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Impact of Poverty on Children and Ways of Tackling it: Save the Children’s Global Experience

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A. INTRODUCTION

It is a pleasure and privilege to be here, and very encouraging to see so many people interested in this critical issue. In my presentation today, I want to share with you Save the Children’s overall approach to poverty in childhood – how we understand it, why we think it is such a critical problem, and our experience of some policies that may be effective in reducing it. My colleagues from different countries will go into more detail about the key issues they face, and how the PRSPs in their countries are – or are not – addressing issues of child poverty.

I’d like to start with the words of children, living in poverty in different countries around the world, with whom Save the Children works:

• My aunt…. mistreats me and has refused to pay my school fees so that I can go back to school When I ask her for school fees …. she normally tells me ‘did your dead father leave me money to educate you? (13 year old girl, Uganda)

• Basically, kids here don’t go to school for lack of money. And because they don’t have money, they can’t buy winter clothes (girl, Kyrgyzstan).

• People think of you differently. You haven’t got the money for the right equipment for school and other people make fun [of you] (Wales, UK)

• I give half the wages to Mum and I buy food with the rest – tortillas and salt. When I’m hungry I like everything. I’m hungry a lot (Honduras)

• Because of poverty, girls are driven into sex work and end up with unwanted pregnancies, becoming girl mothers (Uganda)

As we can see from these quotes, childhood poverty and deprivation has many faces. It is:

- the child who can’t go to school because her family can’t afford it, or who goes to school but gets behind other kids because there’s no electricity to study at night
- the child who suffers a severe illness that may kill him because his family can’t afford the medicines that would save him
- or the child disabled by a preventable or curable disease who will now have to spend a lifetime fighting the discrimination that disabled people face
- the many millions who live in overcrowded houses that don’t protect them against the weather, where diseases flourish, or who have no home.
- who play among other people’s excrement because there are no toilet facilities
- who have to walk miles to get water, and have to use precious fuel to boil that water and make it safe to drink
- the girl who, when she grows up and has children herself, will face difficult childbirth and even death because she was undernourished in her crucial early years
- it is the boys and girls, forced to work long hours in dangerous conditions for little or no money at risk to their health and education
it is the **young people who turn to gangs and violence**, because the gangs provide them a source of self-esteem and income, even a substitute family.

As we know, these risks are often more acute for marginalized ethnic groups, and some are greater for girls, some for boys.

**B. WHY IS CHILDHOOD POVERTY SUCH A PRESSING ISSUE?**

**B.1 This is a problem on an enormous scale.**

The numbers of children living in poverty are enormous and an outrage. UNICEF has recently calculated that using a very tight definition, over 1 billion children worldwide suffer from severe deprivation and 674 million live in absolute poverty (Gordon et al, 2003).

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Never been to school</th>
<th>Severely malnourished</th>
<th>No access to any kind of toilet facility</th>
<th>Have never received immunisations or have chronic, untreated diarrhoea</th>
<th>Use unsafe water or have more than 15 minutes walk to water source</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of children (millions)</td>
<td>134</td>
<td>91</td>
<td>500</td>
<td>265</td>
<td>376</td>
</tr>
</tbody>
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These numbers are not just enormous on a global scale – in many countries, children under 18 make up the majority of poor people. Indeed, almost everywhere, children are more likely than the rest of the population to live in poverty.

In Vietnam, for example, in 1993, while 50 per cent of the population lived in poverty, 63 per cent of under 5s did, a figure that has now reduced substantially¹. In Kyrgyzstan, while 47 per cent of the population lived below the national poverty line, 65 per cent of rural children and 57 per cent of urban children did (Yarkova et al, 2003). This is not just a problem of developing countries. In the UK, one of the richest countries in the world, that should be able to guarantee basic living standards for all its population, around a quarter of children live in poverty (UK Government, 2003).

With children and young people under 18 making up at least one third, and in some countries, nearly half the population, it is clear that we are not talking about a minority group – rather, a large proportion of the child population is living in poverty.

**B.2 Poverty in childhood can have enormous long-term costs.**

Poverty in childhood means denial of children’s rights as citizens today – the rights to enough nourishing food, to education, play, health care and development that better off children can take for granted. It is probably the single most important reason why children’s rights are not fulfilled. Almost all states in the world have signed up to the Convention on the Rights of the Child, and though there is progress in some spheres, poverty continues to deny children’s basic rights.

Not only does poverty undermine children’s rights today, it may also condemn them to a future in poverty. Every society has its examples of success, people who have made it from rags to

¹ www.younglives.org.uk
riches, or at least from desperate poverty to being able to meet their own and their families’ needs. But, most research, in other Latin American countries, the US and Europe shows that actually the majority of poor children continue to be trapped in poverty; there is much less social mobility than most people think (Harper, Marcus and Moore, 2003).

**B.3 Unique opportunity for human development**

**Costs to individuals of missed human development**

Childhood is a unique period in a person’s life. The physical and mental development that takes place in different parts of childhood can only take place then. If a child misses out on those opportunities, their physical and mental development may be harmed for ever. So, for example, malnutrition in the early years can mean that children don’t develop essential brain connections, essential for learning throughout life. It can also mean growing up small, and susceptible to disease, with sickness limiting one’s quality of life, and opportunities to earn. For girls, it can mean anaemia and other kinds of nutritional deficiencies, which can lead to complications in childbirth, and undernourished babies and the whole cycle can start again (Harper, Marcus and Moore, 2003).

Similarly, the way that education systems and labour markets are structured in most countries means that someone misses out on education in childhood may never have the chance to develop key skills and knowledge again. The chances are that they will grow up to do low paid jobs, without the literacy that might allow them to take advantage of other opportunities, whether a job that requires more skills, or adopting new ways of farming for example. And if, as adults, their livelihoods are precarious, they are at risk of a new cycle of poverty starting with their own children.

The ‘window for human development’ of childhood is relatively short. This has vital implications for policy. While adults may be able to withstand periods of poverty and deprivation without serious long-term consequences, for children that is often not the case. So, a set of policies that take 5-10 years to restructure an economy or to transform an education system will fail a cohort of children. Of course, to be effective policy changes take time to take root. This suggests that for some areas of policy, particularly economic change, support mechanisms must be there to stop harmful effects on children which could have life-long consequences.

**Costs of childhood poverty to society**

That so many children are living in poverty – with the risks for their long-term wellbeing that this implies – means that the world as a whole, and individual countries are at risk of a ‘lost generation’. Not only are there very serious human costs individuals themselves, there are also serious social and economic costs for countries.

Without an educated population, how can any country hope to compete in the global economy these days? Without an educated population, a country will be condemned to supplying agricultural products, raw materials and cheap labour to others who are able to produce ‘value-added’ goods and services. With an unhealthy population – a serious risk if children develop ill-health in childhood that goes untreated and leads to ill-health in later life – the costs to the state, individuals and the economy are enormous. If families are so stretched by poverty that they separate, or are split by migration, work enormously long hours to make ends meet, and cannot support their children materially or morally, how will the next generation be able to provide a secure environment for children’s development? The consequences for social cohesion – a rise in violence of all kinds, a lack of trust, a declining ability to co-operate and resolve development problems - are serious.

Without tackling childhood poverty, in a serious and integrated manner, it will thus be very difficult to meet the Millennium Development Goals.
C. WHAT CAN BE DONE?
The risk of intergenerational poverty cycles, where poor children grow up to be poor adults and pass that poverty on to their children, is serious indeed. However, the good news is that there is much that can be done to tackle childhood poverty – and to help break intergenerational cycles.

Country circumstances are different. Nobody can or should prescribe for the whole world – key policies and approaches for a particular country need to be decided by that country. At the same time, experience from across the world suggests several principles and areas of policy that seem critical everywhere in tackling child poverty and helping break poverty cycles.

C.1. Focus on causes as well as symptoms, and ‘invisible’ as well as visible children.
A very common approach to the problems of childhood poverty is to focus on symptoms – on rescuing children enslaved in harmful conditions or trafficked for labour or sexual exploitation, or those whose problems are most visible such as children living on the streets. Clearly these are serious violations of children’s rights, and improving the situation of such children has to be matter of utmost urgency. At the same time, unless the conditions that push children into such difficult and dangerous situations are not tackled, children will continue to flow into them.

C.2. Pursue positive policies that reduce child poverty
Some of the core policies and principles for policy that helps break poverty cycles are as follows:

2.a Integrated economic and social policy. This means:
- *Recognising that economic growth alone is not enough* – as the PRSP for Honduras notes, each 1 per cent of economic growth in the 1990s only reduced poverty by 0.65 per cent, substantially less than in other Latin American countries. Growth must be focused on poor people, and additional social investments are needed.
- *Proper evaluation of the social impact of different economic policy choices* (Poverty and Social Impact Assessments could be an important tool here) and;
- *Choosing policies that will have the greatest positive impact on poor families*. For example, prioritising economic policies that generate funds for investment in key social sectors, and which create employment so that parents can afford for their children to attend school and aren’t compelled to push them into work, for example.
- *Avoiding policies that will harm poor families* such as those which will create large scale unemployment or declining incomes - the case with some forms of liberalisation - if clear livelihood alternatives cannot be found. Recognising that economic change always has costs, adequate social protection mechanisms must be in place if poor people are likely to lose out. Avoiding harming poor families also means evaluating the total burden on poor families of water, electricity, school, health and other charges. In each sector charges may be important for the sustainability of that service. But the overall effect on poor people may be that they cannot afford to access these essential services.

2.b Investment in key social services, especially:
*Education*. The importance of ensuring quality education for all children cannot be overstressed. Though possibilities and capacities differ, it is clear that countries that have made major strides in tackling poverty, such as those in East Asia, have invested heavily in education, such that almost all children complete secondary school.
*Health* – Both to ensure child health as a right in itself, and because health crises can have such serious impacts on family livelihoods and harmful long-term consequences. Time and again in our work with children, we hear that a child had to go out to work, to pay for their mother’s or father’s medical costs.
*Water and sanitation*. Poor water and sanitation are major causes of a key killer of children in poverty – diarrhoea. Not only does investment in this area promote child survival, it can also reduce demands on children’s and women’s time and energy in collecting and carrying water.
ECD. Early childhood development is often seen as a luxury that poor countries cannot afford. But all the evidence suggests that pre-school education plays a vital role in helping children get the most out of school, and reduces school drop out and repetition rates substantially.

2.c. Adequate social protection. For some people social security systems, basic income grants are rather suspect as a form of development policy. They are seen as either unaffordable or ‘welfarist’, not sufficiently empowering people to control their own lives. However, experience from developed countries, transition countries, South Africa and some South American countries shows that basic income transfers can be one of the most effective means of tackling childhood poverty, particularly among very poor and disadvantaged groups. Not only that, it is an important way to tackle chronic poverty – if income transfers are large enough that people can use them to acquire assets, or education, or start a business, for example, they can play an important role in helping people escape from permanent poverty.

2.d Integrated policy for childhood, differentiated by age.
By focusing on particular priorities in particular age groups, I don’t want to suggest that these are the only priorities. Rather to make the point that as children and young people grow up, their needs change, and effective poverty reduction policy needs to reflect and recognise this.

Young children. For example, for young children, ensuring adequate nutrition is paramount. This clearly must be sustained by economic policies that favour food security at household level, as well specific measures to ensure the nutrition of pregnant women and young children. It also requires an emphasis on a healthy environment, including water and sanitation services, so that children’s nutrition is not constantly undermined by disease.

School aged children. For children and young people of school age, a critical issue is ensuring the quality and accessibility of education, and that their experience and opportunities are not comprised due to lack of money – of their family or of the state.

Young people. Young people are often ignored in policy making, and certainly left out of action on child poverty which tends to focus on younger age groups. However, investing in youth can have enormous pay-offs for a society. Young people are today’s and tomorrow’s parents – if they themselves are living in poverty, they have little option but to pass that on to their children. However, across the world, young people are often at particular risk of unemployment – they are often stigmatised and discriminated against, or exploited at work. Improving youth employment opportunities may well be one of the most crucial ways of tackling child and youth poverty. Ensuring that young people have access to information about and ways of protecting themselves from diseases such as HIV/AIDS is also critical – for themselves, and the next generation. Finally young people are among those at most risk of being drawn into crime and anti-social activities, which are dangerous for the young people concerned, though the pay-offs can be high, as well as harmful to society as a whole. A concentrated approach to youth employment and inclusion can be critical in helping build a more secure society that respects everyone’s rights.

For all these areas, the best mix of state, private and not-for-profit investment and action in all these areas depends substantially on country circumstances. However, in general, private provision of key services, and/or charging for public services can put them out of reach of poor people.

C. 3. Genuine implementation of policy
Policy is only as good as what it delivers on the ground. Ensuring that good poverty reduction strategies really lead to improvements for poor people requires action in several areas:

- **commitments to policy change must really be shared** – not simply made at the highest level without will to implement them;
- **the institutions responsible for implementation must have the resources and capacity to do so** - with many PRSPs there is a serious gap between policy commitments, existing resources and pledged resources. If today’s children in poverty are not to grow up to become another generation in poverty, it is incumbent on all of us, governments, the
international community, civil society and the private sector to find the resources that can break poverty cycles.

- **Mechanisms for ensuring policy implementation and that citizens can hold service providers to account for their actions on their behalf are essential.** In India, a movement of citizens in Rajasthan, a large state with high levels of poverty, has played an important role in holding service providers to account and ensuring that government funds intended for poor people – for programmes ranging from drought prevention to boarding schools for children from remote areas, are spent as they should be.

C. 4. Involvement of children and young people, and of marginalized population in the development, implementation and monitoring of poverty reduction strategies. Our experience has shown that, particularly at local level, children and young people can make important contributions to identifying key concerns and suggesting ways of tackling them. However, children and young people – just like other marginalized groups - are often excluded from discussions about development strategies. As many countries move towards decentralised development and implementation of policy, it is important that young people are enabled to participate in those discussions. Save the Children’s experience in countries as diverse as India and the UK shows that young people can and do make valuable contributions to these processes, resulting in local policies, programmes and action that makes a difference for young people.

To achieve effective policy for tackling childhood poverty there are a lot of barriers. But the costs of not doing it are immense.

C.5 The potential of PRSPs

Many PRSPs start to go broadly in the directions outlined here.

We welcome the emphasis on protecting and increasing social expenditure in many countries and on social protection. Clearly just increasing social expenditure is not enough – the funds must be used efficiently to deliver benefits to the population.

We welcome the emphasis on pro-poor growth but this must translate into actions, and not simply words only. This means carefully analysing which policies will be most effective in improving the situation of the poorest, and which may actually be harmful. It means avoiding making theoretical assumptions about how particular policies should affect policy, and drawing more on experience from similar contexts. For example, not assuming that privatisation will increase efficiency in the delivery of a key service, but looking at what the experiences in other similar countries that have privatised such services have been.

Above all, to be effective for children in poverty, PRSPs need to avoid giving with one hand, and taking away with the other. Too many PRSPs, for example, have laudable commitments to basic income grants for poor families, but accompany this with increased health care charges, or a commitment to trade liberalisation that may well lead to declining incomes or loss of jobs with a serious impact on poor families. Designing PRSPs to take into account the overall social impact is essential if they are to have a genuinely positive impact on poor people.

I will now hand over to my colleagues from different parts of the world who will share their own experiences.
D. BIBLIOGRAPHY


