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## Children, AIDS and the economic crisis: What do we know? What can we do?

### HIV exacerbates the challenges for developing nations and the most vulnerable

Current economic forecasts demonstrate the truly global nature of the economic crisis. Evidence from past economic crises indicate women and children often fare the worst. The crisis has the potential to undermine the gains in children's development and rights that have been made over the last few decades ([UNICEF](#)).

HIV and AIDS exacerbate the challenges developing nations and their people face. AIDS takes its toll on limited household finances, time spent in caring for sick family members, and in family productivity, let alone the sheer human cost of lost children, family members and whole swathes of the community.<sup>1</sup> The recent G20 commitment to invest in social protection mobilizes the means to mitigate financial shock on vulnerable households in the poorest nations.

### Where AIDS and poverty merge: a crisis for "children and AIDS"

More than half the countries with data are not on track to meet the Millennium Development Goal of halving the number of malnourished children by 2015. 40 countries are either off-track or seriously off track to alleviating poverty. According to the World Bank, this trend is likely to be compounded by the financial crisis. Remittances are expected to ebb, external capital is likely to be less available and exports are predicted to fall. Critically, external aid is forecasted to suffer. "The World Bank estimates that about 55 million more people will live on less than \$1.25 a day (in 2005 purchasing power parity terms) in developing countries this year than expected pre-crisis."<sup>2</sup>

The echoes of the crisis will hit hardest on women and children. Obiageli Ezekwesili, World Bank Vice President for the Africa Region, notes the crisis will stop the accumulation of capital by women and drastically reduce individual and household incomes. Infant mortality is also likely to increase by 700,000 as a result of the crisis- the majority of them girls.<sup>3</sup> Girls, who are less buffered from household financial shocks, may experience reductions in school enrolment and nutrition as well. ([UNICEF](#)) In Indonesia, the 1997 economic crisis was associated with declines in school enrolment among the rural poor, where the percentage of 7-12 years olds not enrolled in school doubled from 6 percent to 12 percent.<sup>4</sup>

Where AIDS and poverty merge, children's vulnerabilities and those of their caregivers are amplified. AIDS can intensify poverty, forcing families to make difficult choices between short term necessities and long term investments in children. In Cambodia, it was found that households affected by HIV were more likely to sell off assets and ration medical care and food for children than similar households unaffected by HIV.<sup>5</sup> A

### What is Social Protection – and how does it relate to Children?

*Social protection is the set of all initiatives, both formal and informal, that provide: social assistance to extremely poor individuals and households; social services to groups who need special care or would otherwise be denied access to basic services; social insurance to protect people against the risks and consequences of livelihood shocks; and social equity to protect people against social risks such as discrimination or abuse (IDS). Child sensitive social protection interventions improve comprehensive child-well being measured by health, survival, education, protection and development outcomes ([UNICEF](#)). Overall, to achieve comprehensive social protection outcomes, social and economic support instruments must be combined with case management, alternative care and other services ([UNICEF](#)).*

study in Nigeria demonstrated that about 56 per cent of household income is "lost" due to AIDS,<sup>6</sup> as compared to matched households unaffected by AIDS.<sup>6</sup> A recent study in Botswana found that the economic impact of HIV threatens to pull down the financial prospects of uninfected populations alike.<sup>7</sup>

### What needs to be done for children and AIDS?

**Strengthen social protection systems to respond to the needs of all vulnerable children, including children affected by AIDS.**

When HIV overlaps with poverty the impact can often lead to deepening vulnerability of children and their families<sup>8</sup>. The economic crisis is likely to adversely affect these already marginalised and vulnerable groups. Ample evidence points the way to better supporting children and households affected by AIDS through the strengthening of social protection systems. The evidence indicates a need for "AIDS sensitive, but not AIDS exclusive" systemic approaches which reduce the vulnerability of all children to HIV ([Global Partners Forum](#)). It is also crucial to address social vulnerability, in addition to economic vulnerability, when formulating social protection strategies. Further study is needed to learn how the economic crisis is likely to affect children and impede access to support in different contexts.

**Health systems strengthening must remain a priority for governments**

States have decreased expenditures in the health sector in previous financial crises. During the Asian financial crisis, Thailand reduced annual public health spending by 9 percent in 1998.<sup>9</sup> Indonesian annual public health spending was also reduced by 7 percent in 1998, and another 12 percent in 1999.<sup>10</sup> Increased state and global investments in health systems, specifically as a result of strengthened PMTCT, have

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resulted in better health prospects for HIV exposed children and their mothers ([UNICEF](#)). Levels of investment have direct repercussions on women and children's health. Similar investments in early infant diagnosis and paediatric HIV drugs are showing a positive impact on child survival ([CHER Study](#)). These vital health services now need to be expanded through an approach that integrates Maternal, Newborn and Child Health (MNCH), AIDS and reproductive health services- a strategy known to improve health outcomes among mothers and their children.

### **Place women and girls more front and centre in the AIDS response.**

The risks for HIV infection among girls and women are likely to increase where socio-economic and gender inequities are greatest. Recent studies in Botswana, Swaziland, Malawi, Zambia and Tanzania have shown links between acute food insecurity and unprotected transactional sex among poor women ([IFPRI](#)). It is critical that we work to mobilise communities, including men, to reduce women and girls' vulnerabilities to HIV and AIDS; expand public health and social welfare interventions; better understand and address the drivers of the epidemic, and improve strategic information production and use ([UNAIDS](#))

#### **Defining vulnerability to HIV**

*Vulnerability results from a range of factors that reduce the ability of individuals and communities to avoid HIV risk. These factors may include:*

- (1) lack of knowledge and skills required to protect oneself and others;*
- (2) factors pertaining to the quality and coverage of services (e.g. inaccessibility of service due to distance, cost or social barriers);*
- (3) human rights violations, or*
- (4) social and cultural standards that normalize risk.*

*These norms can include practices, beliefs and laws that stigmatize and disempower certain populations, limiting their ability to access or use HIV prevention, treatment, care, and support services and commodities. These factors, alone or in combination, may create or exacerbate individual and collective vulnerability to HIV. ([UNAIDS](#))*

### **Build the evidence base for continued and expanded investments**

Funding for AIDS has increased steadily, but there is little data which explicitly draws the links between the economic crisis and "children & AIDS." This information is critical for improving the response to AIDS during the economic crisis, while planning for long term strengthening of social protection and health systems. We must better understand:

- How girls are rendered more vulnerable to HIV by the economic crisis
- How policies and actions mitigating the impact of AIDS on children are prioritized in national budgets
- How resources and programmes that have formed the core of the response to AIDS have contributed to the strengthening of health and social protection systems
- The effects of the crisis on AIDS commodities

### **Further reading**

- [London Summit – Leaders' Statement , G20 Communiqué – 2 April 2009](#)
- [Social Protection for vulnerable children in the context of HIV and AIDS: Moving towards a more integrated vision, Inter Agency Task Team on Children affected by HIV, June 2008](#)
- [Global Study on Child Poverty and Disparities, UNICEF, March 2009](#)
- [Averting a Human Crisis During the Global Downturn, World Bank , April 2009](#)
- [Policy Responses to the Global Financial Crisis, IDS in Focus Policy Briefing 7, March 2009](#)
- [Children in times of Economic crises: Past Lessons, Future Lessons, ODI, March 2009](#)
- [Aggregate Shocks, Poor Household and Children: Transmission Channels and Policy Responses, UNICEF, 2009](#)

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### **References**

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- <sup>2</sup> World Bank, Global Monitoring Report 2009, Fact sheet: Global Crisis and its impact on Developing Countries
- <sup>3</sup> World Bank, In Africa, Poverty Has a Female Face, News article – May 15, 2009
- <sup>4</sup> Frankenberg, E., Thomas D., and Beegle, K. The Real Costs of Indonesia's Economic Crisis: Preliminary Findings from the Indonesia Family Life Surveys. Labor and Population Working Paper Series 99-04: RAND Corporation. 1999
- <sup>5</sup> Alkenbrack, S., Forsythe, S., Martin, G., Chettra, T. "Confirming the Impact of HIV/ AIDS Epidemics on Household Vulnerability in Asia: the Case of Cambodia." AIDS 2008, 22 (suppl 1): S103–S111
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- <sup>7</sup> Jefferis, K., Kinghorn, A., Siphambe, H., Thurlow, J. "Macroeconomic and Household- level Impacts of HIV/ AIDS in Botswana." AIDS 2008, 22 (suppl 1): S113–S119
- <sup>8</sup> The Joint Learning Initiative on Children and HIV/AIDS – Final Report "Home Truths: Facing the facts on Children, AIDS and Poverty, 2009
- <sup>9</sup> Knowles, J, Pernia E. and Racelis M. "Social Consequences of the Financial Crisis." Asian Development Bank Economic Staff Paper 60. Manila. 1999
- <sup>10</sup> Stalker, P. "Beyond Krismon: The Social Legacy of Indonesia's Financial Crisis." UNICEF Innocenti Working Paper. 2000