## **Policy Paper 2**

# Children and the Millennium Development Goals:

Fragile Gains and Deep Inequalities

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Young Lives is a 15-year study of childhood poverty in Ethiopia, India, Vietnam and Peru, following the lives of 3,000 children in each country. It is core-funded from 2001 to 2017 by UK aid from the Department for International Development (DFID) and co-funded by the Netherlands Ministry of Foreign Affairs from 2010 to 2013. The full text of all Young Lives publications and more information about our work is available on our website.

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### 1. Introduction

The UN meets in September 2010 to assess progress towards the Millennium Development Goals. This meeting will both highlight what has been achieved to date and, in due course, draw attention to what will happen after the target date of 2015. As a promise made to poor people worldwide the Goals remain a powerful signal of international consensus that more must be done to improve human development. Commitment to the MDGs was reiterated at the 2010 summit of G20 countries (G20 2010) in Toronto. As the UN Secretary General described:

They are the world's quantified, time-bound targets for addressing extreme poverty, hunger and disease, and for promoting gender equality, education and environmental sustainability. They are also an expression of basic human rights: the rights of everyone to good health, education and shelter. (12 February 2010)

This paper aims to inform the debate around achievement of the MDG Goals using evidence and analysis from Young Lives. Young Lives first collected data in 2002 and is following two cohorts of children. The youngest cohort of Young Lives children were born just after the new millennium and are growing up with the promise of the MDGs.

Many of the MDGs focus on children (including primary school enrolment, child mortality, and malnutrition). Gender equity is also of vital importance given that maternal health affects children's welfare and that women often buffer children from the impacts of shocks and adverse events. This emphasis on children is important both because of society's inherent responsibility towards those in a dependent phase of life and because early intervention can bring important long-term benefits, and so it represents an investment in the wider success of society. Tackling childhood poverty is therefore key to breaking wider poverty cycles.

While acknowledging progress, the emerging picture is one of fragile gains and with deep, continuing, inequalities. All four countries in which Young Lives is working experienced economic growth between 2002 and 2006. This growth has been associated with falls in absolute poverty rates and with some improvements in access to basic services and measured wealth among the Young Lives households. However significant inequalities in access, quality and children's outcomes remain. Alongside the fragile gains, and even before the on-going global crisis, it was clear that Young Lives children experience regular shocks which can compromise their development. A later wave of data collected in 2009 will indicate how children were affected by these crises and also help to evaluate how effective formal and informal institutions are at buffering children facing these pressures.

We discuss descriptive and analytical evidence from the Young Lives sample, within the scope of the MDGs, to elaborate four core arguments:

- First, between 2002 and 2006 we observe evidence that national economic growth was
  associated with some limited gains in household wealth in the Young Lives sample. Despite
  this growth, significant inequalities are common. We also observe substantial positive
  increases in school enrolment and coverage of basic services.
- Second, in some areas for example enrolment change looks quite progressive, with increases apparently benefiting previously excluded groups most, but:
- Gaps often remain large and systematic groups weak within societies often do much less
  well than the majority or more affluent and powerful elites.

- Process indicators only tell part of the story a child's enrolment does not prove they
  attend school regularly, receive a decent education, or one which equips them with useful
  skills for later life.
- Third, if the MDGs are to be transformational for children they need to help break the transmission of poverty between generations. At the moment we see clear evidence that poverty and inequalities restrict poorer children's life chances. Strategies to support sustained improvements under the MDGs need both to increase overall outcomes, and to deliver most for the poorest and most marginalised children.
- Fourth, averages are often used to measure change but can mask disparities between groups. Our evidence shows considerable differences for instance in enrolment rates or access to services. It is important to expose such disparities to help understand how to improve outcomes for the poorest and most marginalised children.

When they meet in September, officials and policymakers face a formidable task just five years before the target date set for the MDGs. In the MDGs the world made a promise on which it has yet to make good. Although slow to date, progress is clearly possible. Here we consider evidence on policy approaches which can support the MDGs, including early childcare and education, primary education and social protection.

# 2. Young Lives

Young Lives is a longitudinal study of childhood poverty. By poverty, the project assumes a multidimensional view of the different ways in which disadvantage occurs and is compounded. The understanding of the multidimensional nature of disadvantage is particularly relevant to the MDGs given that the different elements of disadvantage relate, often causally, to each other.

Young Lives is following the lives of 12,000 children in Ethiopia, the State of Andhra Pradesh in India, Peru and Vietnam over 15 years. The research is core-funded by UK aid from the Department for International Development and the Dutch Ministry of Foreign Affairs and is a collaboration between partners in the study countries and the UK. The study countries represent a range of experiences, environments and contexts. We are following two cohorts of children in each country, an 'older cohort' with around 1,000 children who were born in 1994-95 and 2,000 'younger cohort' children in each country born in 2001-02. Survey data was collected from all the children and their caregivers in 2002, 2006 and late 2009 (though only 2002 and 2006 are available for analysis at time of writing), with in-depth participatory research carried out with a smaller group of the children in 2007 and 2008. We draw on the stories of some of these Young Lives children in the text to illustrate some of the processes described (Young Lives 2009). We have recently conducted a survey of Young Lives children in school settings in Ethiopia and intend to replicate this work in India in 2010 and in Peru and Vietnam in 2011. Additional rounds of the main survey are timetabled for 2012 and 2015.

The study is following the children's lives from 2002 to 2015 and so sits within the MDG timeframe. The life conditions of children are central to most (if not all) of the MDGs and the Young Lives longitudinal design allows examination not only of the changes that have occurred in children's lives, but also what is driving changes over time. The Young Lives sample is 'pro-poor' (rather than being nationally representative) in design and so is not directly cross-nationally comparable, although we find that there are often similar processes occurring in the different countries. Thus Young Lives is well suited to exploring differences between groups of children, and, through its longitudinal design, to focusing on causes, consequences and the impact of interventions.

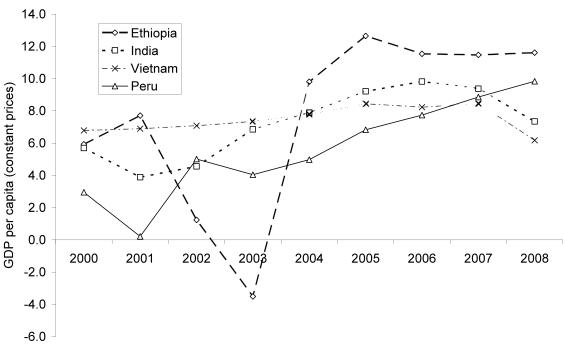
# 3. Economic growth and poverty

This section lays out evidence which relates to the first Millennium Development Goal to eradicate extreme poverty and hunger. This first MDG is underpinned by three targets: reducing the proportion of people who live on less than \$1 a day, achieving 'full and productive' and 'decent' employment, and reducing the proportion of people suffering from hunger.

#### Growth, poverty and inequalities

Before the current economic crisis, official statistics suggest a reasonable level of economic growth in Young Lives countries (GDP fell in Ethiopia in 2002, but after that the growth rate increased).

Figure 1. Annual percentage change in Gross Domestic Product (constant prices)



Source: IMF, World Economic Outlook Database, October 2009

The figures in the graph predate the current economic crisis. The World Bank forecast that the world economy would shrink by 2.2% in GDP in 2009, and that developing countries as a whole would do better at 1.2%. By region the Bank predicted average growth rates ranging from -2.6% (Latin America and the Caribbean), to 6.8% (East Asia and Pacific). If Young Lives countries follow these regional forecasts, in all but Vietnam the growth rate will have been sharply reduced and in Peru GDP will have fallen. Table 1 presents cross-sectional absolute poverty data. Data is not available in each year, but demonstrates falls associated with the growth shown in Figure 1. Falls in absolute poverty can, however, go hand in hand with rising inequality as occurred over this period in Peru (Escobal et al. 2008).

Table 1. Population below \$1.25 per day (PPP, %)

	1994	1995	1996	1998	2000	2001	2002	2004	2005	2006	2007
Vietnam				50			40	24		21	
Ethiopia		61			56				39		
India	49								42		
Peru	6		9			15	13		8	8	8

Source: World Bank, http://ddp-ext.worldbank.org/ext/DDPQQ/member.do?method=getMembers&userid=1&queryId=27

The Young Lives survey collects data on a wealth index which can be used to understand differences within the sample and to measure changes over time. Since both the children and the parents are ageing, the maturity and stability of the household may affect the results slightly if household affluence is related to parental age. The intent here is not to compare across countries, since the samples are not nationally representative and since there are

<sup>1</sup> Constructed from component elements measuring housing quality, consumer durables and services, such as electricity or water. This index is scaled between zero and one (with one being least deprived – in practice reported scores are lower than 1).

differences in the calculation of the wealth index by country,<sup>2</sup> but to highlight difference and change within countries.

Table 2. Average wealth index position, Ethiopia survey

		2002	2006	% change	Absolute change
Urban		0.349	0.355	1.7	0.006
Rural		0.086	0.135	57.0	0.049
Region	Addis Ababa	0.386	0.400	3.6	0.014
	Amhara	0.110	0.165	50.8	0.056
	Oromia	0.125	0.205	64.5	0.080
	SNNP	0.156	0.203	30.8	0.048
	Tigray	0.173	0.194	12.4	0.021
Sample av	erage	0.177	0.222	25.8	0.045

Between 2002 and 2006 children in the Ethiopia sample typically saw their wealth position improve (note that since the wealth index scale runs between 0 and 1, though the index has increased, it is still very low). Children sampled in rural areas are on average much less wealthy than children in urban areas but saw faster percentage change. The rate of change in the regions (Addis Ababa, Amhara, SNNP and Tigray) varied in terms of both absolute (points in the wealth index) and percentage change.

Table 3. Average wealth index position, Andhra Pradesh survey

	2002	2006	% change	Absolute change
Urban	0.633	0.650	2.6	0.016
Rural	0.287	0.363	26.2	0.075
Scheduled Caste	0.311	0.383	23.3	0.072
Scheduled Tribe	0.206	0.309	50.0	0.103
Backward Class	0.377	0.431	14.3	0.054
Other	0.539	0.569	5.7	0.031
Sample average	0.374	0.433	15.6	0.059

Note: The other group was originally titled 'other caste'. However this includes some children usually expected to be outside the caste system and so has been relabelled for clarity.

Overall there was a slight increase on the wealth index in India between 2002 and 2006. Again children in urban areas tend to be in households with a (much) higher wealth level than children in rural areas, but children in rural areas saw their average household wealth level increase fastest. There is also a large difference between children from different caste or ethnic groups, suggesting a clear pattern of disadvantage, although there is a little evidence that of some gaps may be reducing within the sample (with the faster growth in wealth index position happening for children from scheduled tribes, whose wealth position was the lowest in 2002).

<sup>2</sup> Peru is more closely nationally representative than the other study countries. Though not nationally representative, the patterns and trends observed are broadly similar to other representative sources and the composition of the samples allows meaningful sub-group analysis of what is happening for particular groups of children (technical detail on the samples is available in Nguyen 2008; Escobal and Flores 2008; Kumra 2008; Outes-Leon and Sanchez 2008)

Table 4. Average wealth index position, Peru survey

	2002	2006	% change	Absolute change
Urban	0.550	0.580	5.5	0.030
Rural	0.254	0.308	21.3	0.054
White ethnicity	0.636	0.636	0	0
Mestizo ethnicity	0.443	0.483	9.0	0.040
Other ethnic group	0.292	0.329	12.5	0.037
Sample average	0.450	0.487	8.3	0.037

As with the other countries, we saw a slight improvement in the wealth position within the Young Lives sample in Peru between 2002 and 2006. Again there are very large gaps between the wealth position of children in urban and rural households and by ethnic group. The fastest growth in the wealth index seemed to occur in rural areas and in the 'other ethnic group', both of which groups had the lowest wealth index averages in 2002.

Table 5. Average wealth index position, Vietnam survey

	2002	2006	% change	Absolute change
Urban	0.709	0.697	-1.7	-0.012
Rural	0.375	0.451	20.4	0.076
Majority (Kinh) ethnic group	0.463	0.519	12.3	0.057
Minority ethnic group	0.225	0.321	42.3	0.095
Northern Uplands	0.246	0.307	24.8	0.061
Red River Delta	0.517	0.584	12.9	0.067
Central Coastal	0.557	0.603	8.1	0.045
Mekong River Della	0.332	0.416	25.4	0.084
Sample average	0.442	0.502	13.6	0.060

Over this period average wealth grew within the sample in Vietnam. As with the other countries there is a considerable gap between urban and rural areas, although this gap seemed to have narrowed between 2002 and 2006 (including with an apparent fall in the average in urban areas). There are big differences by ethnic group and regions, but with evidence of some of these wealth gaps by region or ethnicity.

As noted before, these tables report changes within the Young Lives samples in each country, and since sampling differed, straight comparisons between countries are not possible. What is more useful is the commonality in patterns. The emerging picture is of some apparent progressive gains within the sample, but of considerable on-going inequalities between different groups – there is a particular concern that these inequalities may grow as progress is unequally shared:

- Overall we see evidence of an improvement between 2002 and 2006 in the sample.
- Consistent with other studies we see that children in rural areas were less wealthy than those in urban areas (which is very relevant for the rural focus of social protection policies such as the public works programmes operating in both India and Ethiopia).<sup>3</sup>

<sup>3</sup> The use of averages by definition compresses difference. Since urban areas are likely to contain more difference than rural areas, averages are particularly likely to mask urban extremes and may therefore underestimate the extent of poverty in towns. Since Young Lives is a propor study, this effect should be smaller. We still see large differences between rural and urban children.

• There are considerable variations between ethnic and religious groups (although these are only reported on in India and Vietnam).

#### **Nutrition and stunting**

The consequences of inadequate early nutrition for children are well established, just as there is also agreement of its relative neglect as a policy area (Horton 2008; DFID 2010). Young Lives analysis reiterates this relationship – children with greater height-for-age at 1 year typically score better on vocabulary tests at age 5 in Vietnam (Le Thuc 2009) and Peru (Sanchez 2009). We also find a relationship between children being stunted (a measure of long-term under-nutrition) and having a sense of shame or embarrassment (Dercon 2009, discussed below).

Poor nutrition is likely to be caused by a combination of insufficient food, poor micronutrient intake, and disease and has been associated with one-third of child deaths globally (DFID 2010). The consequences are borne not only by the child but by wider society through reduced skill acquisition and consequent lost economic potential. Although the overall context is the amount of food accessible to the household, it is also likely that unequal sharing within the household may make some children more at risk of malnourishment than others, for instance if boys are given more or better food than girls. Policymakers have a range of possible ways of improving child nutrition, such as increasing the quantity or quality of the food intake of the household (including by raising the incomes of households), school-feeding interventions, working to support parenting, or introducing measures to combat childhood diseases which impair nutrition (such as de-worming).

Though economic growth has been associated with falling rates of absolute poverty and there have been gains in the Young Lives households (Tables 2 to 5), it is equally evident data that nutrition problems persist to a worrying degree, and in both cohorts of children stunting rates remain high, despite economic growth.

Table 6. Stunting rates among Young Lives children, % (2006)

	Younger cohort (aged around 5 years)	Older cohort (aged around12 years)
Ethiopia	31.3	28.8
India (Andhra Pradesh)	35.6	34.1
Peru	31.7	28.7
Vietnam	25.1	31.4

Source: Le Thuc et al. 2008; Woldehanna et al. 2008; Galab et al. 2008, and separate analysis of Young Lives of Young Lives data. Note: though are differences in the age of children between the columns, stunting rates are calculated from an age adjusted comparison group.

The same data is reworked in Figure 2 using the example of the Peru younger cohort in 2006 split by wealth quintile to show disparities. Overall three in ten children were stunted, but if the starting rates were as low within the richest quintile the rate would be just one in ten.

Figure 2. Stunting rates in Peru sample by wealth quintile (5-year-olds, 2006)

Note: The wealth quintiles represent position in 2002, so show the household wealth position when the child was aged 1 year.

Although important, economic growth alone is unlikely to guarantee all families will be able to purchase the goods they need, and poor families will be particularly vulnerable to food inflation and other environment or economic shocks (perhaps explaining why programme recipients often prefer food to cash where this protects them from rapid food price inflation; see Sabates-Wheeler 2009). If households do not have sufficient food they may be forced to prioritise the nutrition of some children over rather than others, which is likely to particularly disadvantage girls. Evidence from the Public Distribution System in India (which provides low-cost staple foods, including rice) suggests public support for mechanisms which mitigate the damage of sharply rising prices, although food quality was perceived to be low (Vennam et al. 2010). The relationship between nutrition and child development not only represents a constraint to development but also a channel through which poverty is transmitted between generations.

#### Early childhood and school feeding programmes

Globally the number of children who benefit from early childcare and education schemes has increased markedly but the most marginalised children also remain those least likely to access pre-schools (UNESCO 2010). Young Lives data show how common pre-school has become in many countries: 87% of Young Lives children in Andhra Pradesh and 84% in Peru had experienced some pre-schooling between their third and sixth birthdays (this is discussed in greater depth in the section on education and learning below). However, just a quarter of Young Lives children in Ethiopia had attended pre-school, and this average masked a large urban/rural divide, with 58% of urban children but only 4% in rural areas experiencing pre-school (Woodhead et al. 2009). In Ethiopia the pre-school sector is principally private and therefore is likely to be unable to deliver services in poorer areas where there is little market demand (suggesting poor children, and those in rural areas, are least likely to have services close to them). Two specific national programmes operate in Young Lives countries – the Integrated Child Development Service (ICDS) in India and the Wawa Wasi scheme in Peru.

Both services provide food, along with other activities aimed to improve child development, although concerns exist about quality (Woodhead et al. 2009). Young Lives research with those involved in running the Wawa Wasis showed they were positive about the quality (planned centrally and then delivered through the scheme) but complained that it did not reach enough children (Cueto et al. 2009).

Policymakers are right to focus on the damage done to children by poor nutrition in the early years, since much of this loss will be irreparable. Although it makes most sense to focus nutritional activity on the youngest children, school feeding programmes can have a positive benefit in supporting older children's healthy development and particularly in improving retention and concentration in school. Here we draw on specific evidence on the Indian Midday Meal Scheme which was rolled out in 1995, made mandatory nationwide in 2001, and in 2004 extended to provide meals during summer breaks in drought-affected areas. The scheme is intended to provide at least one cooked meal per day to children in government primary schools. Its twin objectives are to increase enrolment and retention and to improve nutrition. Young Lives analysis compared children receiving a midday meal and those not receiving one and found:

- For younger cohort children, evidence of improved nutrition (measured by height-for-age and weight-for-age).
- The nutritional protection counterbalanced the negative effects of drought.
- For older cohort children, the analysis found learning gains (as measured by a vocabulary test), probably caused by the increased chances of being in school in order to receive the meal (see Porter et al. 2010).

These findings reinforce the point that health gains are most effective when programmes reach children at younger ages, in line with the consensus that the potential for nutritional catch-up reduces markedly with age. Though this suggests the need for early intervention, including through the types of ECCE approaches discussed above, for older children there remain benefits around learning through supporting engagement in schools and in improving classroom concentration.

#### Social protection and cash transfer approaches

At least 45 countries [in the global south] now have cash transfers, giving money to more than 110 million families (Hanlon et al. 2010: 167).

Social protection and cash transfer mechanisms are increasingly common in lower- and middle-income countries, and have been more or less universal in higher-income countries for many years. The term social protection is sometimes poorly defined; here it is used to encompass policies which help to reduce chronic poverty or vulnerability and help households deal with risk. Cash transfers are a prominent part of social protection strategies. The policy debate around the existence, extension or reform of social protection has been spurred on by vulnerability highlighted by the recent global food price and economic crisis (see for example Ortiz 2009). Table 8 illustrates just how common shocks were before those global crises, and that the poorest households often bore the heaviest burden of risk.

Young Lives countries follow the broader trend of the growing coverage of social protection schemes with formal national schemes now operating in three out of four countries. The National Rural Employment Guarantee scheme (NREGS) in India provides a legal entitlement to a limited amount of paid work for some households (which therefore self-select into the

scheme). The Ethiopian Productive Safety Net Programme (PSNP) provides both public work and direct support for those unable to work, intended to be allocated on needs-based principles. The conditional cash transfer Juntos in Peru provides a level support that is targeted at poorer households in particular areas and provided on condition that educational and health requirements relating to children are met. Most of our evidence covers NREGS and PSNP as Juntos had only recently been introduced when 2006 data was collected. These schemes operate in different ways, with different requirements and allocation principles. Varying national contexts (including institutional, cultural and resource level factors) will also affect how schemes operate.

Well-designed social protection mechanisms have significant potential to support the delivery of the MDGs. Improving the incomes of poor families can help reduce poverty rates, and by increasing cash or food resources can improve nutrition. Where social protection shields families against risk, interventions can also enable children to stay in school or acquire other useful skills. Social protection measures therefore also have the potential to support equitable growth and community development. Table 7 details some of the benefits which Ethiopian households reported from the PSNP, although there are design issues which policymakers need to guard against to ensure programmes are child-sensitive and do not have unintended negative consequences for the young.

Table 7. Perceived benefits for the Young Lives child from the PSNP (Ethiopia, %)

	Agricultural extension	Cash for work	Food for work	Food aid
Better-quality food	26.9	21.6	49.5	44.0
More food	55.7	62.0	46.6	46.2
More resources for education purposes	4.7	9.4	1.5	3.7
More time to study	_	_	0.4	_
Less time on work activities	2.7	1.2	0.5	1.5
Less time on household chores	-	1.8	-	1.5

Note: Covers older cohort of children in rural areas only.

Young Lives research on social protection is discussed by Porter (2010) who also provides more information on specific scheme design. Key findings included:

- In Ethiopia, we found evidence that the direct support element of the PSNP reduced child work (inside and outside the home) and increased children's grade completion, though the extent varied by gender and whether a child lived in an urban or rural location.<sup>4</sup> A separate in-depth study found PSNP income was helping enable families send children to school rather than to paid work.
- In India the reach of the NREGS programme is reasonably progressive, with poorer groups and those from some (but not all) marginalised groups (including children from scheduled castes) being more likely to be covered. We find evidence that the NREGS programme may be having 'insurance' effects in helping manage risk with households prone to greater risks (such as agricultural workers) being more likely to register than necessarily to take up work through the scheme. We also found that NREGS was having a positive effect on younger children's nutrition.

<sup>4</sup> Although the PSNP is focused on rural areas, we find some urban Young Lives children in receipt of the PSNP (possibly because of different definitions of urban and rural).

 Using self-reported data, Table 4 shows some of the benefits which families reported (broken down by the different elements within the PSNP), illustrating that caregivers were identifying more food and better-quality food as key benefits of the scheme.

These results are positive but care is needed when considering delivery issues and those around the quality of administration or delivery of schemes, and the risk that they may generate unintended consequences. In particular there is evidence from Ethiopia that the public works element (which, unlike the direct support element, requires a work contribution from the household) increases the time children spend on paid work (the demand for adults to work in the scheme may result in other work being displaced onto children). This is problematic given that it is an inherent tension in public works schemes.

A recent policy statement from a variety of organisations including UNICEF, DFID, and the World Bank sought to identify a number of principles for 'child-sensitive' social protection (UNICEF 2009). Their joint statement emphasises the importance of social protection and its design to ensure measures effectively support the needs of children, with particular emphasis on children at risk or from marginalised groups. It is also clear that targetted cash transfer programmes are complicated to run and require good administration to allocate resources effectively and equitably. Young Lives evidence reinforces the use of cash transfers or other social protection measures to protect children from risk and promote opportunities, but also shows the importance of designing schemes carefully to mitigate potential negative effects.

Cash transfer and social protection policies have potential to support the achievement of the MDGs by empowering disadvantaged groups, by improving access to food for poorer families and children, and by supporting children's access to education. Though the number of schemes have increased, there are still many more poor children who are not covered. Policymakers need to consider carefully how schemes will reach the most disadvantaged. Although targeting makes sense at face value in order to focus limited resources, this needs to be balanced with the complexity, stigma and limited 'buy-in' likely to be associated with narrowly targeted schemes. Stigma is likely to occur if programmes are identified as being only 'for the poor', and there may also be community tensions if particular groups are excluded from participating. Both the PSNP and Juntos envisage that over time households will leave the scheme ('graduate') as their circumstances improve. Whereas both schemes contain elements beyond the cash or food support which aim to improve assets or human capital, there is a real question about whether secure livelihoods are available to support this graduation.

Most schemes have conditionalities within them, for example either the work requirements, or requirements to ensure children's attendance at school or for health check-ups, common in conditional cash transfer programmes such as Juntos. Policymakers should consider the effects these conditions have in the design and delivery of programmes. For example public works programmes may increase child work, as we seem to observe in Ethiopia (direct support does not) and so policymakers need to consider how to avoid these risks. Child benefit transfers, which do not depend on parental work, are an important option which could combine improved child outcomes while not increasing child work. Finally, women also often buffer the effects of poverty on children. Policymakers concerned with children, are therefore well advised to focus on mothers and to facilitate effective engagement with schemes. One practical example of this is the adequate provision of childcare for schemes with a work component.

#### Key messages on growth and poverty

- Alongside economic growth, there has been considerable progress on income poverty since the early 1990s. However, falling absolute poverty will not automatically lead to a fairer society if inequality rises.
- There is evidence within the Young Lives sample of improvement in wealth levels between 2002 and 2006 (as measured by an index of housing quality, durables and services). But it is clear that large gaps remain between groups. These changes occurred before the recent global shocks.
- Under-nutrition is still very common in the Young Lives sample and is damaging children's
  development. We have positive findings around the potential of early childhood interventions and
  around the effectiveness of school feeding programmes. The maximum health benefits occur
  when these target young children, although there are also educational benefits when these reach
  older children.
- Better connecting economic growth with the MDGs means ensuring poorer groups benefit particularly from growth. Social protection and cash transfer strategies are increasingly widespread and are an important element of helping to ensure inclusive growth. Social protection programmes change the circumstances affecting households and intra-household dynamics. Policymakers need therefore to consider (and monitor) specific impacts on children, and differences between boys and girls and by age in policy design and implementation.

# 4. Learning and school

The MDGs have two goals in which analysis of formal education and learning is particularly relevant: Goal 2 to 'achieve universal primary education' and Goal 3 to 'promote gender equality and empower women' (which includes a target around eliminating gender disparities in education). This section discusses evidence around pre-school interventions, enrolment, school quality, and how children may fare differently in the education system.

While this section focuses on school and learning, policymakers need also to consider what children will do after they have left school – how primary education supports secondary, vocational or tertiary education, and the sorts of livelihoods which may be on offer for children to take advantage of their education (though little discussed, MDG 1 stresses the importance of full and productive employment).

#### Pre-school intervention coverage and quality

Early childcare and education (ECCE) policies were discussed above in relation to nutrition. These appear explicitly in the Dakar Education For All declaration (UNESCO 2010) and have the potential to support a range of MDG objectives, particularly around health and reducing child mortality. ECCE policies cover a range of interventions which can improve children's nutrition, support parenting, and improve children's cognitive development; in doing so they can ensure children arrive at school better prepared, and so may pay the biggest dividend for poorer children. As one rural mother of a Young Lives child in Peru reported:

When they go to pre-school, they learn the alphabet, they go [to primary school] with their hand more adapted to write and they don't suffer so much at school, at least they can already write their name... they are also less shy, they become used to their teacher and their classmates. (Young Lives 2009)

The scale of interventions in Young Lives countries is significant and, importantly, gender differences in enrolment at pre-school age seem small – consistently across the samples in Ethiopia, Peru and Vietnam boys were slightly more likely to attend than girls, but the differences were both small and not statistically significant (see Woodhead et al. 2009). More worryingly, however, evidence from caregivers suggest that gender differences might widen with age as parents prioritise spending on boys.

Though gender-based differences are small, the average figures conceal a range of gaps. In Peru, 96% of Young Lives children in the wealthiest quintile had some experience of preschool, but that figure fell to 71% for the poorest quintile (Woodhead et al. 2009). Coverage also varies by ethnicity – in Vietnam although 91% of Young Lives Kinh children (the ethnic majority) had experienced pre-school in 2006, this fell to 77% among minority ethnic children (Truong 2009). The benefits of pre-school intervention should be greatest for the most disadvantaged children, yet they are the ones probably least likely to receive it.

We also have less encouraging evidence of the quality than the coverage. The evidence is, however, suggestive of principles which those designing particular schemes should consider. The importance of having sufficient trained staff able to stimulate children's interests and promote cognitive development cannot be underestimated. A study of the Wawa Wasi system in Peru recommended, among other things, regular health checks for children through the scheme, more toys or learning materials to be made available, and better training of staff (both to improve literacy and in techniques to improve cognitive or motor development) (Cueto et al. 2009). In both the case of the Wawa Wasi and ICDS in India, national guidelines existed but were dependent on often weak local delivery. To improve quality, therefore, effective resourcing and training of staff, together with a governance or monitoring regime for centres which can identify where quality is weak and act to improve it, is needed. Without assuring a reasonable level of quality, ECCE activities will not yield the promised developmental benefits.

Young Lives work on early childcare and education (Murray 2010; Woodhead et al. 2009) suggests clear ways for policymakers to improve the impact of early childhood services:

- There are clear divisions in access to schemes, policymakers therefore need to consider how to ensure early childhood services reach the most disadvantaged children.
- Quality in early education is critically important, including emphasising activities around nutrition or health programmes and building the skills and motivation of staff.
- As part of quality improvement, it is important to ensure effective governance of both public and private pre-schools.
- To reduce the stress children face when moving from pre-school into primary school, more
  effective coordination is required between these sectors (which often vary in organisation,
  financing and teacher training).

#### **Primary school enrolment**

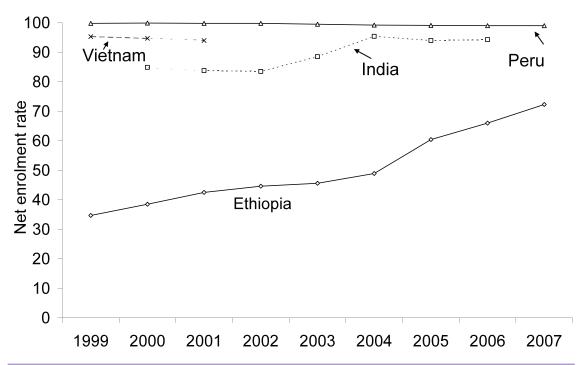
One of the clearest positive achievements associated with the MDGs has been around school enrolment. The most often quoted target is, of course, universal primary enrolment, although alongside this there are related targets around completing a course of primary-level education

<sup>5</sup> Though Peru follows this pattern, when data is disaggregated by urban and rural, there is a significant difference, were 80% of boys and 75% of girls attended pre-school by the age of 6.

and subsequent literacy. We see clear evidence of gains in the first of these targets, but less clear evidence on the third.

Nationally representative data from Young Lives countries shows increasing primary school enrolment, with rates above 80% for most of this period in India, Peru and Vietnam. Ethiopia did worse but still shows significant increases.

Figure 3. Primary school enrolment rates (%)



Source: MDG Info 2009: http://www.devinfo.info/mdginfo2009/

Table 4 presents Young Lives data, decomposing this to see how enrolment varies between groups. Enrolment is only part of the story – enrolment not does mean the child always turns up for school, or that when present can learn useful skills or knowledge effectively. The numbers are different to those in Figure 3 since the data in Table 8 are not nationally representative and only cover 12-year-olds:

Table 8. Enrolment rates (12-year-olds, 2006, %)

	Sample	By wealth quintile					
	average	Poorest	2nd	3rd	4th	Richest	
Ethiopia	94.8	92.2	94.5	94.5	94.9	98.5	
India	88.8	81.6	85.7	85	93.1	99.0	
Peru	99.0	97.8	97.1	100	100	100	
Vietnam	96.6	90.5	95.5	97.8	100	99.5	
	By gender		By location		By ethnicity		
	Boys	Girls	Urban	Rural	Minority	Majority	
Ethiopia	93.6	96.0	97.7	92.8	94.2	95.0	
India	90.3	87.4	94.8	86.8	94.8	86.9	
Peru	98.9	99.1	98.8	99.3	100	98.9	
Vietnam	96.8	96.4	100	95.7	85.0	98.3	

Source: Analysis of Young Lives sample

Sample differences mean we do not compare the numbers between countries, but some patterns emerge quite clearly:

- Enrolment rates vary consistently by wealth levels; most children in the most affluent families are enrolled while significant proportions of the poorest are not enrolled although in some countries this difference is relatively small.
- Encouragingly we see few gender differences in enrolment (Young Lives boys are 3
  percentage points more likely to be enrolled than girls in Andhra Pradesh). However, boys
  are more likely to be enrolled in private school, an investment which parents often believe
  confers greater chances on their children.
- With the exception of Peru, children growing up in rural areas are less likely to be enrolled than children in urban areas.
- Again with the exception of Peru, there are differences between the enrolment rates of minority and majority ethnic groups and religious groups, although the pattern is different between countries (reflecting existing patterns of disadvantage).

Though inequalities remain, some have narrowed. Table 9 presents changes in the Young Lives Ethiopian sample between 2002 and 2006 (over this period enrolment of the older cohort as a whole rose, at least in part due to most children being of school age).

Table 9. School enrolment rates, Ethiopia (12-year-olds in 2006, %)

	2002	2006
Poorest wealth quartile in sample	56	91
Richest wealth quartile in sample	79	93
Rural area	55	93
Urban area	83	98
Female	68	95
Male	63	94
Illiterate head of household	58	93
Head of household has post-secondary education	95	100
Sample average	66	95

Source: Woldehanna et al. 2008, Tables 20-23.

Note: The figures are very slightly different to those in Table 4 due to definition differences.

The table shows a significant increase in enrolment for Ethiopian children (with growing age) but the increases were fastest where enrolment levels were initially lower, and so we see the gaps narrowing (for example, the sample average increased by 1.4 times, but 1.7 times for children in a rural area).

Though enrolment levels are important and there have been impressive changes (particularly in Ethiopia), ensuring that children continue in school and learn effectively remains a challenge. The story of Tufa highlights some of these difficulties (Young Lives 2009).<sup>6</sup> Tufa is a 13-year-old Ethiopian boy, interviewed in 2007. Though he was initially enrolled in school, he was withdrawn by his parents after a house fire burnt the family home, destroying the roof and Tufa's exercise books and clothes along with it. His parents intended to re-enrol him in the future, he wished to learn and he had older brothers who are in school but he was herding cattle and doing other work for the family. This family clearly valued education, and the school existed for Tufa to go to,

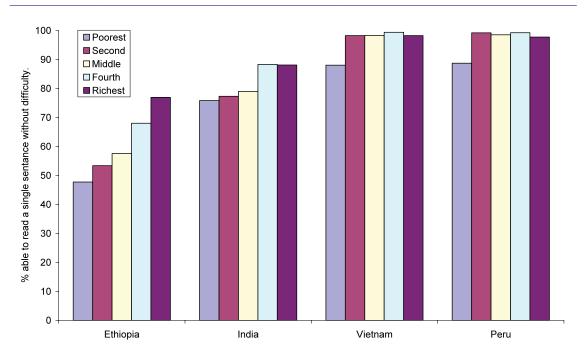
<sup>6</sup> A Young Lives child. To protect his anonymity, Tufa is not his real name. The other names used elsewhere in this paper are also pseudonyms.

but there were still other factors which stopped him attending school (in this case the need to work, the effect of the loss of property, and how parents may have to prioritise between siblings).

#### Enrolment levels and education quality

Though the focus of MDG Goal 2 has been an effective motor to increase enrolment, it is not an outcome indicator of what education achieves in terms of children acquiring knowledge and skills which can equip them in later life and thus help break existing cycles of poverty. The impressive enrolment evidence sits in stark contrast to literacy levels among Young Lives children (measured by the ability to read a sentence without difficulty), shown in Figure 4.

Figure 4. Literacy and wealth quintile (12-year-olds, 2006, %)



Source: Analysis of Young Lives sample, the question reflects the percentage of Young Lives children able to read a simple sentence without difficulty.

As with the previous analysis, the important point is to look at patterns within countries, not to compare literacy levels between countries given sample differences between Young Lives countries.

There are clear differences in children's ability to read between groups of children by wealth level. Enrolment is only part of the story – in the Ethiopia sample nine in 10 children are enrolled but only around half can read a simple sentence without difficulty. Expanded school enrolment has not necessarily been matched with progress on quality or attendance, and additional pressure of more children in schools may have reduced quality. The next challenge, and in line with Education For All goals, is consider both the quality of education and what it is preparing children for in later life.

Finally, in supporting better quality of education to improve the circumstances of children who have not benefited from the school system, policy needs to understand the needs of children rather than simply to provide a structure and require children to fit in. To reduce marginalisation requires an understanding and response to the reasons why some children experience exclusion within systems or communities. This message is relevant to understand

the different pressures on girls and boys in the ways they prioritise their time between study, work and chores, or the different circumstances which require children to engage in work. In understanding the reasons why children from different backgrounds, especially minority groups, may do less well in majority systems, it is also important to ensure school systems are sufficiently flexible to deal with children whose mother tongue may not be that in which they are taught (see Glewwe et al. 2010).

#### Education and child work

One critical aspect of quality is how children are supported to learn in ways which fit with their lives. Large numbers of Young Lives children are engaged in work – either paid work, or working in the home or family farm. Some aspects of work have detrimental effects on children – for instance, through damage to health or the time taken in these activities. However work is both a daily reality for many children (not always to the detriment of education) and an important way through which children are socialised into adulthood and acquire important skills. In the absence of secure livelihoods, children's work may be an important contribution to family incomes. Policymakers are right to focus on eradicating the 'worst forms of child labour' (as ILO convention 182 mandates) but in doing so need to recognise that not all work is harmful, some may be important for children's socialisation and, in the absence of decent livelihoods, may make an important contribution to family budgets. Policies which simply crack down on child work without adequately engaging with why children work are, if anything, likely to cause harm to children.

The extent of child work is likely to increase with age, for example in Peru between 2002 and 2006 the extent the older children were involved in paid work grew substantially (from 24% to 51%), which the authors explain as resulting from the ageing of the cohort (Escobal et al. 2008) rather than an increase in child work *per se*. In both Vietnam and Andhra Pradesh, children in marginalised groups, poorer children and those in rural areas are the most likely to work. Given the importance of child work in family budgets, shocks and unexpected events are likely to increase the chances of children being in work – studying Andhra Pradesh, Krutikova found being in a household which had experienced an income shock was typically associated with an increase in the amount of child work by around two hours, with the largest impacts being for girls in rural areas (2009).

Given that child work is associated with poverty, policy attempts to reduce child work which do not address this fundamental cause are unlikely to succeed and risk worsening poverty. Since work is the norm for many, it is important that education systems can cope with children's realities and help children to manage their schooling alongside other commitments. A failure to have sufficient flexibility within school systems will prove detrimental to their education. Effective policy solutions to aid children balance work and education include social protection measures which help poor families cope with the costs of schooling, and educational measures which provide flexibility for those children who are balancing work and education (including, for instance, considering the timing of the school day and location of the school relative to where children work).

#### Education and gender

Girls and boys have traditionally often had different experiences in school and beyond it, and policymakers need to consider how structures affect children differently. Both MDG Goals 2 and 3 promote growing equality within the education system. The narrowing in enrolment gaps discussed above is likely to have brought more girls into the education system. Table 4 showed encouragingly similar levels of enrolment between girls and boys. Equally enrolment figures are

only one part of the picture – although nearly 99% of older cohort in Andhra Pradesh had been enrolled at one point, by 2006 this was 88.8%, and the drop-out was most common in rural areas (10% drop-out), among the poorest children (16% in the poorest quartile) and for girls (11%).

Alongside whether children enrol, it is equally important whether they attend and whether they then learn and how communities and households support children to do so. The story of Seble, a 12-year-old girl in Ethiopia, illustrates strong support from some parents for female education, as Seble's mother said:

Education is the most important thing for a girl to change her life. Being able to write her name is very important. Seble learns many things from me; she will learn other things at school... She will have chance that I never had because I was forced to marry young.

Similar feelings were expressed by the mother of Sarada, a 12-year-old girl in India:

Even if they pay a thousand [rupees] per head I will not send my children to work. I am ready to do anything to educate them. (Young Lives 2009)

Although we see strong support for the potential of education from parents, there are other factors at play and we do see evidence of bias between girls and boys. Work on data from Andhra Pradesh examined expenditure on schooling, to explore whether there was a bias in favour of boys (Himaz 2009). Looking at the older cohort Himaz found evidence that average educational spending on boys was higher than on girls and explained this by differential enrolment patterns by gender. She explained the gendered differences in terms of differences in parental assumptions (and so investment) about children's futures and argued there was different treatment of siblings because of the need to prioritise scarce resources and assumptions around the later economic contribution of the child to the household.

#### Key messages on learning and school

- Pre-school interventions can help prepare children for school. Although of the greatest benefit
  to poorer children, in reality poorer children are the least likely to benefit. Where schemes are of
  good quality, they have the power to improve children's later performance in school, both through
  linked cognitive and nutritional improvements. Pro-poor policy needs to consider the reach,
  access and quality of pre-school carefully within its scope.
- Levels of enrolment in primary school are typically high and rising in Young Lives countries. Although average figures mask ongoing inequalities, policies promoting universal enrolment have reduced gaps between different groups of children. In the Young Lives sample, irrespective of country, the differences in the enrolment rates of 12-year-old boys and girls were encouragingly small (there was a small difference in Andhra Pradesh), although it is likely these gaps will grow as the children age.
- The MDG framework focuses on children enrolling for school. Although important, enrolment alone does not necessarily ensure the desired educational outcomes. To help children progress in school it also necessary to improve school quality. An important aspect of this for disadvantaged children is ensuring the demands of education can be managed alongside other aspects of their lives including child work. Pragmatic responses to child work include ensuring that children who are working can also participate in school through flexibility in the school timetable, support for children who are falling behind to catch up, and schools that are located close to where children work.
- Differences by ethnicity suggest a need to monitor and understand differences in attainment and ensure that the needs of different groups (including around language of tuition) are catered for effectively.
- School fits within a wider context of the child's experiences within and beyond the classroom and
  in the context of the later labour market which children will 'graduate' into. School needs to be
  relevant to children's lives and it is these issues and circumstances, not just school enrolment,
  which will bring success in breaking poverty cycles.

# 5. Access to safe water and sanitation

The MDG Goal 7 discusses environmental sustainability. Understandings of sustainability have deepened considerably since the MDGs were first agreed, and the four targets within the broader goal are relatively specific. These targets deal with environmental degradation and biodiversity loss, the extent of safe water and sanitation, and the quality of life of people living in slums. In this section we focus on changes in access to safe sanitation and water, given the particular importance of these for child and maternal health.

Young Lives evidence shows a relatively fast spread of improved sanitation and water. This increased coverage is impressive, but as with education, is only part of the story – usage is the key indicator. Data from each of the Young Lives countries show an average improvement in access to some basic services. Unpicking this further demonstrates ongoing differences in access and a different rate of increase between groups. Table 10 summarises data from Ethiopia:

Table 10. Access to basic services, Ethiopia (younger cohort, %)

	Improved water			Improved sanitation		
	2002	2006	Percentage point change	2002	2006	Percentage point change
Poorest quintile	28.8	60.1	31.2	0.0*	39.2	39.2
Second	37.9	68.8	30.9	3.72	40.9	37.2
Middle	41.5	72.6	31.2	17.1	35.5	18.4
Fourth	72.5	83.6	11.1	35.0	31.4	-3.6
Richest quintile	87.9	88.2	0.3	54.0	50.3	-3.8
Urban	84.0	91.3	7.3	33.9	41.2	7.3
Rural	37.1	68.9	31.8	14.5	41.5	27.0
Addis Ababa	86.2	93.6	7.4	16.8	20.2	3.4
Amhara	60.6	61.1	0.6	13.6	39.6	26.1
Oromia	54.1	86.2	32.2	25.1	56.1	31.0
SNNPR	34.4	77.2	42.9	22.4	59.9	37.5
Tigray	45.3	75.3	30.0	27.3	21.0	-6.3
Average	53.5	77.8	24.3	21.3	39.6	18.3

<sup>\*=</sup> fewer than 20 children, therefore treat with caution

This table disaggregates the rate of change in access to improved water and sanitation between 2002 and 2006:

 In the Young Lives Ethiopia sample, as a whole there has been an increase in access to both improved water and improved sanitation. Nevertheless one in four children did not have access to improved water and three in five children did not have access to improved sanitation by 2006.

- There are considerable variations in the rate of change between 2002 and 2006. There
  have been particular increases in access in rural areas, for the poorest three quintiles and
  in some regions (particularly Oromia and Southern Nations, Nationalities and People's
  Region).
- Worryingly not all groups saw an increase; for example, in Tigray access to improved sanitation appeared to fall by 6.3 percent, leaving nearly four-fifths of children without access to improved sanitation by 2006.
- Despite the narrowing of some gaps, and the overall progress, by 2006 there remain considerable inequalities; children in rural areas are 1.3 times less likely to have access to improved water than those in urban areas. Just one in five children in Addis Ababa had access to improved sanitation, compared with three in five of those in SNNPR.

Similar patterns of change can be observed across the Young Lives countries, for example Table 11 presents similar evidence for Andhra Pradesh.

Table 11. Access to basic services, Andhra Pradesh (both cohorts, %)

		Access to electric	city	Access to sanitation (flush toilet or pit-latrine within compound)		
		Round 1	Round 2	Round 1	Round 2	
Round	Poorest	48.3	76.4	0.4	9.3	
1 wealth guartile	2nd	84.4	88.2	4.4	9.9	
quartile	3rd	96.5	95.0	18.3	31.1	
	Richest	99.5	99.0	80.6	81.3	
Urban		97.0	98.3	86.9	90.2	
Rural		77.2	86.8	6.2	14.2	

Source: Galab et al. 2008, Tables 10 and 11

Alongside the positive story of average improvement in extent of amenities there is an additional story around ensuring both access and effective use – both of which will influence children's health outcomes. Cameron examined the impact of changes in access to sanitation in Ethiopia (2009).

Depressingly, this analysis found little evidence (using data from rural Ethiopia) of a difference in children's nutritional status or (after controlling for other factors) in height-for-age or weight-for-age measures depending on whether or not children had toilet facilities or not. In exploring some of the possible reasons for this, the author reported qualitative evidence from Young Lives children suggesting there was often preference for forests or open fields because pit latrines were seen as unclean (and unpleasant and unhealthy) and because girls and boys had to use the same toilet. This analysis is not a council of despair, but it does show that more infrastructure is a necessary, but not sufficient, mechanism to improving children's health needs – policymakers also need to ensure these meet the needs of local communities (for instance in this case separate toilets for girls and boys) and are of good quality.

#### Key messages on access to basic services

- The initial policy message from this section is fairly positive we have seen positive improvements in key infrastructure which can affect children's lives significantly.
- Many improvements have been progressive, narrowing gaps between different groups of children.
- Nevertheless gaps remain in access to safe water and sanitation between different groups;
   narrowing these gaps should be a very specific focus of attention.
- Though access has improved, this does not always means that infrastructure meets the needs or that infrastructure is necessarily well maintained – policymakers need to consider infrastructure quality in meeting needs and usage alongside volume.

# 6. The food price and economic crisis

The global food and economic crisis has affected countries differently, but the effects on children are likely to have been considerable. Poorer children, already more likely to be poorly nourished, are especially vulnerable to such shocks. The food price crisis increased the cost of staples, given food is likely to be a larger element of poorer families spending, inflation will take a higher proportion of household budgets (especially in urban areas where more food is purchased through the market) or reducing consumption with consequently damaging effects on children. The financial crisis is likely to have increased unemployment and impaired economic growth. Estimates in Section 1 suggest the economic growth may have recovered faster in developing countries than developing ones, although the impacts of the economic crisis will have been more acute for those in lower-income countries, without the protections and assets more common in richer countries and we have yet to see the long-term impact on growth and livelihoods.

Most figures are based on projections that suggest the scale of impact was large and highlight just how fragile recent gains have been. The World Food Programme (WFP), for example, estimates the impact of the financial crisis on food insecurity. On their central model, WFP suggest the 2008 financial crisis will have increased the proportion of food insecure people by 9%, with this likely to lead to the highest level (1.02 billion people) of food insecurity since 1970 (FAO 2009: 11), significantly undermining the first MDG.

Most of the data used in this paper comes from 2006, and so it too was collected before the food and economic crisis (further data on 2009 will be analysed when it becomes ready later in 2010). However data from 2006 shows just how common shocks were in the lives of Young Lives children before the crisis. Table 12 contains descriptive statistics for the extent of shocks in the Young Lives sample, split by area and wealth level.

Table 12. Children in households reporting shocks in the 4 years to 2006 (younger cohort only)

	Poorest fifth	2nd	3rd	4th	Richest fifth	Urban	Rural	Average	
Ethiopia									
Crime	18.4	14.7	14.1	8.5	10.1	9.2	16.6	13.1	
Regulation	3.9*	4.0*	2.7*	3.9*	2.0*	2.9	3.8	3.3	
Economic	59.3	54.9	53.4	42.9	33.2	39.4	58.9	48.9	
Environment	67.1	67.2	59.1	20.3	6.5	9.5	71.2	44.6	
Family-related	63.2	62.1	54.5	51.9	50.3	54.5	62.4	56.7	
Andhra Pradesh									
Crime	5.9	4.3*	5.3	4.7*	5.9	4.2	5.8	5.2	
Regulation	2.7*	2.7*	4.5*	2.0*	0.5*	1.2	3.0	2.4	
Economic	20.3	21.2	22.6	17.0	14.7	15.1	21.4	19.2	
Environment	19.9	52.8	47.0	26.6	6.2	5.6	49.1	36.9	
Family-related	48.2	43.9	42.5	42.6	42.4	43.0	46.1	43.9	
Peru									
Crime	12.0	12.2	15.9	14.0	19.5	17.7	12.3	14.7	
Regulation	1.0*	0.7*	0.0*	0.7*	0.3*	0.3	0.9	0.5	
Economic	16.3	26.1	21.8	15.2	15.9	16.7	23.9	19.1	
Environment	36.1	38.5	23.0	4.9	4.4*	5.9	42.7	21.4	
Family-related	32.4	34.2	32.8	33.3	31.6	34.4	34.4	32.9	
Vietnam									
Crime	11.7	10.1	9.1	10.6	10.5	12.1	10.0	1	
Regulation	1.5*	1.5*	0.7*	0.5*	2.5*	2.8	1.2	1.6	
Economic	34.6	30.4	21.2	13.4	12.5	13.3	28.2	24.4	
Environment	48.8	45.7	35.3	21.8	9.3	8.0	40.5	32.5	
Family-related	57.2	49.3	46.9	39.0	50.0	61.6	49.5	51.6	

Note: \*= fewer than 20 children affected.

Shocks are grouped. Environmental shocks include events such as droughts, flooding or crop failure. Economic shocks include the loss of a job, the loss of livestock or contract disputes. Family-related include changes such as births, deaths, illnesses, or children enrolling for school with consequent school fees to pay.

The table shows how commonly experienced shocks were, and how they were distributed:

- Family-related shocks (which include illness) are quite spread across income groups, though the poorest households report more in most countries.
- Environmental shocks are very concentrated, with the poorest and those in rural areas experiencing most shocks.
- Economic shocks were also concentrated on the poorest households in most countries, with the exception of Peru where these are relatively evenly distributed across the wealth spectrum.
- Though the pattern varies between countries, those in rural areas seem on the whole to report more shocks clearly more environmental and economic.

Considering concerns that environmental shocks may increase with climate change, the extent and distribution of shocks are deeply concerning and likely to reinforce inequalities in the absence of effective mitigation strategies.

In other words, even before the food price crisis, environmental shocks were common in the lives of Young Lives children, and commonest in the lives of poorer children. Though Table 12 shows the extent, not the effect, of shocks, likely consequences include less food to eat and increased need to work, including for children. In-depth interviews with older cohort children in Andhra Pradesh found they reported responses including working more, migration to find work, missing classes or being pulled out of school (Vennam et al. 2010). Other effects include the running down or loss of productive assets such as cattle, and debt traps likely also to undermine community development. Often families report family members or neighbours as sources of support in times of crisis rather than formal social protection measures (ibid.), highlighting the importance of informal networks. Such findings also raise critical questions of the existing coverage of social protection schemes.

Given the likely impact of rising prices in causing poorer nutrition, Dercon (2008) analysed some of the probable effects of the food price crisis on children. Having controlled for other factors, he found that (separately) both greater poverty levels (as defined by the difference in the average of the poorest and richest quartiles of Young Lives children) and stunting were associated with grade deficit, poor writing and reading skills, and the children's sense of shame and embarrassment and grade aspiration. From this he argued that the food price crisis was likely to result in children doing less well in school and reducing the time children stayed in school and so their chances of progressing towards tertiary education.

There are four key implications of this section, which sit alongside those from other sections. This reinforces the need to develop and maintain social protection institutions which can support better children's life-chances over the long term.

#### Key messages on the effects of the global food and economic crisis

- Even before the recent food crisis, children in Young Lives households were exposed to a high degree of risk to environmental shocks – up to seven in 10 in Ethiopian rural areas, with poorer households being most exposed in all countries.
- The global nature of the economic and food crisis shows how fragile gains in food security are.
   The effects of shocks which reduce children's access to food include impacts on their health and education. The most profound, long-term impacts will be felt by children who experience shocks when very young.
- Given both the vulnerability of children to shocks and the speed of the onset of the recent
  economic crisis, long-term institutionalised social protection mechanisms are important which
  can both buffer ongoing individual or household crisis and provide the institutional framework to
  enable faster responses to community-level or national shocks.
- The economic crisis showed the importance of social policy in developing countries, but if slower growth means lower revenues for social investments (either from domestic or budget support sources), this is likely to narrow the fiscal space available to develop social policies. It is important that policymakers do not regard social investment as a luxury in difficult times, but as a route towards stronger, more inclusive, growth.

# 7. Conclusions and policy discussion

World leaders have re-committed themselves to the task of achieving the MDGs. Though there has been progress, participants at the September summit face a considerable challenge to deliver on that promise in less than five years. The UN has already published a 'zero' draft of a MDG statement (UN 2009) whose title sets the scene: *Keeping the Promise: United to Achieve the Millennium Development Goals*. The final section of this paper reflects on policy messages both to achieve the Goals and on the framework itself.

#### Combining economic growth with fairness

Our main set of findings under this heading is two-fold. First, although growth has been associated with falls in absolute poverty this rising growth tide hasn't lifted all boats. Second, well-designed social protection mechanisms can deliver improved equity and support longer-term economic growth. Before the economic crisis Young Lives countries showed relatively strong economic growth for most of the millennial decade but big gaps remain between different groups in society.

Though important, economic growth, on its own, therefore will not solve poverty and may indeed widen differences and worsen disadvantage (for example between regions or ethnic groups). Well-designed social protection and cash transfer measures are not only compatible with economic growth (indeed may stimulate it) but importantly can help ensure that growth is inclusive

There is increasing consensus about the role that social protection can play both to protect households against shocks and to tackle chronic poverty. A couple of points are worth reiterating here:

- There are positive consequences of improving the material circumstances of households.
   These are important and can provide a long-term investment in children.
- Social protection has impacts both on the household and within it, and policymakers need to be aware of these different impacts on children and on women and men.
- Conditions associated with programmes (including labour requirements) are likely to alter behaviour and may have unintended consequences such as increased child work.
   Conditions may bear particularly on different groups of people and may have gendered impacts.
- Formal social protection mechanisms may also change community dynamics. On the positive side this can involve improving inclusion, on the negative side targeting mechanisms may exacerbate divisions within or between communities.

Design principles and implementation of social protection mechanisms will determine the results – policymakers need to carefully think through mechanisms to ensure policy is sensitive to context.

#### Helping all children to learn

Primary-level enrolment is perhaps the most impressive of the MDGs. But effective learning is wider than enrolment – and includes also what happens for children before and after primary school, and what happens in school, in terms of the quality of education they receive.

The potential of early childcare intervention as a pro-poor strategy is increasingly recognised, both in terms of supporting parenting, preparing children better for formal school and through nutrition programmes. Where such programmes reach poorer children there is the potential of disproportionate positive benefits. The key policy messages emerging from the analysis include monitoring to ensure that pre-school programmes reach the most disadvantaged children. The need to ensure adequate resources (including sufficient quality food) and effectively trained staff able to stimulate children's cognitive development and ensure that pre-school achieves more than just being a childcare facility. Since there is a tendency for schemes to provide poorer quality for poorer children (with services to poor people likely to become poor services), policymakers need to be particularly alert to the differences in quality standards by area of the types of families served.

Improving children's school readiness can capitalise on recent increases in primary enrolment rates. However, alongside policies designed to ensure children enrol, more effort is needed to ensure that children learn well once they are in school, minimising drop-out and by increasing quality. Here there are a number of policy messages which emerge from Young Lives research. More effort is needed to ensure that not only is there high enrolment but that gaps between groups of children are reduced. There is a challenge to understand what is going on within the school, but Young Lives data provides the simple and stark comparison between high enrolment and apparent low quality, as indicated by basic literacy. The MDG framework could be improved to capture not only where children enrol but what the results of this are in whether they acquire skills which help them in the labour market as adults.

Governance also comes through as an important message; we see increasing evidence of the emerging private sector in education in some countries at both pre-school and primary level. In Ethiopia, for example, the Government does not provide pre-school facilities, leaving this up to the market, which results in gaps in the availability of services between rural and urban areas. In India parents often prefer to send children to private schools because they consider them to be of better quality than government services. Caution is needed here to ensure effective governance of the private sector, both to examine the quality of education it provides and to prevent it undermining public-sector schools, but also to consider if the public sector can learn lessons from it.

#### Better as well as more services

Our evidence shows a significant increase in access to basic services in recent years. If not all, much of this improvement ought to be attributed to the focus provided by the MDGs. However there are two important limitations:

- Change is not equally fast for all children and large gaps remain between different groups.
   Access to basic services remains unequally distributed.
- Process indicators showing an increase in coverage do not necessarily equal quality.

Additionally, and specifically in relation to education, if increased enrolment (or quality for that matter) is to be transformative for individual life-chances or communities, an increasingly educated population needs the opportunities to use these new skills in the future labour market – without these opportunities, better education risks creating false hope.

Despite this progress, inequalities of access and outcomes continue to act as a drag on development. Ensuring the monitoring regime is sensitive to such differences is an important mechanism to direct attention towards policies which assist in narrowing the gaps.

#### The MDG framework and post-MDG debate

The MDGs have been successful in raising the profile of development issues, they are widely recognised and have considerable international political and public support. Although the list of targets sitting below the Goals is extensive, the Goals themselves are relatively simple and easy to communicate. Though progress under the MDGs has been disappointingly slow in many countries, the Goals still provide an important foundation for future progress. Debate around the current framework, and what comes after, ought to build on this existing foundation.

More criticism has been levelled at whether the Goals are adequately flexible to respond to national priorities, and so to achieving a level of national ownership (see Sumner and Melamed 2010). Without effective national buy-in, it is unlikely that schemes driven by international agencies will sustain after donor attention has shifted elsewhere. There is concern also that the MDGs address what is measurable, rather than necessarily what is always most important. Primary school enrolment increases are impressive but do not translate automatically into better education or sufficient labour market opportunities in later life.

There is some disaggregated data within the MDGs around gender, but regional, ethnic, wealth-, health-related and urban/rural differences are ignored. Disaggregating data would not require a change to the MDG infrastructure, but better reporting by governments and international organisations. Highlighting differences would help move the policy debate on to understand inequalities within countries and the effectiveness of policy in reaching all.

There have clearly been improvements in the coverage of key services. These improvements create a basis and opportunity for better, as well as expanded, services. An increase in infrastructure in key areas is a necessary but not sufficient pre-condition to tackling poverty and reducing its transmission. Indicators of quality would include a greater understanding of the impact made in these areas. Again the important example of primary education enrolment provides detailed information on the number of children who enrol in school, but not whether they stay, what skills they learned, and how useful these skills are for their later life-chances. Discussions of any post-MDG framework need to consider how to encourage both better reach and higher quality of interventions.

Finally, as was noted above, the MDGs contain a number of indicators which direct attention towards children. These indicators are not comprehensive nor do they do more than perhaps represent an adult's view of what children need or should be doing. Nevertheless this attention on children is important to ensure that a better understanding of their needs increasingly becomes part of the mainstream policy debate. Investing in children, and in the circumstances into which they are born, is important both because of the moral responsibility which societies bear for their young, because of their greater likelihood of being poor, and because of the sheer value and positive returns of early intervention for later individual and collective development.

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