The ability to inhibit inappropriate actions and irrelevant information is important for adaptive functioning. Inhibitory skills emerge early in life, with significant growth occurring during the period of early and middle childhood. I will present two studies examining factors that influence children's inhibitory performance and its neural correlates. In the first study examining the effect of time pressure, we found that the inhibition-related brain activation in children differed from that observed in adults. Despite this immature pattern of activation, children responded strategically to optimize performance under time pressure. In the second study examining the effect of emotional information, we found that emotion had a global effect on cognitive performance in children, regardless of whether inhibition was required. The effect of emotion, however, differed by valence — positive emotion facilitated performance and negative emotion impaired performance. The findings from both studies advance our understanding of inhibitory abilities in children, and could potentially be applied to both social and educational settings where children are required to exercise inhibition.