

CHILD POVERTY

What drives it and what it means
to children across the world

Executive Summary



Save the Children

**Front cover photo: Two children play in
the market area of Yirimadjo, Mali**
(Photo: Tanya Bindra/Save the Children)

Save the Children works in more than 120 countries.
We save children's lives.
We fight for their rights.
We help them fulfil their potential.

With sincere thanks to Charlotte Harland-Scott, the lead author and to Romina Istratii for research assistance.

Many thanks to Save the Children's Child Poverty Global Initiative Core Team and Steering Committee for their valuable comments and review. Thank you to our Offices in Bangladesh, Egypt, Ethiopia, India, Italy, Mali, Mexico, Philippines, Sweden, and Zambia for their inputs and guidance. Thanks also to Paul Dornan (Young Lives, Oxford University) and Keetie Roelen (Institute of Development Studies, University of Sussex) for their comments.

All children's quotes are from Chapter 2, main report.

January 2016

Published by Save the Children UK

Save the Children UK
1 St John's Lane,
London
EC1M 4AR
UK

First published 2015
© Save the Children UK
Registered charity number 1076822

Design work by Helen Waller (iCRE8DESIGN)



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INTRODUCTION

Our new report looks at the situation of children living in poverty in countries around the world, shining a light on the drivers of child poverty and exploring why it persists, even in some of the wealthiest places. We also hear from children in poverty themselves: our best guides to understanding the urgency of this challenge.

Most of the poorest children live in low and middle income countries as well as in conflict-affected zones. The report describes how these children experience poverty as stark deprivations in realising their daily needs, and as damaging exposures to failures of protection. And even in the richest countries, tens of millions of children still live with uncertain access to food, inadequate shelter and social services, and with the damaging effects of social exclusion.

Living in poverty means insecurity and risk. Children in poverty are the most exposed. We examine how shocks and crises expose the poorest children to the risks of exploitation, forced marriage, trafficking, the effects of climate shocks, and environmental hazard.

Child poverty is also underpinned by inequalities. Economic inequalities are reinforced by social exclusion, by biases in service delivery, and by many forms of discrimination – notably on the basis of gender, disability and minority status.

Children around the world speak movingly about the pain they feel and the scars they bear as a result of poverty and marginalisation. They talk of how they endure stigma, shame and a loss of self-esteem. In many places too, the outward signs of poverty attract ridicule or insult, causing deep psychological damage to young minds.

With the adoption by all Governments in 2015 of the Sustainable Development Goals, eliminating child poverty is now a universal commitment as well as an urgent global priority. The new Goals express the commitment to “end poverty in all its forms everywhere” by 2030. The SDG targets recognise not only income poverty, but also “poverty in all its dimensions” as it affects “children of all ages.” But without explicit recognition of the challenge of child poverty by decision-makers at all levels, and dedicated efforts to address it, this first SDG will not be met – and the task of reaching other Goals, in areas such as child survival, nutrition and learning, will be immeasurably more difficult.

Our new report is part of a concerted effort by Save the Children, together with our partners in the *Coalition to End Child Poverty*, to ensure that the poorest children across the world receive the attention that they deserve. While there are great differences between societies, it is clear that fundamental similarities exist in the drivers and experiences of child poverty. The same is true of the essential solutions. Acting with determination to achieve these solutions is an imperative for us all.

Justin Forsyth

Chair, Save the Children's Child Poverty Global Initiative



Photo: Save the Children

Kasturi, 8 years old, is the youngest in a family of four living in Andhra Pradesh, India. Her family's financial situation went from bad to worse just before Kasturi was born. As a baby Kasturi suffered from malnutrition which her teachers believe it has had a negative impact on her brain development.

HOW CHILDREN EXPERIENCE POVERTY

The first of the newly launched Sustainable Development Goals (SDG) contains an important commitment to end poverty in all its forms everywhere by 2030. This unprecedented agreement by all UN member states provides a major opportunity to bring improvements to the lives of hundreds of millions of people globally. However, to realise this goal, it is essential to recognise that almost half the world's poor are children,¹ and to make special efforts to tackle child poverty – in all its dimensions.

Within the next 30 years the world could see the eradication of child poverty and with it global poverty, but this requires Governments around the world to pursue the fulfilment of these SDG goals and targets. This shortened version of the report highlights how children experience poverty in countries around the world. It summarises the patterns and drivers that underpin child poverty, and why it persists, in a wide range of different circumstances. Throughout the report it presents snapshots of the views of children living in poverty, whose voices are often not heard. It also summarises the actions governments must take to ensure the eradication of child poverty.

Children experience poverty differently from adults, with changing needs and specific vulnerabilities that adults do not share. As young children, they are dependent wholly on parents or caregivers for survival and healthy development. As they grow, their need for education is central. Throughout childhood, they require protection from diverse and changing risks and threats. At all stages, children lack capacities and opportunities to cope with and address poverty and its associated deprivations.

The effects of poverty on children can be long lasting. Early malnutrition and illness affects physical growth, cognitive development and life-long earning capacity. An inadequate education affects adult life in many ways, and is strongly associated with prolonged poverty. Harmful child labour and hazardous living conditions intensify the risks of injury and disability. Early marriage, irregular migration, displacement and trafficking create multiple threats to children, including in adolescence, that can cause long-lasting harm. Girls and boys subjected to these and other effects of poverty enter adulthood at a disadvantage. Many remain poor as adults and their own children will grow up in poverty too.

Children under the age of 3 when affected by famine can be at least 3cm shorter than their peers, as well as less likely to have completed primary school, and more likely to have experienced recent illness. Their early experiences may in some circumstances lead to life-long income losses of 3 to 8% a year.²

¹ World Bank 2013. *The State of the Poor: Where Are The Poor, Where Is Extreme Poverty Harder to End, and What Is the Current Profile of the World's Poor?* Poverty Reduction and Economic Management Series Economic Premise number 125, October 2015. Washington DC: The World Bank. UNDP 2014. *Human Development Report 2014. Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience*. New York: United Nations Development Programme.

² Dercon S and Porter C, 2010. *Live aid revisited: long-term impacts of the 1984 Ethiopian famine on children*. Centre for the Study of African Economies Working Paper 2010-39. Oxford: University of Oxford.



Chuickne Traore, 6 years old at his school after receiving some schools supplies, including a new rucksack. Chuickne has been displaced by the violence in the North of Mali and now lives with his mother in Bamako. His father remains in Timbuktu, where he is from.

WHAT DO WE MEAN BY CHILD POVERTY, AND HOW DO WE MEASURE IT?

Although poverty is commonly expressed in terms of household income, measuring child poverty is far more complex. The “\$1 a day” (or similar) threshold is intended to provide an easy and meaningful way of understanding monetary poverty, and to represent the cost of a basic food basket (extreme poverty), plus other basic needs (moderate poverty). For children, however, this approach assumes that household income is equitably distributed, and that the ways in which they ‘live’ poverty can be well understood within this monetary parameter. In each case, these assumptions can be questioned. Nonetheless, low and often highly insecure household incomes do have very significant implications for children, and are a major driver of multiple deprivations experienced at different stages of childhood.

In response to concerns that income alone doesn’t adequately convey the full meaning of poverty, it has been increasingly common to look at poverty as a multidimensional issue. This approach provides a more convincing insight into the “lived-in” experiences of people in poverty, encompassing deprivations across a number of important domains. By incorporating multiple dimensions of poverty, it describes the mutually reinforcing disadvantages that make poverty so hard to escape.

Thinking about child poverty in multidimensional terms is particularly compelling. The domains and thresholds used to define poverty can be explicitly linked to the range of rights established in the Convention on the Rights of the Child. These relate to the basic needs and vulnerabilities which are inherent to children everywhere. The CRC provides a normative framework that sets out the minimum entitlements and dimensions of an acceptable standard of living which are relevant to children in all societies.

However, alongside the persuasive arguments for looking at child poverty in multidimensional terms, a number of methodological challenges remain. Practical constraints exist in terms of data sources, as well as the

technicalities of creating meaningful and logical aggregations. Indicators in some areas of children’s lives are still a work-in-progress. Measurement tends to focus on those child rights that are more easily quantified, and to exclude important intangible or qualitative concerns.

Reinforcing these concerns is the fact that – when given the opportunity – children living in poverty don’t necessarily talk about the aspects of either monetary or multidimensional poverty that can be most directly measured. Rather, when they speak about their lives, they often highlight the anger, frustration, sadness and sense of hopelessness they feel, linked to repeated instances of discrimination and exclusion. These experiences may trigger school drop-out, the loss of friends, and exposure to risks and threats that rarely affect children from better-off backgrounds. Children from around the world, in very different circumstances, tend to share remarkably similar experiences of being marginalised, stigmatised, shamed and left out. Discrimination and exclusion of those who are poor is often widespread in society, and extends into the very institutions that should be helping children in need, including schools and police forces.³

“I hate [school] because my mum and dad can’t afford the trousers so I have to wear trackies. But I always really annoy [the head]. He goes ‘You’ve got to get your trousers sorted out!’” (UK)

“Other students make fun of me. It’s important to be able to go around without being afraid that people will make fun of you” (South Sudan)

“Sometimes at school the others make fun of you, and you feel isolated as if every day you were doing something wrong” (Italy)

³ See Chapter 2, main report.

PATTERNS OF CHILD POVERTY ACROSS COUNTRY TYPES

The most persistent and widespread levels of poverty and its associated deprivations among children are found in countries classified as “low income” based on average income per person. These now comprise mostly “fragile states” in Sub-Saharan Africa.⁴ Some 613 million people live in these Low Income Countries (LICs). This represents about 8.5 percent of the world’s population,⁵ but some 30 percent of the world’s extremely income-poor people are found in LICs.⁶ As in other groups of countries, poverty rates in LICs are highest among children. Child poverty is also persistent and sometimes intensifying in other fragile states, including unstable or conflict-affected states in North Africa, the Middle East and South Asia.⁷ In these countries, governments may be weak, directly embroiled in conflict, or even working against the wellbeing of parts of the population. Fragility is widely understood as situations in which states show vulnerabilities and failures in several critical domains: the prevalence of violence; low access to justice; the lack of effective and accountable institutions; economic and social exclusion; weak capacity to prevent and adapt to shocks and disasters.⁸ All of these “fragilities” have direct impacts and potentially dire consequences for children.

In such circumstances, children and families living in poverty are exposed to a wide range of threats, often with little to fall back on in terms of assets or sustainable coping strategies. Public services are often unreliable and of poor quality, economic opportunities

through which to buffer and diversify incomes are scant, and families have little opportunity to prepare for or reduce the impact of shocks.

The drivers of child poverty in low-income countries thus often include natural hazards, life-cycle risks and weak institutions. However, in the context of a fragile or conflict-affected state, more immediate threats to families and children may also be severe, such as sexual exploitation, gender-based violence, trafficking, recruitment of children as soldiers and discrimination in the provision of basic services. The state may be unable to mitigate these threats, or in some instances is itself the source.

The response to insecurity and shocks to basic livelihoods is often migration. In low income and fragile countries, “push factors” have seen large numbers of people leaving their home areas, often heading into urban centres in search of basic needs. Many cities have seen a rapid growth in populations, and a commensurate expansion of slums and unrecognized settlements. In the context of a low income and/or fragile state, peoples’ expectations of urban migration may be vastly disappointed. Jobs, financial services, health facilities, schools, sanitation and decent housing may be almost completely inaccessible. Rather, urban survival and well being for girls, boys and young people may depend on navigating new threats, including hazardous work, crime, exploitation, sexual harassment and abuse.

Countries classified as “middle income” are now home to 71 percent of the global population, and 73 percent of the world’s income-poor.⁹ This represents a rapid change: in 1990, countries denoted as Middle Income Countries (MICs) accounted for less than 10 percent of the poor.¹⁰ In such a wide range of circumstances, the patterns of child poverty across these countries are very diverse.

⁴ World Bank July 2015. *Low Income Countries*. Accessed on 24th July 2015 at <http://data.worldbank.org/income-level/LIC>

⁵ United States Census Bureau 2015. *International Data Base World Population*. Accessed on 24th July 2015 at www.census.gov/population/international/data, and World Bank 2015, *ibid*.

⁶ Sumner A, 2011. *The new bottom billion: What if most of the world’s poor live in middle income countries?* Center for Global Development Briefing Paper. New York: Center for Global Development.

⁷ See OECD 2015. *States of Fragility 2015: Meeting Post-2015 Ambitions*. Paris: OECD Publishing.

⁸ *Ibid*.

⁹ World Bank, 2015. *Middle Income Countries: Overview*. Accessed at www.worldbank.org/en/country/mic/overview

¹⁰ Sumner 2011, *op cit*.

Some countries have transitioned to middle income status via a period of economic growth driven by a fairly narrow sector of the economy. In many cases this change has been fairly rapid, based on new ventures in oil or mineral extraction. Where this is so, the benefits of growth have sometimes accrued mainly to a minority of the population (a geographic area, people working in the high-growth sector), while the lives of most compatriots remained very largely unchanged.¹¹ One example of this is Zambia. While good progress has been made towards some of the United Nations Millennium Development Goals, when looked at in aggregate terms, many children living in the poorest households have still been left behind, particularly in rural areas.¹² Household incomes, health, education, living conditions and prevailing risks for many are much as they were before the recent period of growth.¹³ Rapid action is needed to reduce entrenched inequalities, to ensure that the

opportunities of growth and benefits of national development reach throughout the population. Through investing the gains of growth broadly in children's education, health, nutrition and social protection, the cycle of chronic poverty can be broken, while providing the foundation for more equitable, productive and resilient societies in future.

In other cases, recent transitions have been founded on a longer period of more inclusive growth. In India and Bangladesh, for example, poverty rates and childhood deprivations have fallen as the livelihoods of a significant proportion of households have improved.¹⁴ Where transitions have been achieved without oil and mineral development, economic inequality was often lower in comparison with other lower-income countries to start with, and has remained comparatively low.¹⁵



Children write on their blackboard in Italy where around 1 million children live in poverty.

¹¹ See chapter 3, main report.

¹² UNICEF 2009. Situation Analysis of Children and Women in Zambia. Lusaka: UNICEF Zambia.

¹³ World Bank 2013. *Zambia's jobs challenge: Realities on the ground*. Washington DC: The World Bank.

¹⁴ See chapter 3, main report.

¹⁵ Data in chapter 3, main report, from World Bank accessed at <http://data.worldbank.org/about/country-and-lending-groups>

Azima (14 years) said that people in the community had been “shaming her” for still being unmarried because she is tall and looks old for her age.

“I protested a lot to my parents but they said, ‘It is a shame for us to keep you in the house.’ I wanted to continue my education, but my mother said, ‘Your father has fixed your marriage and if you don’t listen to your father, people will say what kind of girl is that who doesn’t listen to her father?’”

(Bangladesh)

However, such changes have had both positive and risky implications for children. Where new economic opportunities are concentrated in urban areas, migration has become common among rural households in poverty. Children who accompany other family members may face the diverse risks of a poor living environment in a rapidly expanding city, where basic services have not expanded to meet the needs of the growing population. Children left at home by parents migrating for work may face reductions in care and protection and heightened risks of harassment and abuse. The threats associated with migration have been cited as a reason to marry young girls off young.¹⁶ Moreover, opportunities to take advantage of the changing economy – as well as barriers to participation – often mirror long standing norms affecting social status. Whether defined in terms of gender, caste, tribe, disability, ethnicity or race, populations who have historically known discrimination face higher barriers than others to accessing new opportunities.¹⁷

Some countries have been in the MICs category for a long time, and have little prospect of reaching high income status as it is currently defined. In fact, evidence suggests that more countries fall into a “middle income trap” than overcome it.¹⁸ First amongst the key factors that undermine the prospects for transition is the persistence of entrenched social and economic inequalities, resulting in a bifurcated society, in which a privileged minority co-exists with a very much poorer, excluded majority. Second is the structure and distribution of economic opportunities and social services (including social transfers), which could potentially support broad-based mobility. Countries in

the “middle income trap” have generally not pursued sufficiently pro-poor policies. As a result, they fail to develop an innovative, high-productivity, high-value economy, from which better incomes would be derived.^{19,20} Prospects for children in such countries continue to depend very largely on place of birth and family status. In some countries, such as Mexico, ethnicity is also important in determining likely outcomes for children. Social protection programmes have played a significant role in mitigating income inequalities and improving some areas of children’s wellbeing, but structural inequalities remain largely unchanged.²¹

Children also live in poverty in high income countries. In High Income Countries (HICs), poverty is usually measured in relative terms, as a shortfall in relation to median national income. Relative poverty may not encompass some of the starkest deprivations that affect children living in absolute poverty in the poorest countries, but it certainly has significant immediate and sometimes life-long effects. Children in poverty in HICs typically experience damaging shortfalls in housing (including cold, damp and unhealthy conditions), diet, quality of education and opportunities to participate in mainstream social and cultural activities. The economic crisis of 2008 triggered an intensifying of such deprivations for children in some countries, as unemployment and changes in labour markets affected mothers and young parents in particular.²² National child poverty rates can be remarkably high even in very wealthy countries (estimated for example at 22 percent in the USA²³ and 28 percent in the UK²⁴). And even where social provision is quite comprehensive, the design and coverage of programmes can create gaps that reinforce child poverty. In Sweden, for example, one of the world’s most extensive social security systems has still not been able to ensure adequate coverage to significant numbers of single mothers and people without permanent employment.²⁵

Ben is being teased at school because his clothes smell of the damp and mould in his house.

“It’s not right...to be told that you smell. Kids are so cruel. Ben was teased for it. He’s seeing the child psychologist now because he has low self-esteem.” (UK)

¹⁶ Human Rights Watch 2015. *Marry before your house is swept away: Child marriage in Bangladesh*. New York: Human Rights Watch.

¹⁷ Human Rights Watch 2014. *“They say we are dirty”: Denying an education to India’s marginalised*. New York: Human Rights Watch.

¹⁸ Felipe J, Abdon A, Kumar U, 2012. *Tracking the Middle-income Trap: What Is It, Who Is in It, and Why?* Working Paper 715. New York: Levy Economics Institute of Bard College.

¹⁹ Gill I and Kharas H, 2007. *An East Asian renaissance : ideas for economic growth*. Washington, DC: World Bank.

²⁰ Felipe J, Abdon A, Kumar U, 2012. Op cit.

²¹ UNDP 2012. *Snapshot of Progreso / Oportunidades*. Mexico City: UNDP Mexico.

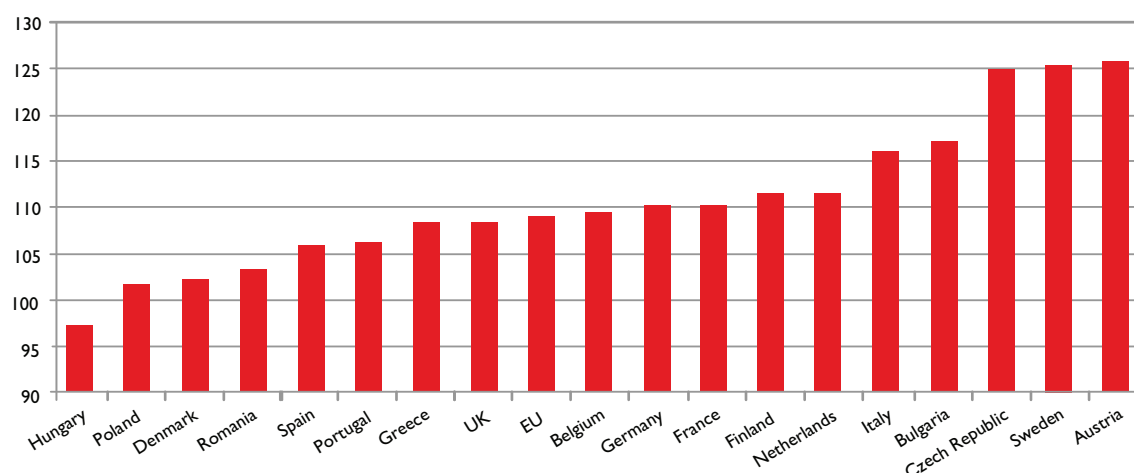
²² UNICEF Office of Research, 2014. *Children of the Recession: The impact of the economic crisis on child well-being in rich countries*. Innocenti Report Card 12. Florence: UNICEF Office of Research.

²³ National Center for Children in Poverty, 2013 figures. Accessed at www.nccp.org/topics/childpoverty.html

²⁴ Child Poverty Action Group, 2013 figures. Accessed at www.cpag.org.uk/child-poverty-facts-and-figures

²⁵ See chapter 3, main report.

WOMEN'S POVERTY AS A PERCENTAGE OF MEN'S POVERTY: EUROPEAN COUNTRIES



In all settings, including HICs, the distribution of child poverty is likely to mirror the society's patterns of ethnic, racial or social disadvantage, including forms of discrimination based on migrant status, caste and religion. Groups that are marginalised or treated as “inferior” are likely to experience exclusion, in education, in the work place, from social networks and other forms of participation in society. Children born into such groups often experience disadvantages at all stages, from infancy to young adulthood. Within excluded groups, girls and women often face considerable additional disadvantage – as do children with (or considered to have) disabilities.

The impacts of climate change are an additional and possibly intensifying threat to the prospects of children living in poverty and for those whose families have made escapes from poverty in recent decades. The most intense effects of climate change are and will continue to be felt in places and among populations where poverty rates are already highest.²⁶ Adverse events, whether of a sudden or long-term nature, need not always trigger disaster or fuel poverty. However, where societies, governments and households lack resources, safety nets and the ability to adapt, the impacts of climate change will be greatest.

Disasters and climate-related shocks have greater effects on those who are poor, especially on rural dwellers who depend on agriculture.²⁷ When assets and livelihoods are destroyed, and mutual support networks are similarly affected, families may have little choice but to engage in coping strategies that may harm the wellbeing of children (for example, withdrawing children from school in order to work, cutting food purchases or migrating). The effects of such measures can last a life-

time, in terms of lost nutritional growth, exposure to protection risks reduced learning achievement and life-time earnings.²⁸ The slow-onset effects of climate change may also damage children: for example, the intensification of water shortages and the re-emergence of malaria in temperate climates where it has not been seen for a long time.²⁹

The measurement of child poverty and policies intended to address it often take the household unit as a starting point. However, there is a risk that this approach overlooks the large numbers of children who live without family care, often those in the worst circumstances. Unaccompanied children, without a permanent household, are also “invisible” in official statistics. This includes children living on streets or migrating within or away from their country of origin. The dangers that confront children in these circumstances include human trafficking, abuse, crime, violence and addiction. Sexual exploitation is a very high risk for unaccompanied girls in particular, as well as for boys. The fulfilment of human rights, including rights to education, social security and protection, is a remote prospect for children in such circumstances.

Addressing child poverty is an urgent and central for the realisation of children's rights. In 2007, a UN resolution made the links between child rights and child poverty clear and explicit, stating that “*children living in poverty are deprived of nutrition, water and sanitation facilities, access to basic health-care services, shelter, education, participation and protection, and that while a severe lack of goods and services hurts every human being, it is most threatening and harmful to children, leaving them unable to enjoy their rights, to reach their full potential and to participate as full members of society*”.³⁰

²⁶ Shepherd A, Mitchell T, Lewis K, Lenhardt A, Jones L, Scott L and Muir-Wood R, 2013. *The geography of poverty, disasters and climate extremes in 2030*. London: Overseas Development Institute, Met Office, Risk Management Solutions.

²⁷ *Ibid*.

²⁸ See examples quoted in Chapter 3, main report.

²⁹ UNICEF 2007. *Climate Change and Children*. New York: UNICEF.

³⁰ United Nations General Assembly, 2007. *The Rights of the Child* (Resolution A /RES/61/146, 23 January 2007), para 46.

COMMON DRIVERS OF CHILD POVERTY

This report identifies drivers of child poverty which are common even in widely different economic, social, environmental and political circumstances. Although the importance and nature of each of these drivers vary depending on the context, the following factors are important to understanding child poverty around the world:

- At a *personal* level, children living in poverty widely experience shame, humiliation and frustration, based on social exclusion and marginalisation; as they get older, children become more aware of their poverty, and increasingly likely to feel its psychological effects;
- In terms of *identity*, children who belong to highly-excluded groups – for example minority ethnic groups, indigenous people, disabled children, children of certain castes and tribes – are in many cases more likely to experience poverty, together with stigma and discrimination;
- At a *household* level, child poverty is strongly affected by the background and situation of parents – their years of education, status in the labour market, whether they are young or a single mother;
- At *institutional* level, children who living in poverty and who experience exclusion and discrimination have less easy access to decent quality education, health care, police protection, and other essential services;
- Child poverty is strongly influenced by the design of *economic and social policies*. Where policy is strongly inclusive and pro-employment, backed up by effective provisions for basic services and social protection, child poverty will tend to be reduced;
- *Labour markets* affect child poverty. A demand for child labourers in some instances results in exploitation and significant harm for poor children. Among adults, the concentration of work opportunities in urban areas may encourage migration (with mixed outcomes for children), while an increase in the availability of work for women as well as men increases household incomes but, depending on working conditions, may reduce the availability of care for children in the home;
- *Insecurity* created by climate change, conflict, natural disasters and other widespread shocks are significant drivers of child poverty, with particular and long-lasting effects especially for young children;

- *Politics, governance and the rule of law* all deeply affect child poverty. Where people who are poor are able to exert influence, hold officials to account and exercise voice in the context of an accountable and democratic government, the interests of the poor are better reflected in national priorities. The extent to which children themselves are able and enabled to make their problems and perspectives heard is an important part of this.

“It does label you, there’s no question about it... you are considered to be worse in some ways, socially worse – you are literally socially worse, but even as a person, quality of character, it’s automatically ‘you’re poor’ therefore you steal or may steal. You’re not worthy, you’re untrustworthy.” (UK)

These more direct drivers of child poverty are sustained in turn by structural inequalities. These impose disadvantages from birth that many people may find virtually impossible to overcome. In the economic domain, children are greatly over-represented in households which lack secure and basic incomes, their circumstances entrenched by a lack of opportunity to gain skills and build networks necessary for improved livelihoods, as well as by a lack of savings or assets, and exposure a range of stresses and shocks. Social inequalities fuel discrimination, stigma and exclusion of people living in poverty. Gender inequalities create particular disadvantages for girls and women, from birth, through childhood and adolescence and into adulthood. Reduced access to education and health, gender-based violence and prevailing norms around early marriage, domestic work and economic activities all increase multidimensional and economic poverty for women. Environmental inequalities expose poor children to the greatest burden of hazard, though pollution, toxicity and other threats to health and growth. As for political inequalities: child poverty is often most entrenched in contexts where the political will to address poverty is weak or worse and where people in poverty lack political voice, influence or representation.

Addressing child poverty therefore depends on addressing the range of diverse and interlocking inequalities that sustain poverty and deprivations among children, through their life course, and for their own children in turn.



Photo: CJ Clarke/Save the Children

Rahaf, 11 years old, helping with the daily chores. Rafeeq and her family are among the 3.1 displaced people in Iraq. Due to armed conflict the family of nine, were forced to leave their home and flee. They have been living in a camp for internally displaced people since August 2014.

ESSENTIAL ACTIONS TO ADDRESS THE CHALLENGE

Child poverty is distinct from adult poverty, and is the foundation of intergenerational poverty. To address child poverty, policies and programmes need directly to address the needs, circumstances and specific deprivations experienced by children who are poor. Economic or employment growth alone will not serve sufficiently to reduce poverty and deprivation among children, any more than economic “trickle down” has served to reduce poverty rates and economic inequalities among households.³¹

Policy and actions aimed at reducing child poverty need to create sufficient change with respect to all of the most critical inequalities in any given context. If actions are too narrowly focused in one area of inequality, without change in others, any successes are likely to be rendered marginal. For example, the potential benefits of new economic opportunities for the poorest households may be diluted by social exclusion, barriers to female participation and lack of learning opportunities.

Efforts to address child poverty sometimes emphasise narrow targeting or means-tested assistance, in place of an emphasis on more broadly-based services which are delivered fairly and transparently, and a more inclusive economic policy environment. Redressing budget shortfalls and eliminating institutional discriminations that hinder the delivery of quality, inclusive services can serve to reach the most deprived children, while being less costly, overall and per child; more sustainable; and less likely to cause stigma or to leave children out. Moreover, targeted programs can only really be effective as a “top-up” in a context where robust systems that support children’s rights are already in place, including for health, education and protection.

Reducing and eventually eliminating child poverty therefore requires a **combination of universal quality services** (education and health, also water, housing, policing, justice, etc); **economic inclusion** and the opportunities for **decent employment** for both women and men; and the provision of **social security** to those unable to access adequate economic opportunity. These conditions are most reliably met in circumstances where governments and indeed populations prioritize **equity and fairness, human rights, good governance and accountability**. In this regard, lowering child poverty further depends on ensuring meaningful **participation and voice** for poor children and their families.

The fulfilment of these conditions is primarily the duty of Governments and can most sustainably be met through intensified efforts to improve national revenues on a fair and transparent basis, including by recapturing illicit financial flows for application to poverty reduction and human development. Where Governments pursue these goals for their children, partnerships with civil society and international organisations can further facilitate rapid change.

Much improved evidence is now available on a range of effective interventions and strategies that would enable societies to achieve these goals. The following table illustrates some of the key strategic actions to address the different dimensions of child poverty and the underlying inequalities:

³¹ Dabla-Norris E, Kochhar K, Suphaphiphat N, Ricka F and Tsounta E, 2015. *Causes and Consequences of Income Inequality: A Global Perspective*. Staff discussion note SDN/15/13. Washington DC: International Monetary Fund.

Priority area for reducing child poverty

Inequalities / drivers of child poverty

| | Child survival | Learning | Protection | Economic strengthening | Participation, visibility & empowerment |
|--------------------------------|---|---|---|---|---|
| Monetary inequalities | Child sensitive social protection. Nutrition and health-focused social protection, including nutrition support. | Child sensitive social protection. School based programming re feeding, school expenses & requisites. | Social protection focused on emergency needs / sudden-onset risks and threats. Address risks of violence, trafficking, violence, irregular migration etc. | Building economic resilience & child sensitive livelihoods for families with children, including families at risk of shocks. | Financial literacy for adolescents. Savings accounts for adolescents/ asset based development. |
| Institutional inequalities | Inclusive quality service provision, explicitly addressing the needs of the poor & excluded groups in location and service mix. Sexual & reproductive health knowledge for adolescent girls. Public investment in housing, water & sanitation. | Levelling-up programmes & policies to raise enrolment, quality & retention in schools serving poor people, and to support access to secondary education & beyond. Special focus on services likely to keep girls in schools. | Services that detect threats to children's security, and provide comprehensive response to cases. Rehabilitation services, re-entry into school / vocational training. | Economic policies that protect and promote local producers and small scale business. Promotion of local markets. Incentivise financial services for the poor. | Development of improved data systems reflecting outcomes for all children. |
| Social & cultural inequalities | Advocacy and enforcement of legal protection of disadvantaged groups. Training and oversight of public sector workers (teachers, health workers, police) to address discrimination. Positive discrimination for increasing recruitment of young women and members of poor / excluded groups as public sector workers. | | Prioritisation of risks facing children in excluded groups especially girls. Programming on child marriage, girls education, and other manifestations of discrimination. | Adolescent transition skills / promotion of training, vocational skills and preparation for work for young women and members of poor/excluded groups. | Creating space for children to participate in civil society through child-led organisations, including with non-state actors & the media (especially children subject to discrimination & exclusion). |
| Structural inequalities | Policy and budget analysis to promote child-sensitive expenditures and focus on health, education, social protection. Increase civil society demand for accountability around equity in outcomes and poverty reduction. | | Legal protection / domestication of the CRC. Strengthening / implementation of the law against trafficking, violence and other abuse. Regulation of child labour. | Economic and labour policies aimed at agriculture, small scale skilled businesses, and areas of the economy where poor people are found. | Child participation in child sensitive budgeting. Child rights governance, child participation & voice, especially for girls. |

Development agencies have played an important role in evolving and advocating for some of these actions, such as child-sensitive social protection, child-sensitive livelihoods and programmes to promote adolescent and youth skills, capacities and empowerment. For the most part, however,

experience shows that sustained, well-funded government action to meet the rights and ensure the progress of the poorest and most deprived children is essential – as a means of creating life-paths out of poverty for children everywhere.

CHILD POVERTY

What drives it and what it means
to children across the world

This new report looks at the situation of children living in poverty in countries around the world, shining a light on the drivers of child poverty and exploring why it persists, even in some of the wealthiest places. We also hear from children in poverty themselves: our best guides to understanding the urgency of this challenge.

Our new report is part of a concerted effort by Save the Children, together with our partners in the *Global Coalition to End Child Poverty*, to ensure that the poorest children across the world receive the attention that they deserve. While there are great differences between societies, it is clear that fundamental similarities exist in the drivers and experiences of child poverty. The same is true of the essential solutions. Acting with determination to achieve these solutions is an imperative for us all.

