



UNIVERSITY OF
OXFORD

Young Lives 
An International Study of Childhood Poverty

Inclusive Growth: Learning from the evidence of the Young Lives studies

Professor Stefan Dercon,
Department of Economics,
University of Oxford

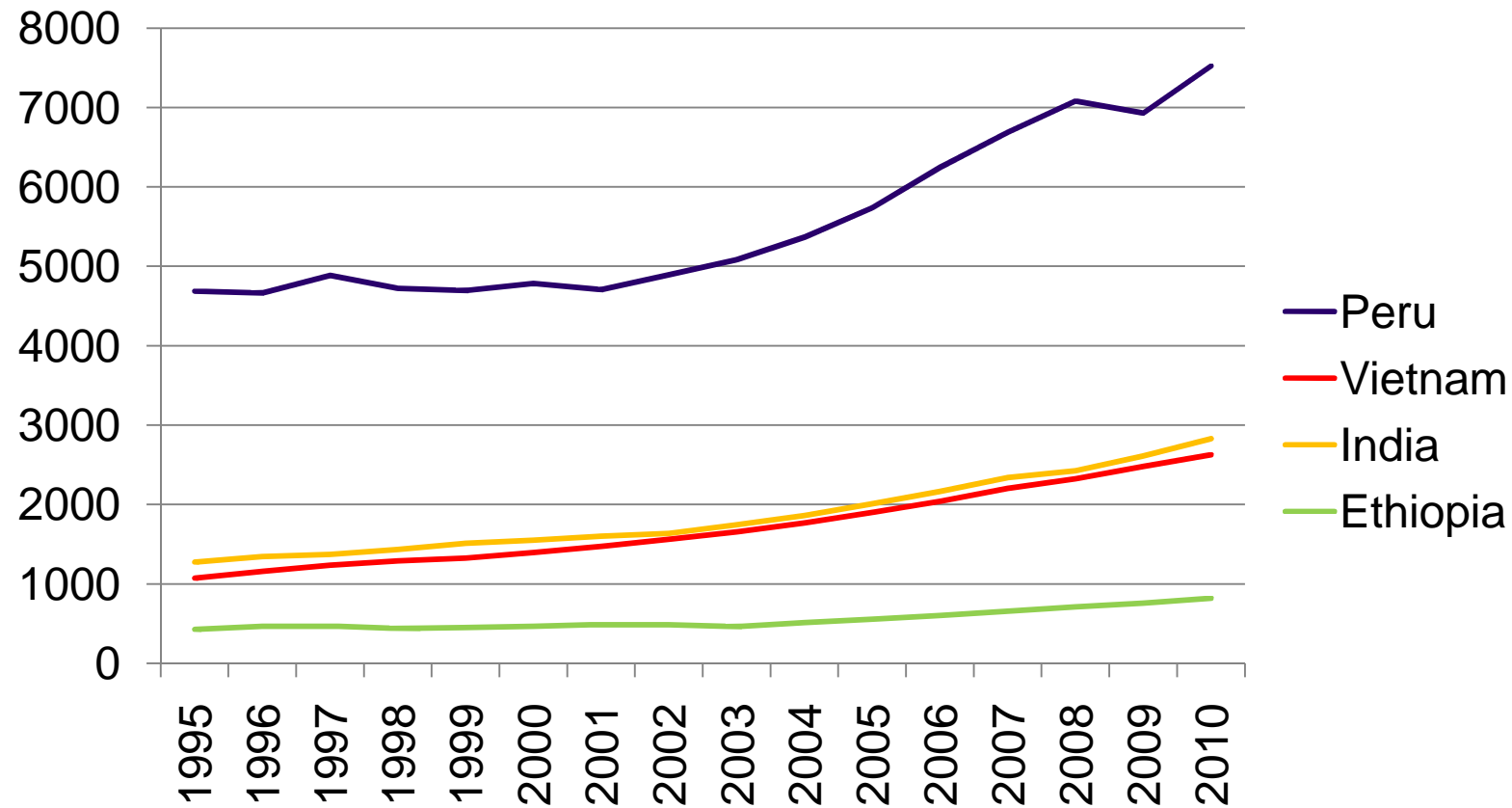
Launch of Young Lives Round 3 Survey Data
DFID, London, 27 September 2011

Background and purpose

- Four countries of recent fast economic growth facing key development questions:
 - Can it be sustained?
 - Does it fight poverty effectively?
 - What to do to achieve these goals?
- Questions asked in talk
 - How can Young Lives offer insights?
 - Some examples

Fast GDP growth

GNI per capita 1995-2010 (\$ 2000, PPP)

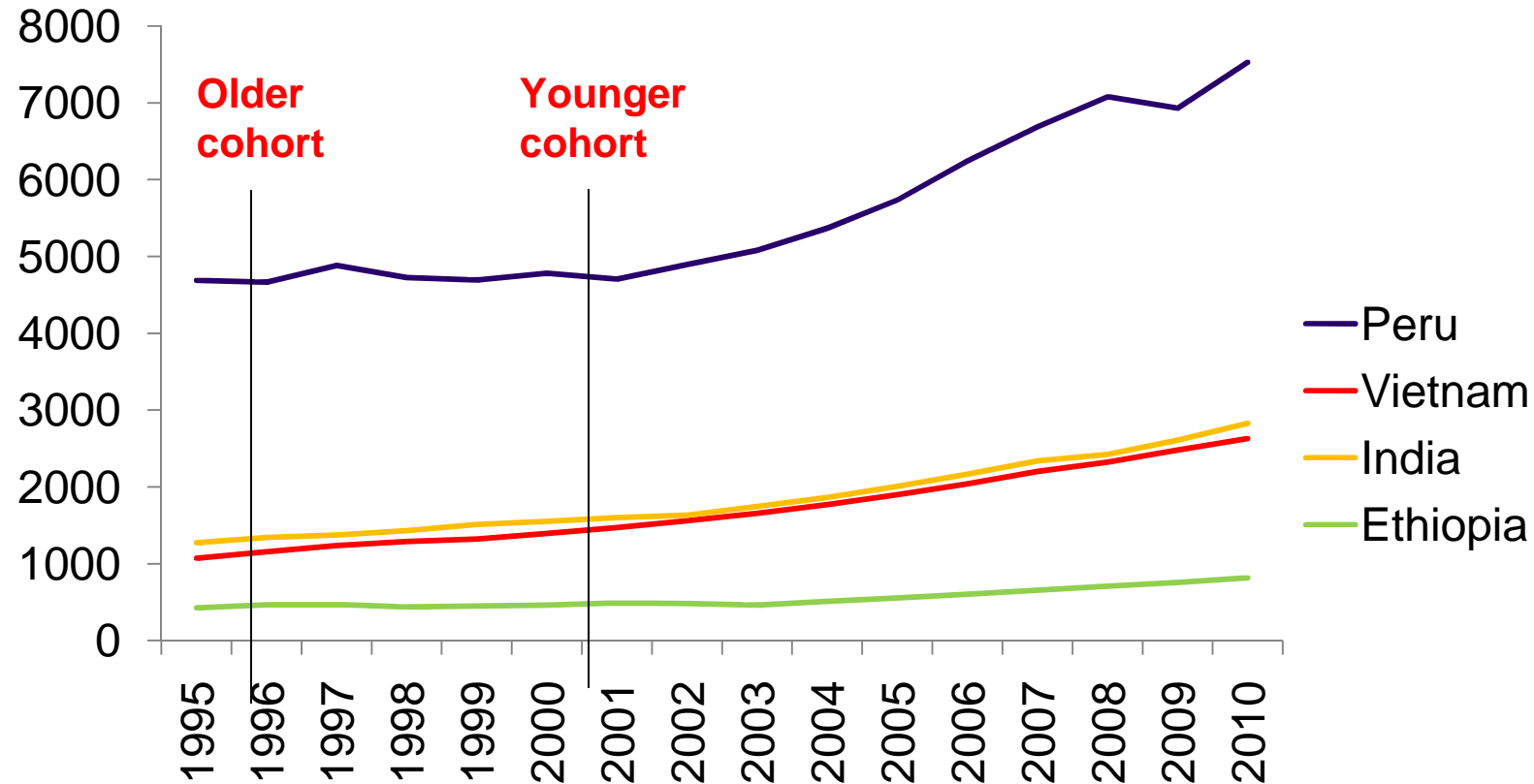


Growth in this period:

Peru 61%, Vietnam 145%, India 122%, Ethiopia 91%

Two cohorts of children....

GNI per capita 1995-2010 (\$ 2000, PPP)



Growth in this period:

Peru 61%, Vietnam 145%, India 122%, Ethiopia 91%

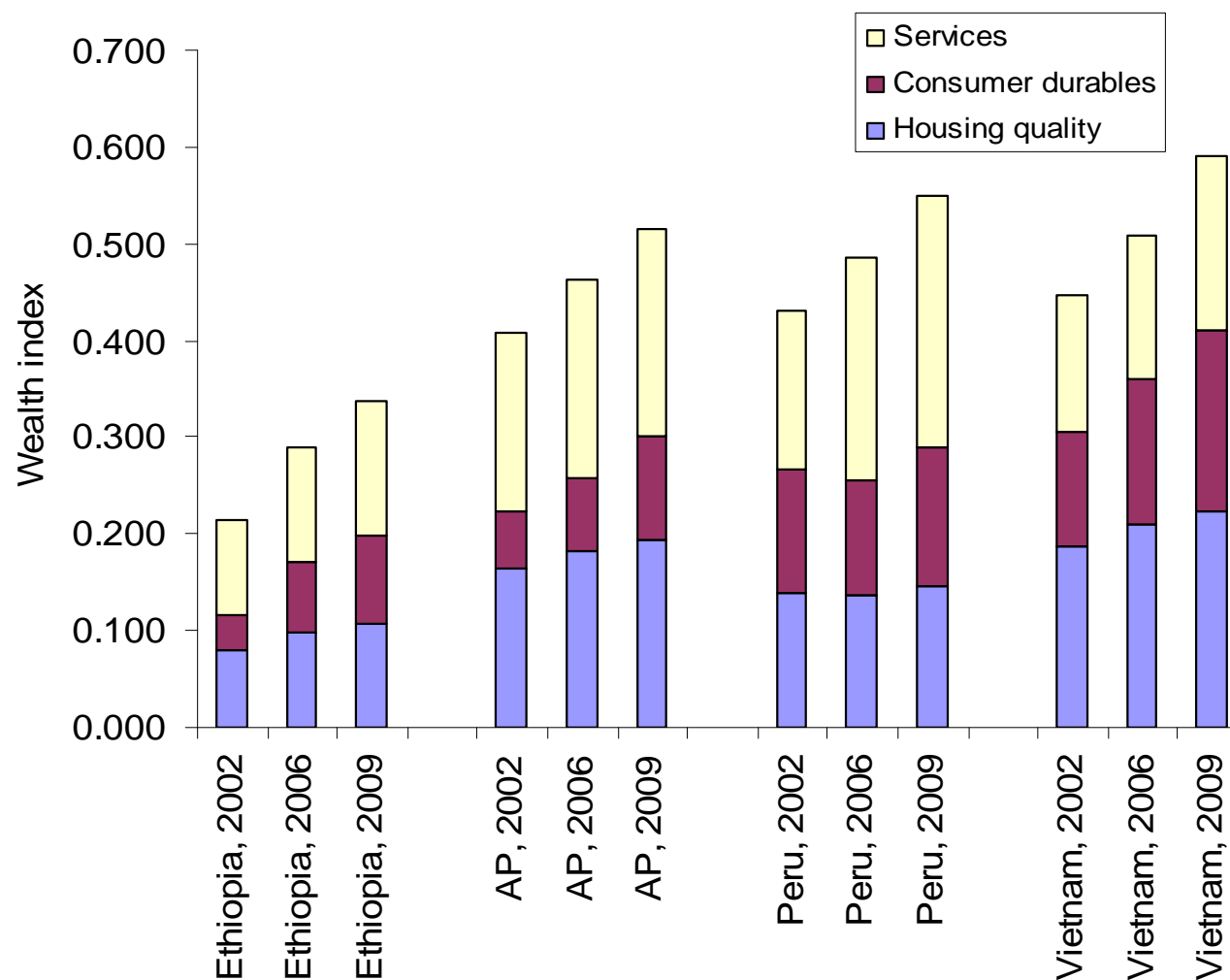
Fast GDP growth and the cohorts

Growth in GNI p.c.

	Pre-study 1996-2001	Older cohort 1996-2009	Younger Cohort 2001-2009
Peru	1%	49%	47%
Vietnam	27%	114%	69%
India	19%	94%	63%
Ethiopia	5%	63%	55%

- We expected two fast and two slow growers...
- But we got four very fast growing economies, converging in *growth* rates!
- With fast growth during survey period 2002-2009

Broadly rising wealth levels 2002-09 in YL



Note some differences in both sample constructions and make up of index components
Source analysis for policy paper 5, 2011

Children and Growth? Why do they matter?

- Growing economy needs **healthy, productive and creative labour** to sustain growth
- **Heckman**: labour market requires and rewards **health**, strong cognitive skills but also **non-cognitive** skills (esteem, efficacy, perseverance, emotional stability, ...)
- Health and skills are ***formed* from early childhood**
- There are **critical phases**, and if deprived at some point, maybe no recovery
 - E.g. Early childhood nutrition (0-3) strong determinant for cognition
- Can **fast growing economies** succeed in
 - Create future labour force?
 - Ensure inclusion of the poor?
 - Extent of growth is unprecedented.

What can Young Lives contribute?

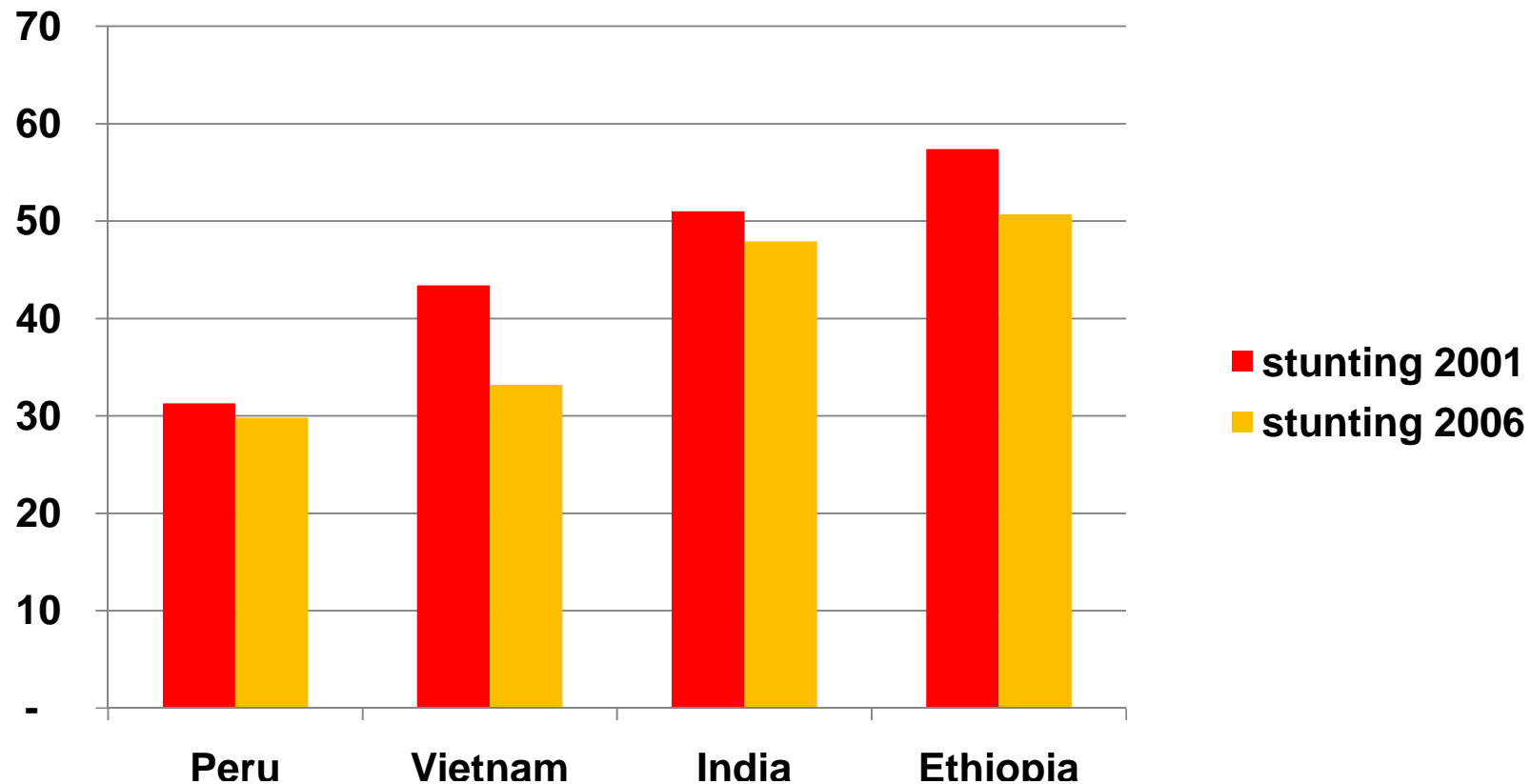
Using samples representative for at least lowest 90% of population (in terms of wealth):

- Assessment of *multiple* dimensions of child poverty and deprivation, and its consequences
- Understand the mechanisms/processes
 - that perpetuate or break poverty cycles
 - that allow contribution to growth
- Offer entry points and lessons for policy

Today

- On multiple dimensions: e.g. gender gaps
- On mechanisms, and their consequences for growth and inclusion:
 - Perpetuation of gender gaps
 - On the risk of entrenched inequalities
 - On skill formation processes, linking nutrition, education and soft skills
- Offer entry points on policy

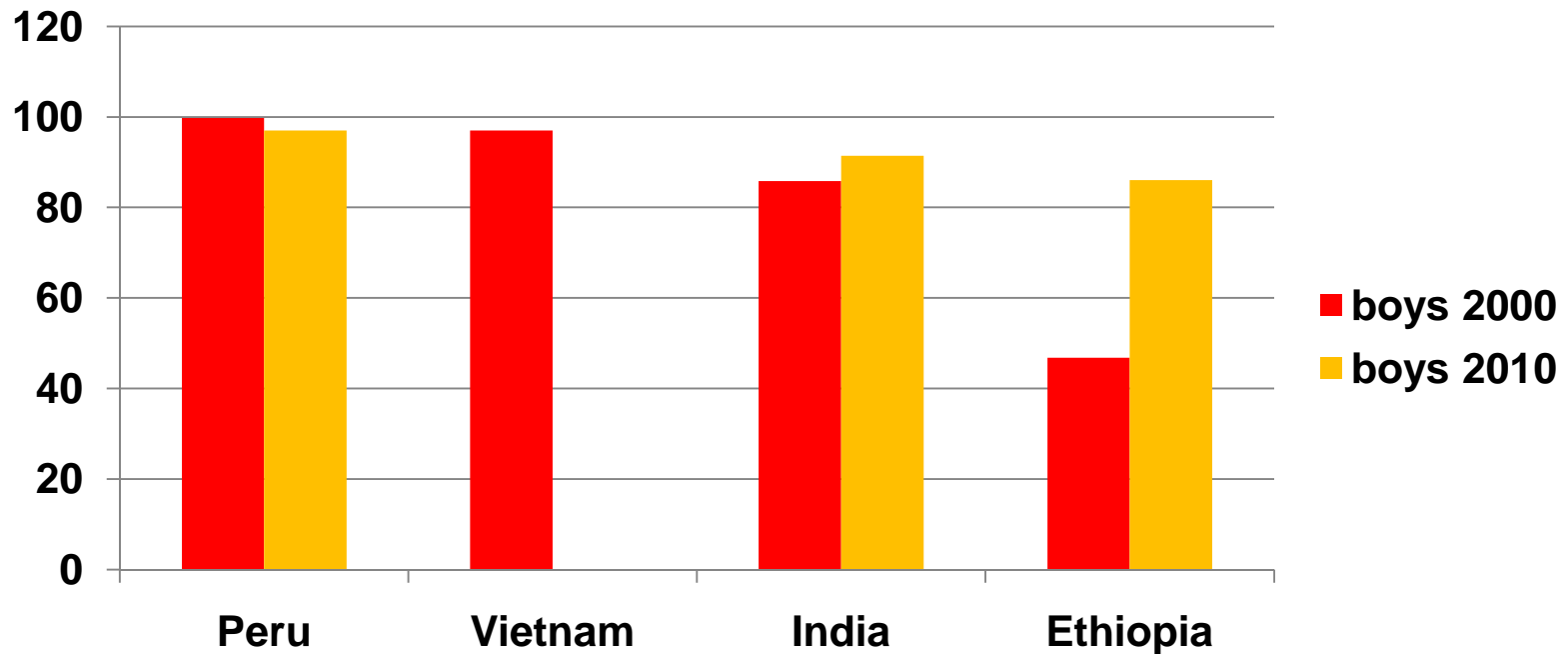
Slow progress despite growth: stunting



- 2001: older cohort reaching 5; 2006: younger cohort close to 5
- Stunting only slowly going down

Fast progress with growth: enrolment

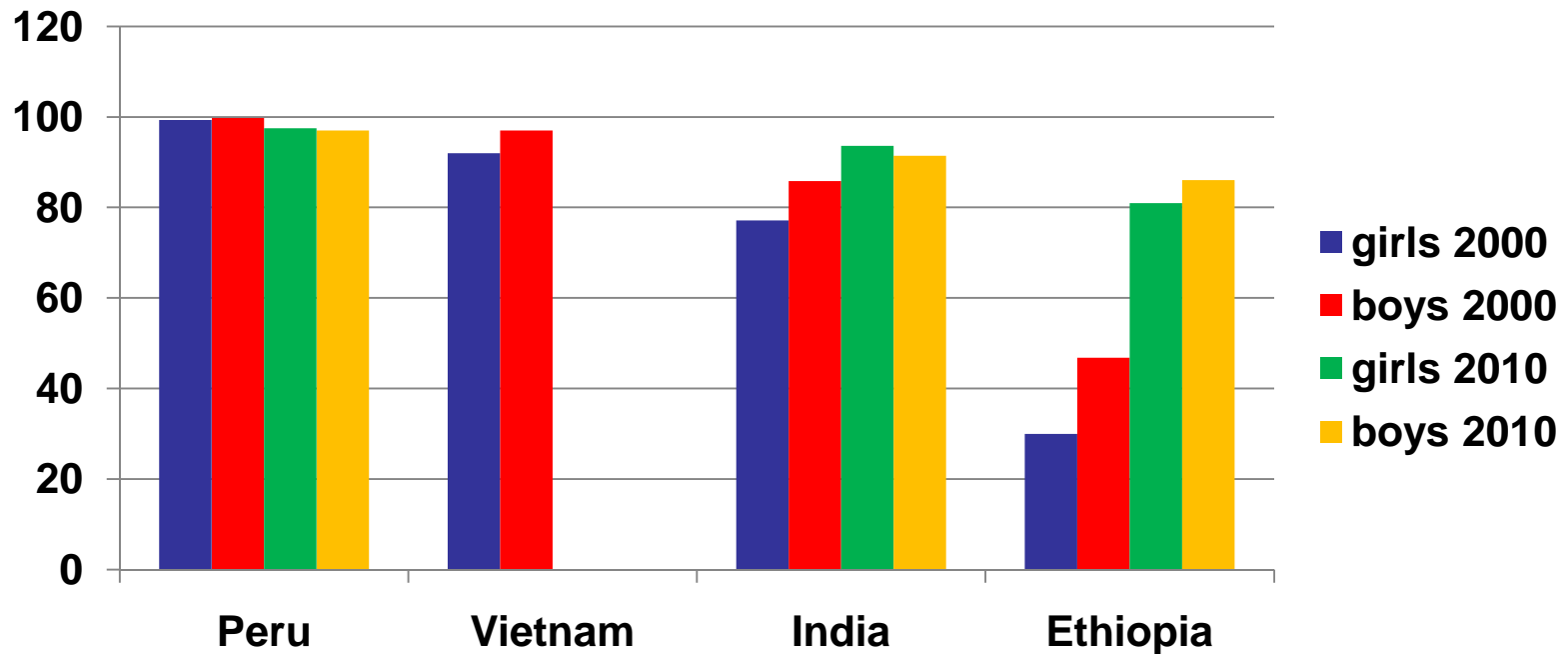
Net primary school enrolment 2000-2010



- Just before older cohort entered school, high enrolment Peru and Vietnam
- By time younger cohort is in school, strong convergence by Ethiopia and further improvement India

Fast progress with growth: girls enrolment

Net primary school enrolment boys versus girls 2000-2010



- Gender Gap close to zero in Peru and Vietnam in 2000
- Gender Gap closed in India and Ethiopia during last decade

Gender Gaps in Young Lives

- We investigate gender gaps
 - Across **countries**
 - Across **ages**: children at age 8, 12 and 15
 - Across 13 **dimensions**
 - **nutrition** (BMI, weight, height)
 - **education** (enrolment, PPVT, maths)
 - **psychosocial** (efficacy, esteem, inclusion, trust)
 - **subjective wellbeing**
 - Child and parental **aspirations** (education)

Test for differences between boys and girls in 156 regressions...

Gender Gaps in Young Lives

- **NO** clear pattern of gender bias in many dimensions
 - Nutrition, subjective wellbeing, esteem
- Except for *education outcomes* in Ethiopia, India, Vietnam and (to some extent) rural Peru.
 - Gaps at all ages, especially at 15
 - In India/Ethiopia pro-boys,
 - In Vietnam pro-girl

Gaps in Education: from norms to outcomes

- Where do these gaps come from?
 - We observe significant gaps in PARENTAL ASPIRATIONS at age 8 (India, Vietnam)
 - Translating into CHILD ASPIRATION gaps at age 12 and 15 (Ethiopia, India and Vietnam)
 - Translating into gaps in TEST RESULTS at age 15 (Ethiopia, India and Vietnam)
- = 'institutionalized' gender gaps in education
- = against girls in Ethiopia/India, in favour in Vietnam
- = despite currently few gaps in enrolment

Today

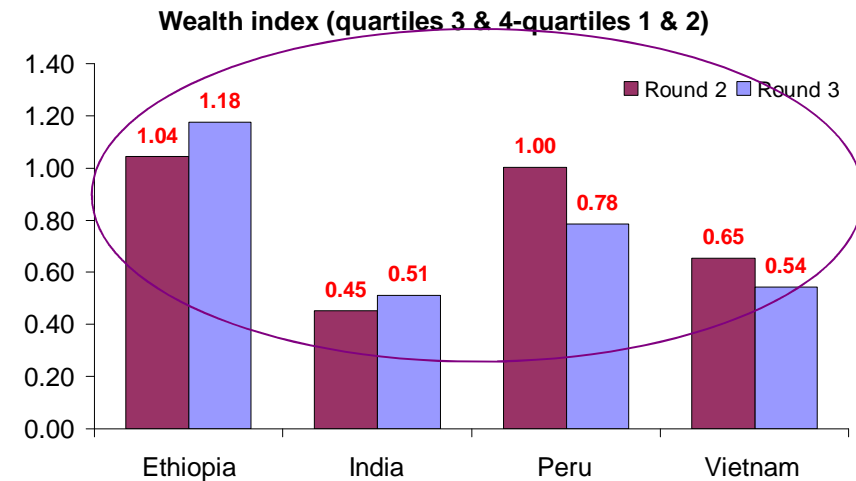
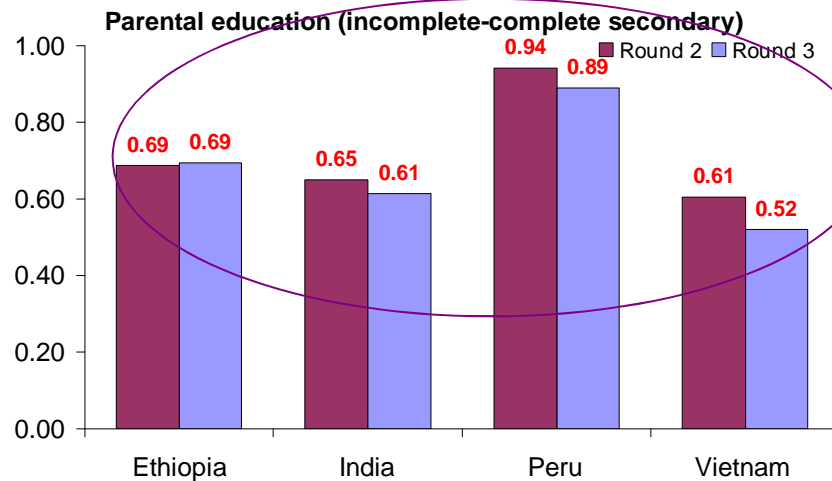
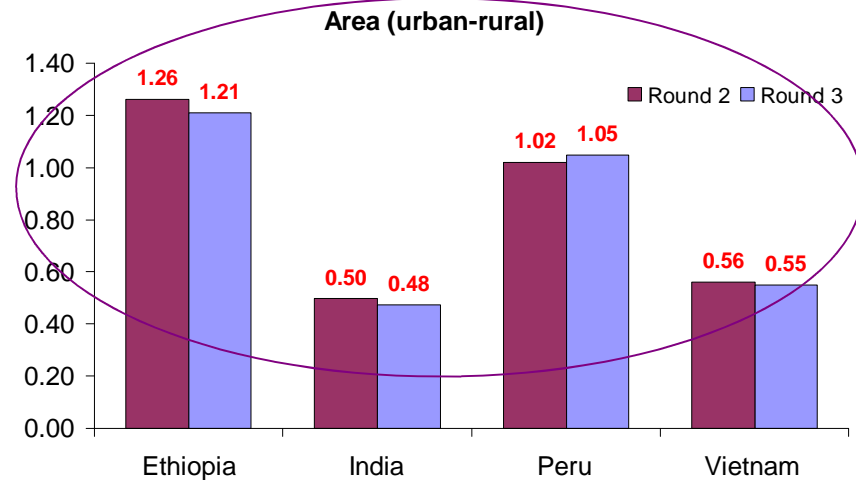
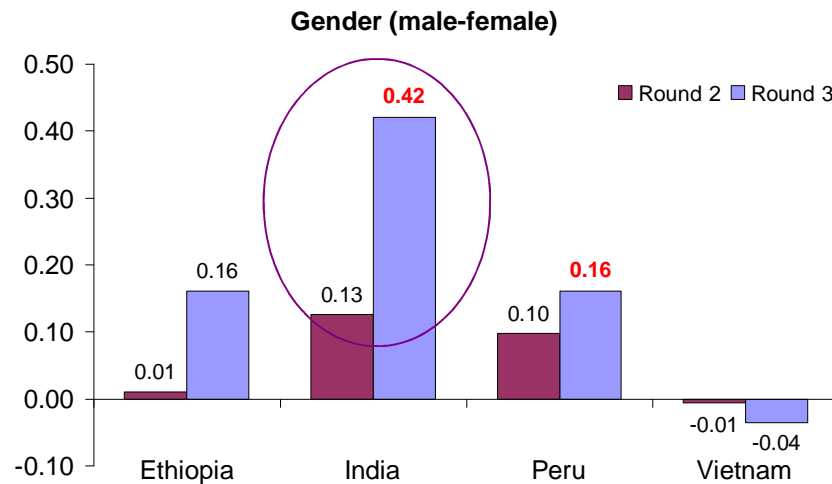
- On multiple *dimensions*: **gender gaps**
- On *mechanisms*, and their consequences for growth and inclusion:
 - **Perpetuation of gender gaps**
 - On the risk of entrenched inequalities
 - On skill formation processes, linking nutrition, education and soft skills
- Offer entry points on policy

Today

- On multiple *dimensions*: gender gaps
- On *mechanisms*, and their consequences for growth and inclusion:
 - Perpetuation of gender gaps
 - On the risk of **entrenched inequalities**
 - On **skill formation processes**, linking nutrition, education and soft skills
- Offer entry points on policy

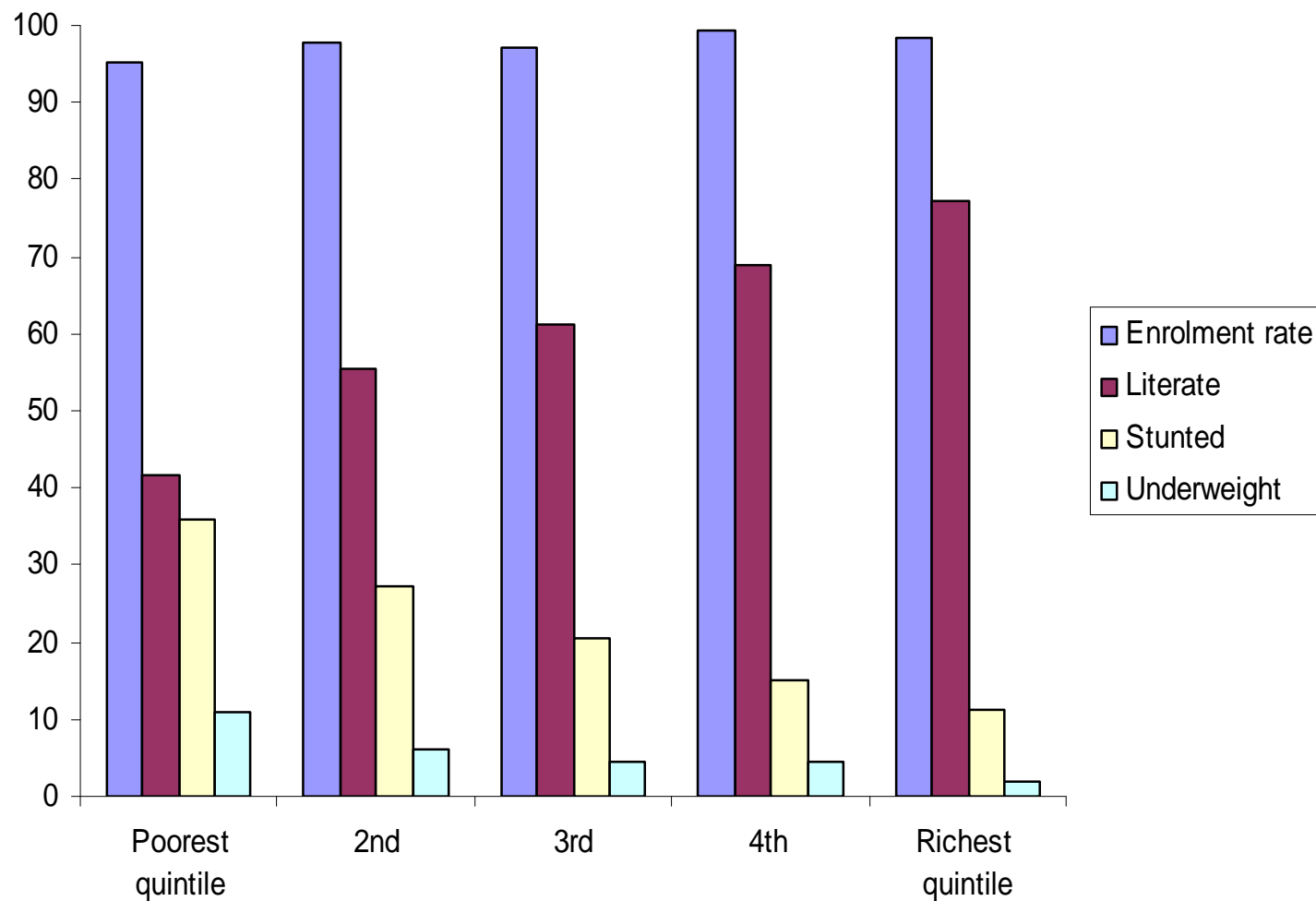
Inequalities in cognitive development by SES

(PPVT, age 9 and 12)



* Only one language per country.
** Only differences in red colour are statistically significant.

Ongoing inequalities (age 12 by quintile): Peru



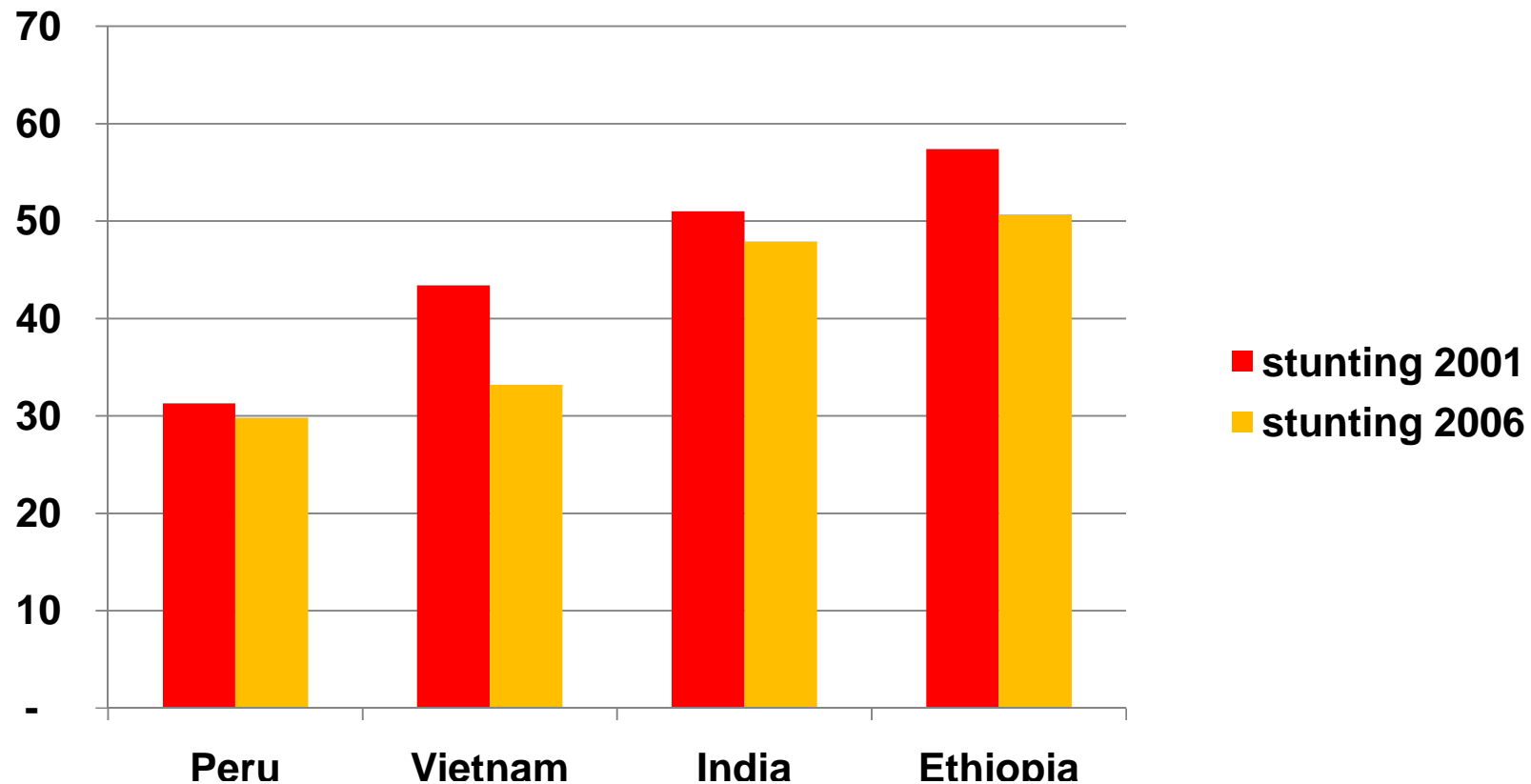
Stunting and its consequences

- Early childhood stunting (in utero- 3 years of age) has permanent consequences on brain development and skill formation
 - YL studies confirm link between stunting early (2 or 6) and **cognitive** outcomes later
 - Key implications: in *all* these economies **entrenched** and slow moving **stunting will harm development and growth**

Stunting and its consequences (2)

- In line with Heckman, also *non-cognitive skills* matter
 - Controlling for SES (maternal education, wealth, consumption, access to schools)
 - Across all countries
 - Stunting at age 6 is strongly associated with:
 - Lower **educational aspirations** at age 12
 - Lower **self-esteem** at age 12
 - Lower **efficacy** at age 12
 - These have been shown in many countries to matter for child's labour market performance and general inclusion in society

Slow progress despite growth: stunting



- 2001: older cohort reaching 5; 2006: younger cohort close to 5
- Stunting only slowly going down

Today

- On multiple *dimensions*: gender gaps
- On *mechanisms*, and their consequences for growth and inclusion:
 - Perpetuation of gender gaps
 - On the risk of entrenched inequalities
 - On skill formation processes, linking nutrition, education and soft skills
- Offer entry points on **policy**

What can be done? Is all lost?

- Even though early childhood matters crucially, all is not lost
 - Evidence on impacts of social programmes (from midday-meal school meals in AP to PSNP in Ethiopia or Juntos in Peru)
 - In-depth understanding of ‘complementarities’ of home environment and school environment
 - Also challenging perceived wisdom of “all is lost” after early childhood (0-3 years of age)

What can be done? Not all is lost!

- YL evidence challenging nutrition views on catch-up growth
 - Early Childhood Stunting causes brain damage for cognition
 - But *Journal of Nutrition* work on YL data in Peru
 - Children stunted at age 2 and 6 performed poorer in cognition tests than non-stunted children
 - BUT children with ‘catch up growth’ (meaning stunting disappeared by age 6 despite stunted at age 2-3) had NO discernable difference with non-stunted children in cognition
 - More research and replication, and study of mechanisms (e.g. Brain recovery or compensation via stimulation etc)
 - **PLUS hope for policy**

Today: examples on how can Young Lives offer evidence for inclusive growth

- On multiple *dimensions*: **gender gaps**
- On ***mechanisms***, and their consequences for growth and inclusion:
 - **Perpetuation** of gender gaps
 - On the risk of entrenched inequalities, e.g. **stunting or learning**
 - On **skill formation processes**, linking nutrition, education and soft skills
- Offer entry points on **policy**

FINDING OUT MORE...

www.younglives.org.uk

- methodology and research papers
- datasets (ESDS International)
- publications
- child profiles and photos
- e-newsletter

