1. Introduction

This paper attempts to identify the main ethical issues involving children. It describes the unique ethical characteristics of children, and their essential vulnerability, in that they are often the first to suffer when things go wrong. It notes the general principles set out in the UN Convention on the Rights of the Child and describes the ethical issues highlighted on the websites of the UK's leading charities and UNICEF.

Finally, issues are categorised by industrial sector to guide Epworth ethical investment research and engagement work. The need for a paper on ethical issues involving children demonstrates that increasingly ethical issues such as climate change and human rights cut across traditional sector based ethical investment, and require a more general approach. Ultimately an Epworth Policy Statement relating to children's issues should be agreed.

2. The Ethical Distinctiveness of Children

Considered from an ethical perspective, children have a number of unique characteristics which could be overlooked in traditional ethical investment analysis. These characteristics include:

2.1. Not Legally Competent

In Western societies children are the only class of people in good mental health who may legally be discriminated against. Indeed, the legal codes of virtually all countries define children as human beings beneath the age of majority (18 years in the UK). As such the law determines that as minors they are not legally capable of running their own affairs, which is left to other adults, normally parents, to act as guardians for them. Children cannot have full bank accounts in their own name, nor vote. They are also subject to legal age limitations upon types of activity, such as 16 for sexual intercourse, 17 to drive a car etc. Historically children had minimal legal rights, with their parents or guardians having almost unlimited authority over them. However, in recent years jurists have tried to rectify this, at least in part, by arguing for children to have clear specific rights. Such thinking led to the drawing up of the Convention on the Rights of the Child (see section 3).

Some advocates of children's rights argue that it is their status as minors, rather than their physical status or developmental ability that causes children to be especially vulnerable. They believe that these legal structures can mask the way that adults abuse and exploit children, and lead to child poverty, lack of educational opportunity, and child labour.

2.2. Legal Status and Corporal Punishment

As minors children do not have legal autonomy or the rights to make decisions on their own for themselves, as a child can not legally give informed consent. The latter can lead to difficulties when medical intervention is required, as parents or other guardians must make decisions on behalf of children in their care.

They are also physically small and weak compared to adults. When the legal system intersects with a child's life it normally does so in a distinct way from adults. This includes juvenile delinquency, due process for children involved in the criminal justice system, appropriate representation, and effective rehabilitative services. Children may also end up in the care of the state through no fault of their own through parental death, family break-down, or even abandonment. Consequently, care and protection for children are essential. Such care must ensure access to education and freedom from any kind of abuse.

Historically children in western societies have been subject to corporal punishment. However, it is now generally outlawed in educational establishments outside the United States, where it remains legal. The UN Study on Violence against Children has set a date of 2009 to ban corporal punishment completely, including in domestic situations.

2.3. Education and Future Citizens

In virtually all countries children are legally obliged to attend educational establishments, reflecting the opinion that it is both in their, and in society's interests for them to do so. This also shows that children are seen as potential future citizens who must be trained, if they are to assume their responsibilities effectively. This also affects corporate behaviour in countries where employment of children can restrict or prevent access to education.

2.4. Vulnerability and Easily Influenced

Children are physically small compared to adults, and are easily coerced into actions they might not wish to do. It is also arguable that their lack of experience means that they are easily influenced by advertising, which can for example persuade them to consume excessive amounts of snack foods which are bad for their health. Finally, their relative weakness can mean that they are first to suffer from natural disasters such as famines.

2.5. Economic Weakness

Children are inherently economically weak because of their legal 'minor' status. Their lack of employment skills such as job experience and physical strength also means that their opportunities to earn money are limited. Particularly but not exclusively in agricultural developing countries, children may be expected to work without pay at harvest time. This may not necessarily be a bad thing if done within the context of an individual family struggling to survive on subsistence farming, but it can also turn into 'bonded' labour, where children are essentially sold as slaves.

However, in most developed countries the employment of children is highly regulated. There are also often controversies about suppliers to western companies employing children in developing countries.

2.6. Trafficking

Child trafficking is the recruitment, transportation, and harbouring of children for the purpose of exploitation. Types of exploitation include forcing children into prostitution or other forms of sexual exploitation, forced labour, slavery or even the removal of organs. According to the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, there is widespread use of illicit means such as: use of force or other forms of coercion, of abduction, of fraud, of deception. Trafficking is also one of the worst forms of child labour as defined by the ILO convention 182.

2.7. Child Pornography

Child pornography refers to material depicting children being in a state of undress, engaged in erotic poses or sexual activity. Children are sexually abused in the production of child pornography when sexual acts are photographed. Legal definitions of child pornography generally refer to any pornography involving a minor, and also refers to any recording (photograph, video, or audio) of sexual activity involving a prepubescent child.

Although child pornography is a serious crime in most developed countries, it is also a large and profitable illicit industry. According to the International Centre for Missing and Exploited Children (ICMEC) and other international sources, child pornography is a multi-billion dollar industry and among the fastest growing criminal segments on the Internet.

2.8. Child Abandonment

Child abandonment is the practice of abandoning children outside the legal adoption process. Causes include many social and cultural factors, as well as mental illness or family break down. The abandoned child is called a foundling as opposed to a runaway or an orphan.

Poverty is often a root cause of child abandonment. Persons in cultures with poor social welfare systems who are not financially capable of taking care of a child are more likely to abandon him/her. Political conditions, such as difficulty in the adoption process, may also contribute to child abandonment, as can the lack of institutions, such as orphanages, to take in children whom their parents can not support. Societies with strong social structures and liberal adoption laws tend to have lower rates of child abandonment.

2.9. Abortion

One of the most controversial children's issues in western societies is whether unborn children, fetuses, should have legal rights. In some countries laws seek to protect or otherwise recognize the foetus. The Constitution of The Republic of Ireland recognises 'the right to life of the unborn'. Most developed countries grant foetal recognition under specific conditions, for example the murder of a pregnant woman may count as a double murder. However, many pro-choice groups oppose foetal rights because they perceive this as a potential threat that could lead to the restriction of abortions. There are similar debates about the ability of fetuses to feel pain, leading to debate about whether they should be anaesthetised before abortions are carried out.

3. Growing Importance of Children's Issues

3.1. Growing Societal Concerns about Children's Issues

Epworth is increasingly coming across issues specifically relating to children in its ethical work. In part this reflects society's greater focus on child health and protection. Consequently, when Epworth carries out ethical research on a company, children's issues are being identified with greater frequency. The following are examples:

- Child obesity is a major and growing problem in the UK, and it is attributed in part to increased consumption of snack foods. The UK government has identified heavy advertising of snack foods by the manufacturers during children's television programmes as a contributory factor to child obesity. Epworth has questioned Nestlé about its policies in this area.
- Child safety on the internet and on mobile phones, including accessibility of 'adult content' and gambling services to children. Epworth has been in discussion with Vodafone on the development of policies in this area.
- Child labour is a major topic in supply chain work and there is a major concern about the prevalence of child slavery. Epworth has investigated West African cocoa plantations in this context.
- There is also growing concern about children and the pharmaceutical industry, ranging from the inappropriate testing of new drugs, to the concealment of adverse medical data about the effect of drugs on children. Epworth has engaged with various pharmaceutical companies on specific allegations.
- Since children are deemed to be not legally competent, activities which affect them have clear public interest implications. There are also policy implications about issues which impact the role of the family in society.

3.2. Increasing Interest from Children's Charities

Another reason for Epworth to take greater note of children's ethical issues arises from the fact that some of its clients, most notably Action for Children (NCH), seem to be looking for a closer match between their campaigning or advocacy work and their investment policy. These charities obviously have great expertise in children's issues which could help Epworth's work in this area.

3.3. Possible Help in Engagement Work

The issues identified in this paper should assist the Epworth team in its engagement work with companies. Epworth works closely with the Connexional Joint Public Issues Team on ethical issues, and it may prove helpful to all parties to exchange ideas and information. In 2007 our ethical work on Nestle was discussed with Save the Children, which includes the marketing of breast milk substitutes as one of its leading advocacy issues.

3.4. Structure of Children's Ethical Work

It seems appropriate for children's issues to be managed within Epworth's existing ethical framework of alcohol, defence, etc, rather than as a category in their own right. In other words, there is a need for an extra ethical dimension for issues such as children's rights that transcend the traditional company sector based ethical framework.

4. The UN Convention on the Rights of the Child

4.1. Status of UN Convention

The Convention on the Rights of the Child is a legally binding international instrument extending the full range of human rights – civil, cultural, economic, political and social, to children. The United Nations General Assembly agreed to adopt the Convention into international law as an advisory resolution on November 1989.

By agreeing to undertake the obligations of the Convention (by ratifying or acceding to it), national governments have committed themselves to protecting and ensuring children's rights. State parties to the Convention are obliged to develop and undertake all actions and policies in the light of the best interests of the child. By 2007 all member nation states of the United Nations, except the United States and Somalia, had ratified it.

4.2. Children's Basic Human Rights

These rights are set out in 54 articles and two Optional Protocols. The key rights are:

- to survival;
- to develop to the fullest;
- protection from harmful influences, abuse and exploitation;
- to participate fully in family, cultural and social life.

4.3. Key Principles

The four core principles of the Convention are:

- non-discrimination;
- devotion to the best interests of the child;
- the right to life, survival and development;
- respect for the views of the child.

The Convention protects children's rights by setting standards in health care; education; and legal, civil and social services.

4.4. Optional Protocols

The Convention also has two optional protocols, adopted by the UN General Assembly in May 2000 and applicable to those states that have signed and ratified them: The Optional Protocol on the Involvement of Children in Armed Conflict and the Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography.

4.5. Monitoring and Compliance

All countries that have ratified this international convention are bound by it by international law. Compliance is monitored by the United Nations Committee on the Rights of the Child which is composed of members from countries around the world. Governments of countries that have ratified the Convention are required to report to, and appear before, the United Nations Committee on the Rights of the Child periodically to be examined on their progress. Their reports and the committee's written views and concerns are publicly available.

5. Identifying Specific Issues Using Children's Charity Websites

The Convention on the Rights of the Child deals in general principles. In order to determine more specific children's issues the websites of six of the UK's leading children's charities were analysed to see what issues are of concern to them. It should be noted that children's charities carry out advocacy work to influence public opinion and government policy, so that some of the issues may not be relevant to quoted companies. For example, there are campaigns to reduce child abuse and child pornography, issues which are illegal under UK criminal law, and so are most unlikely to be of direct concern to UK quoted companies. Nevertheless, these issues are important as illustrating subjects of particular concern to children's charities, and they may well be of indirect relevance to companies, such as in relation to the restriction of child pornography by Internet providers.

These charities believe that children's human rights are violated for several reasons:

- Governments rarely prioritise children, and fail to recognise that they have rights;
- Children are not listened to leaving them disempowered and vulnerable to exclusion and exploitation.

One charity focuses on 'Health and HIV/AIDS'. It notes that a large number of children die each day in developing countries from pneumonia, diarrhoea, malaria and measles, and that children who are malnourished are at far greater risk of dying from these causes. Adolescents and young adults face the greatest risk from HIV and AIDS. Every day 1,400 children die from an AIDS-related illness and another 1,800 are newly infected with HIV, while around 58 million children suffer from acute malnutrition due to famines, with many more suffering from chronic malnutrition. Child malnutrition is not just a problem overseas, as UK families may struggle to eat healthily on a low income.

There are also campaigns against the worst forms of child labour, which involve children living in slave-like conditions, separated from their families or exposed to serious danger and illness. Other charities concentrate on the UK's most vulnerable and excluded children and young people, noting that such children, young people and families face difficulties such as poverty, disability and abuse. There are also the particular needs of disabled children and their families, and of young people leaving care. Children and young people are adversely affected by parental drug and alcohol misuse. For children living in families where parents are affected by drugs or alcohol misuse, life can be extremely challenging, often affected by domestic violence, poverty, low self-esteem and they may even be forced into prostitution.

A group of UK children's charities work together under the banner of the Children's Charities' Coalition for Internet Safety (CHIS) campaigning on internet issues. CHIS produce a manifesto for child safety online. The threats to children that can arise on the Internet include:

- Children and young people inadvertently or deliberately accessing either illegal or inappropriate sexual or violent material – illegal material could involve children or adults.
- Targeting and grooming of children by predatory adults through chat rooms, possibly adults posing as children.
- The abuse of children, in some cases in real time using web cams, in order to provide material for paedophile news groups.
- The use of email, instant messaging etc to bully and harass other. This may be more likely to occur between children and young people.

6. UNICEF

Originally known as the United Nations International Children's Emergency Fund, UNICEF was created by the United Nations General Assembly in 1946, to provide emergency food and healthcare to children in countries that had been devastated by World War II. It aims to provide long-term humanitarian and developmental assistance to children and mothers in developing countries. It has increasingly focused on the Millennium Goals, campaigning for preventive and curative health care including immunization, adequate nutrition, and safe water and basic sanitation.

UNICEF is currently focused on five primary priorities: Child Survival and Development, Basic Education and Gender Equality (including girls' education), child protection from violence, exploitation, and abuse, HIV/AIDS and children, and advocacy and partnerships for children's rights. UNICEF believes that educating young women yields major benefits for current and future generations, and that this specifically affects a range of UNICEF priorities including child survival, children in family, immunization, and child protection. Another project is called 'Immunisation Plus', which ranges from client education to nutritional supplements to insecticide-treated mosquito netting.

UNICEF uses the term 'child protection' to refer to preventing and responding to violence, exploitation and abuse against children and teenagers up to 18 yrs – including commercial sexual exploitation, trafficking, child labour and harmful traditional practices, such as female genital cutting/mutilation and child marriage. UNICEF's child protection programmes also target children who are uniquely vulnerable to these abuses including: living without parental care; in conflict with the law; and armed conflict. UNICEF estimates that approximately 218 million children aged 5-17 are engaged in child labour, excluding child domestic labour. Some 126 million of these children are believed to be engaged in hazardous work. UNICEF also runs several programs dedicated to controlling both online and off-line child pornography.

HIV/AIDS is another major issue for UNICEF. It calculates that 15 million children are now orphaned due to AIDS, and that by the year 2010 in sub-Saharan Africa alone, more than 18 million children will have lost at least one parent to AIDS. Of the 2.1 million children living with HIV in 2007, 420,000 were children, mainly through mother-to-child transmission. Through its Unite for Children campaign, UNICEF is actively drawing the world's attention to the fact that children are still largely missing from the global response to HIV and AIDS. It does so by sharing evidence on the situation of children affected by HIV and AIDS, convening a wide range of stakeholders to ensure better international coherence and coordination of responses.

7. Identifying Specific Children's Issues by UK Equity Market Sector

7.1. The Energy and Mining Sectors

The oil and gas sectors do not have any direct child related issues, as their products are not judged as ethically unacceptable in their own right and they normally employ only adults. However, indirectly there are a number of ethical issues.

- Particularly in the mining industry, the establishment of dormitory camps for miners has been with linked with the spread of HIV/AIDS in developing countries such as South Africa. Epworth has discussed anti-HIV/AIDS measures such as health education and the provision of anti-viral drugs with mining companies.
- The development of oilfields and mines often involves the relocation of local communities, and the affect of this on children, especially through their education, should be assessed.
- It could also be argued, that global warming is the ultimate children's issue since its impact will be felt mostly by future generations and in developing countries.

7.2. The Industrials Sector

There would seem to be few sector specific children's related issues in the industrials sector other than the armaments industry. Children are a major casualty of war and the Epworth position of avoiding investment in military related companies would seem appropriate. A military product of great concern relating to children is land mines given their indiscriminate nature. Indeed, it has been estimated that land mines kill and injure far more civilians than they do military personnel. However, their production has declined since the signing of the Ottawa Treaty on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction, in 1997. This bans completely all anti-personnel landmines, although only anti-personnel mines are covered and not mixed mines, anti-tank mines etc. It is worth noting that the campaign to outlaw land mines was championed by Diana, Princess of Wales, who visited Angola in January 1997, and highlighted the fact that Angola's population was approximately 10 million and had about 10-20 million land mines in place from their civil war. Diana's work with landmines focused mostly on the injuries causes by them to children. The UK was one of the first signatories to the Ottawa Convention in 1998. However, major countries such as China, India, Russia and the United States, are not party to the Convention. It should also be noted that cluster bombs, which sprinkle mini-bombs, are not covered by the Ottawa Convention, and so continue to cause harm to children, although this omission might change following the Oslo Conference in December 2009.

7.3. Consumer Goods

The consumer goods sector has several specifically children's related ethical issues. The contribution to ill-health and family break-up of alcohol abuse, has a particularly negative impact on children. Similarly, tobacco products are a major concern for children. Epworth's avoidance of alcohol producers and tobacco producers would seem appropriate. However, many retailers derive a substantial proportion of their turnover from these products. Of particular importance are products designed to attract children to alcohol/tobacco such as alcopops, and cheap own brand cigarettes and alcohol. The leisure goods sector also raises supply chain issues, i.e. the employment conditions of children in developing country suppliers.

The food manufacturing industry has attracted criticism over a number of children's ethical issues. Over the years the marketing of breast milk substitutes has been a high profile issue in the UK, although this seems to be gradually declining. However, issues relating to childhood obesity are increasing in public and political concern. These include the inappropriate advertising of sweets and snacks during children's television programmes, the quality of school meals produced by private contractors (support services), and placing of commercial vending machines for sweets and soft drinks in schools. There are also supply chain issues such as alleged child slavery on cocoa plantations. Food prices have surged in recent years, with this price increase attributed at least in part to speculation, and Epworth should be wary of any involvement in such speculation. From an ethical viewpoint it should be noted that such high food prices disadvantage the poorer groups in society, of which children form an important part.

7.4. Healthcare

The healthcare sector has also attracted unwelcome public criticism about a number of child related issues. Probably the most high profile of these was the 'Access to Medicines' campaign which alleged that large pharmaceutical companies were blocking access of their products for patent reasons to critically ill HIV/AIDs patients in developing countries. There have also been concerns about the inappropriate testing of new drugs on children, and the alleged concealment by GlaxoSmithKline of adverse medical data about the effect of drugs on children, which may vary considerably from the way they affect adults. However, the European Union has proposed legislation that would oblige pharmaceutical companies to take children's unique health risks into account. On the other hand, there is growing public concern in the United States about the widespread and increasing use of psychiatric medicines to control child behaviour.

The pharmaceutical industry has also been criticised for its lack of research and development spending on potential new drugs for illnesses that kill millions of children each year such as malaria, as it is accused of focusing on more profitable 'lifestyle' drugs for the affluent West, although reports in the British Medical Journal suggest that this is changing. The Gates Foundation has also funded research on such unfashionable areas of medicine. There are also general questions of how new drug research is financed, what levels of profitability are acceptable and how the manufacture of cheap generic versions of drugs and patent protection can be reconciled.

7.5. Consumer Services

Retailers face supply chain issues related to the employment conditions of children in the developing world. Is adequate educational provision made? Media companies should have restrictions on inappropriate content being available to children such as violent or pornographic material. Telecommunication companies face similar challenges to media companies, but the interactive nature of their products also highlights questions of child safety on the internet, child location devices on mobile phones, and access to gambling activities on mobile phones. There are also concerns about the way children can run up debts on mobile phone or internet services. In the leisure industry it would be helpful to discuss restrictions, if any, on holiday travel linked to child prostitution. Holiday travel also faces broader issues about its contribution to climate change.

7.6. Financials

While there is little in the financial sector that is particularly child related, it should be noted that family break-up is a major cause of difficulty for children. While this can be due to alcohol or drugs, it can also be due to debt problems. This should inform discussions on predatory lending. The Epworth practice of avoiding companies involved with usurious lending practices would seem to be appropriate. Bearing in mind child poverty and high unemployment among young people in many countries, financial support for young people, including microfinance, is an important issue. The Prince of Wales International Business Forum offers disadvantaged young people around the world loans, and it would be interesting to ask the big banks whether they do this.

7.7. Technology

The main ethical issues for the technology sector would seem to be supply chains, involving the assembly of hardware equipment in developing countries. There is also the production or distribution of unsuitable material – e.g. ‘video nasty’ games. On the other hand, some technology companies do have strong community activities which would help children. For example, Microsoft has a Community Skills Programme, while in France Alcatel-Lucent has formed the Cercle Passport Telecoms to help disadvantaged youth.

7.8. Support Services

The privatisation trend of the last twenty years has seen activities carried out by private companies that used to be the exclusive province of government. Custody and secure transport services are one example of this. Support services companies such as G4S that operate detention centres could be pressed on the measures they take to ensure that young people in their facilities are protected from harm.

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