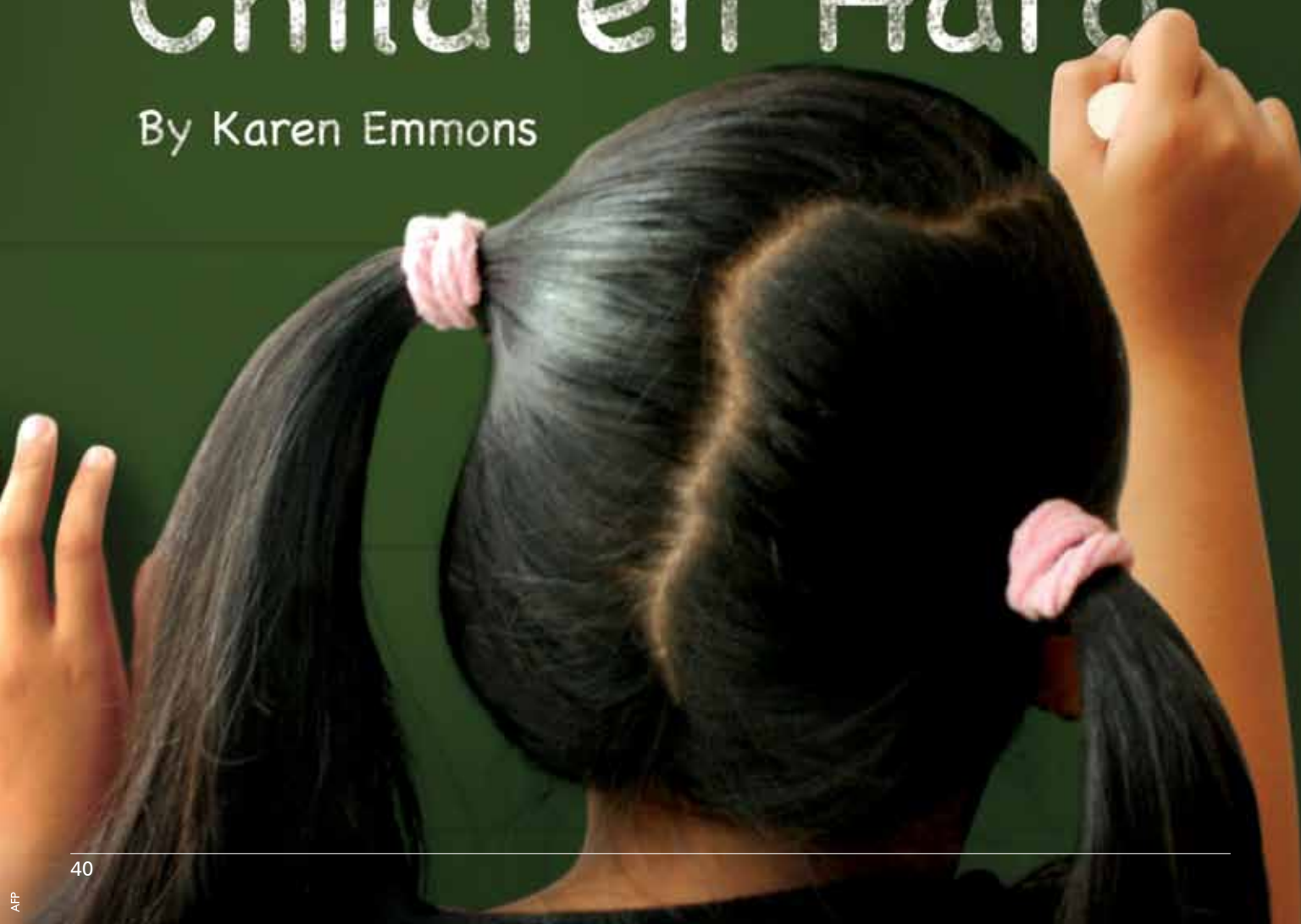


FEATURE •

Economic Crisis Hits Asia's Children Hard

By Karen Emmons



At the end of the day, Bangkok preschool teacher Nongkraan Mamoon sends a container of milk home with each child. She fears it may be the only thing a few of them will consume that evening.

Lately, some students have not been showing up because they don't have the 10 baht (\$0.36) daily school fee. Nongkraan also thinks not having 5 baht for an ice cream from the trolley that rolls to a stop in front of the bright blue preschool around 2 pm might be keeping some students away. Not being able to buy what others can makes them "feel different, unequal," she says. And if they don't come to preschool, she worries they will go out into Bangkok's streets picking through garbage.

Nongkraan teaches in a two-room preschool on a corner of Bangkok's major garbage dump. The students are mostly children of garbage pickers and factory workers. These are not good days for either.

The situation of the garbage pickers is not officially monitored. But between the food and fuel crises of 2007–2008 and now the economic crisis, people are tossing out less refuse. Or they are selling it themselves, leaving less for the garbage pickers to find. While their tough lives have become even tougher, their ranks may begin swelling before long: Nongkraan says she took on about 20 new students last year who migrated with parents from northern areas where farming had become too costly and who came to Bangkok looking for factory work.

In the East Asia and the Pacific region, the impact of the various crises so far has been devastating, and years of progress in poverty alleviation, child survival, and education attainment are in peril.

The Brink of Survival

An economic crisis can be extremely harmful for children well beyond the crisis period. According to an expert at a January gathering in Singapore on the topic, when children begin and end their day without proper nutrition, or miss vital vaccinations, or are taken out of school to work, or cannot afford the books and pencils or even the ride to school, their long-term potential, as well as their country's economic and social development, suffers.

This was a lesson made clear after the Asian financial crisis of 1997–1998. It was also a focus for the recent gathering of policy makers, academics, and agency experts in Singapore who made the case



THEY LOVE SCHOOL, BAHT... Bangkok preschool teacher Nongkraan Mamoon has seen some children not showing up for school because their families don't have the small daily school fee.

to sustain or expand social spending on vulnerable groups, with the support of the United Nations Children's Fund (UNICEF), the Lee Kuan Yew School of Public Policy (National University of Singapore), and the Singaporean Ministry of Foreign Affairs.

It was also an issue brought out during an assembly of government officials and representatives of employers and workers that the International Labour Organization (ILO) organized in February in Manila to stress the importance of coherent policies for economic growth and decent work. Both meetings presented analysis of the impacts of the previous Asian financial crisis.

What is typically the first casualty of a crisis, as Nongkraan has noticed among her preschool students, are family meals, with an increase in children eating little, if any, of the nutrients they need for good cognitive development because parents buy less food or certainly less healthy food.

Poor families in Asia generally spend 40%–60% of their income on food, according to a UNICEF report on the impact of the food and economic crises on child health and nutrition, which also warned that a 20% increase in food prices is enough to push poor families "to the brink of survival." In most countries of Southeast Asia and the Pacific, reported the researchers, price increase of food consumed by people who were poor in 2008 was greater than 10%.

Poor nutrition can wreak havoc on a young child's development. Stunting, or low height for age, is caused by long-term insufficient nutrient intake and frequent

infections. Stunting generally occurs before age 2, and its effects, which include delayed motor development, impaired cognitive function, and poor school performance, are largely irreversible, says UNICEF.

Wasting, or low weight for height, is a strong predictor of mortality among children younger than 5 years. And it is usually the result of acute food shortage or disease. The World Bank estimates that 44 million more children globally became malnourished since the food and fuel crises peaked in early 2008.

As a recession began squeezing the world economy, UNICEF researchers were estimating that unaddressed impacts from the food and fuel crises could increase prevalence of low birth weight by 5%–10% in Southeast Asia and the Pacific. As well, rates of childhood stunting (already high in this region) could rise by 3%–7% and wasting by 8%–16%.

With 28% of children younger than 5 years already underweight, the region is far behind its United Nations Millennium Development Goal of reducing hunger. The crisis will certainly impede already struggling efforts to reach that hunger-reduction goal.

Forced to Drop Out

The crisis impacts also may reverse tremendous gains in mortality among children younger than 5. According to UNICEF's research (conducted just as the current global recession set in), the mortality rate in severely affected countries of Southeast Asia and the Pacific could increase by an

estimated 3%–11%. A major contributor to those gains was immunization campaigns, such as measles, buoyed by large investments from outside sources.

“Unless countries can maintain or increase their immunization programs, including routine vaccinations, we will see an increase in preventable childhood diseases and mortality,” cautions Basil Rodrigues, UNICEF child survival regional adviser based in Bangkok. Only a few years ago, polio was reintroduced in Indonesia (because of importation through carriers from an affected country far away) among children not properly immunized, he says.

The UNICEF research noted that, left without a social protection system to cling to during the previous financial crisis, many families in the region were unable to keep up their otherwise “strong cultural commitment to education and many children ultimately were forced to drop out of school.” Secondary school enrollment, for instance, dropped by 11% in Indonesia and by 8% in the Philippines. Dropout rates also sharply increased in the Republic of Korea.

A drop in enrollment rates and a rise in child labor after the previous crisis struck were also seen among 10–14 year olds in the Philippines, according to an ILO report on *The East Asian Crisis and Child Labor in the Philippines*.

Although both UNICEF and the ILO say it is too soon to see any enrollment disturbances, IRIN News reported in December 2008 that rapid inflation and macroeconomic instability in Pakistan were already “forcing families to put children to work.”

The previous Asian crisis generated setbacks for poor children when governments took much-needed capital from social protection, say analysts. In Thailand, for example, the public health budget declined by 9% and education by 6% in 1998 compared to the previous year. Total public health expenditures in Indonesia fell by 7% in 1998 and another 12% the following year, as the UNICEF research reported.

The crisis also led to changes as a result of “bitter lessons,” as Dr. Sri Mulyani Indrawati, Indonesia’s Minister of Finance, said during the UNICEF conference in Singapore, referring to the lack of adequate social protection systems in place before 1997. “We had high economic development without social equity,” she said. And now, she added, “We do not want this crisis to disrupt our ambition to achieve the Millennium Development Goals.”

After the Asian financial crisis, many governments recognized the importance of social protection. For example, Thailand introduced greater unemployment benefits, pensions, universal health care, and unemployment insurance. The Government



KID TALK Indonesian Minister of Finance, Sri Mulyani Indrawati, at a recent UNICEF conference in Singapore. Asian governments should invest in programs to protect millions of children likely to be hit hard by the global economic downturn despite budgetary constraints, a UN conference heard.

of Thailand committed in 2008 to nearly doubling most of its per-child expenditure to help ease the burden of school expenses. The Republic of Korea extended coverage and benefits of its unemployment insurance and its national pension program, and unified the country’s health insurance schemes.

Most governments in Asia have responded so far with social protection programs, such as food price controls, subsidies, cash handouts, food rations, school feeding programs, guaranteed compulsory education, or financial incentives for teacher education. Increasingly, stimulus packages are coming together to create employment opportunities and expand household purchasing power to drive domestic consumption.

But inadequate coverage of the social protection programs is leaving many vulnerable people more vulnerable. According to UNICEF research, most countries in the region—including the poorest ones—have only limited coverage if they have a social protection program at all. And many programs are not prepared to cope with the “new poor”—the previous “near poor” who have been pushed back down into the mire of poverty.

Even though the previous Asian financial crisis prompted a correcting of many macroeconomic imbalances and financial weaknesses, some economies in the region remain more vulnerable than others. Some observers worry that a worsening global economy will

eventually affect the recent ambitious commitments on social budgeting.

Many countries rely on new infrastructure projects to uplift their economic recovery. But speakers at the UNICEF conference argued that scaling up social protection systems also can boost economies by funding jobs for teachers, health care workers, child care workers, and social workers.

Both the World Bank and the Asian Development Bank have set up a vulnerability fund for developed countries to help developing countries build up their safety nets, infrastructure, available finance for small enterprises and microfinance institutions, and even environmental commitments, among other needs. Keeping parents productively employed, they recognize, helps protect a country’s resilience and the region’s poverty-reduction gains.

However, social protection should be more than alleviating poverty, warned Dr. June Kane, an independent expert on child protection, at the UNICEF conference in Singapore. “Which families opt to make their children work and which do not cannot simply be attributed to poverty alone,” she said. Child labor is an economic and behavioral issue, “and the key is making sure we put in place incentives that influence behavior in the best interests of children.” ●

Karen Emmons is a Bangkok-based journalist who has contributed to the International Herald Tribune and other publications.