

The Economic and Social Environment in South Asia 2006 *Implications for Children*

Of the 1.5 billion people living in the 8 countries of South Asia, 584 million are children and adolescents.¹ They represent 40% of the region's population and one quarter of the world's children. How are these children and young people faring in this complex and heterogeneous region – poised for economic excellence in some cases; mired in civil strife in others? As this note aims to show: the region's economic and social *potential* has not, in the past few years, translated into better results for children.

High economic growth

During the period 2000-2006, South Asia was able to achieve high macroeconomic growth with the regional average GDP growth accelerating from 4.2%² in 2000 to an estimated 8.2% in 2006³, outstripping the average growth rate for developing countries of 6.5%.⁴ Bhutan, India and Maldives are expected to reach especially high GDP growth rates in 2006, projected as high as 19% for Maldives, and exceeding 6 % in all countries but one. 2005 per capita income stands at US\$ 2300 in the Maldives, and US\$1000 in Sri Lanka, roughly doubling their respective 1990 levels (see Table 1). Conversely, Nepal continues to have the lowest per capita income in Asia and one of the lowest globally.⁵

Factors contributing to this growth include the fruits of many years of pro-growth government policies and economic reforms; public investment in strategic areas; and strong export market growth in several countries of the region, some of which – notably India - have maintained or increased their shares in the growing export market of developing countries. (see Table 2 and Graph 1).

¹ UNICEF ROSA. South Asia Booklet on Child-relevant Socioeconomic Indicators. July 2006.
www.unicef.rosa.org

² World Bank South Asia Data Profile, World Development Indicator Database. April 2006.
<http://devdata.worldbank.org/external/CPProfile.asp?PTYPE=CP&CCODE=SAS>

³ World Bank. Global Economic Prospects Report 2007: Managing the Next Wave of Globalisation. p. 3

⁴ United Nations. World Economic Situation and Prospects 2007. New York. Table A 3. pp. 126-9

⁵ UNCTAD. Least Developed Countries Report 2006. Geneva: United Nations. Table 1. p. 311

Table 1. Economic performance trends in South Asia

	GDP (millions \$)				Real GDP growth (%)		GDP per capita (\$)				
	1990	1995	2000	2005	2005	2006 (est.)	1990	1995	2000	2005	% change 2005/2000
Afghanistan					13.8	8.4					
Bangladesh	29634	36427	45469	58195	6.2	6.7	266	301	350	422	21%
Bhutan	277	297	435	595	5.8	10			476	751*	58%
India	316940	355160	457380	632934	8.5	8.7	316	371	450	596	32%
Maldives	262	363	539	667	-3.6	19	1229	1482	1986	2271	14%
Nepal	3344		5574	5851	2.3	5	183		241	311	29%
Pakistan	39812	60480	73274	109127	7.8	6.6	390	508	526	736	40%
Sri Lanka	7936	12925	16543	19652	5.3	6.3	466	755	899	1010	12%
South Asia					8.1	8.2					

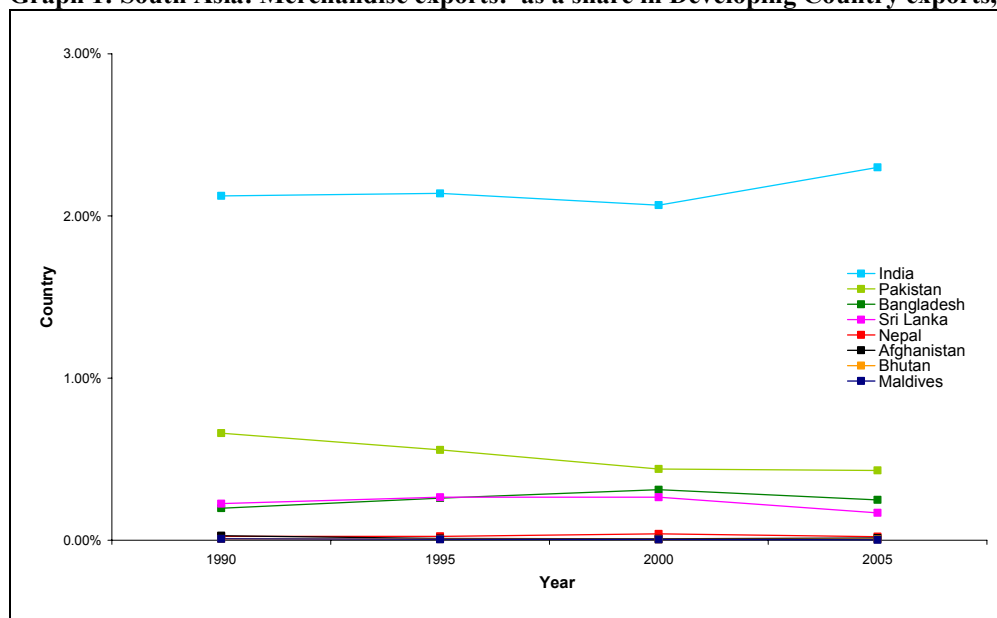
Sources: SAARC, Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment, SAARC Secretariat. Kathmandu. August 2006. Table A7, p. 192; For real GDP growth rates in 2006, World Bank. Global Economic Prospects Report 2007: Managing the Next Wave of Globalisation. p. 3; for Afghanistan, Nepal and Sri Lanka, The CIA World Factbook, <https://www.cia.gov/cia/publications/factbook/>; For 2005 data for Afghanistan, Bhutan, Maldives, Nepal, and Sri Lanka, World Development Indicator Database. April 2006. <http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20535285~menuPK:1192694~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html>. Data for Bhutan from UNCTAD, Least Developed Countries Report 2006. Geneva: United Nations. p. 311. * Data refer to 2004.

Table 2. Trade in merchandise exports, US dollars at current prices in millions

	2000	2001	2002	2003	2004	2005	% change 2005/2000
Exports							
Afghanistan	185	100	250	350	420	540	192%
Bangladesh	6 399	6 085	6 102	7 050	8 151	9 294	45%
Bhutan	103	106	113	154	183	215	109%
India	42 379	43 361	49 250	57 085	71 786	85 925	103%
Maldives	109	110	132	152	181	103	-5%
Nepal	804	737	568	662	756	822	2%
Pakistan	9 028	9 238	9 913	11 930	13 379	16 090	78%
Sri Lanka	5 430	4 816	4 699	5 125	5 757	6 347	17%

Source: UNCTAD Handbook of Trade and Development Statistics 2006. www.unctad.org.

Graph 1: South Asia: Merchandise exports: as a share in Developing Country exports, 1990-2005.



Source: UNCTAD Handbook of Trade and Development Statistics 2006 (www.unctad.org)

Macro economic growth has contributed to considerable numeric reductions in urban and rural poverty rates throughout the region - with the proportion of the population living below \$1 a day decreasing from 41.3% in the 1990s to 31.3% the early 2000s (see table 3)⁶.

Table 3. Poverty and Inequality in South Asia

	Poverty headcount rate		Inequality (Gini coefficient)	
	start period	end period	start period	end period
Bangladesh	33.8 (1989)	30.0 (2003)	28.9 (1989)	31.8 (2000)
Bhutan		31.7 (2003)		41.6 (2003)
India	42.3 (1993)	31.0 (2003)	29.7 (1990)	31.7 (1999)
Maldives		17.3 (2003)		34.8 (2003)
Nepal	34.4 (1996)	24.1 (2004)	37.7 (1996)	47.2 (2004)
Pakistan	47.7 (1991)	17.0 (2002)	33.2 (1991)	30.6 (2002)
Sri Lanka	3.8 (1990)	5.8 (2002)	30.1 (1990)	40.2 (2002)

Source: United Nations. World Economic Situation and Prospects 2007. New York and Geneva. 2006. p. 112, <http://www.un.org/esa/policy/wess/wesp2007files/wesp2007.pdf>; For Maldives and Bhutan, from World Bank Regional Data on Poverty and Inequality, <http://siteresources.worldbank.org/INTSAREGTOPPOVRED/Countries/20816264/regionaldataonpovertyandinequality.pdf>.

⁶ SAARC, Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment, SAARC Secretariat, Kathmandu, August 2006, Table A 17, pp. 210-211

The disjuncture between economic growth and equality ...

However, there is a serious disjuncture across South Asia between the stunning growth rates and trade performance on the one side, and the desolate performance on all indicators of human development, as represented by the MDGs. This is due to a host of factors, ranging from household level behaviours, systematic political and economic exclusion and discrimination, to a wide-spread structural neglect of rural development and agricultural performance.

For example, despite the poverty *ratio* reductions, more than 400 million people under the poverty line in South Asia⁷, and it continues to house almost 40% of the world's poor⁸. Most of the poor face multiple forms of disadvantage – they tend to be women or children, and primarily are from socially excluded groups, as will be shown later. South Asian countries are also experiencing growing income inequalities, with the benefits of economic growth being inadequately (re)distributed to the destitute, socially excluded and marginalised. Over the last decade, for several countries (e.g. Sri Lanka, Nepal) the Gini-coefficient has increased by one quarter or one third. The only – positive - outlier in absolute poverty reduction and in income distribution is Pakistan (see Table 3).

Income inequality is accompanied by an only negligible reduction hunger, measured as the proportion of the population below the minimum level of dietary energy consumption. It decreased from 25% to 22% only⁹, owing to stagnant food production in a situation of increasing population (see Table 4.). Even Pakistan – the country with decreases in poverty and inequality - shows a significant absolute increase in the number of undernourished people.

As a consequence, South Asia has the largest number of undernourished people, including children, in the world – a total 300 million¹⁰. 73 million children in three countries – India, Bangladesh and Pakistan – account for half the world's underweight children, although representing only 29% of the developing world's under-five population¹¹. Levels of child malnutrition are the world's highest. As one consequence, child mortality and maternal mortality levels are among the highest globally¹². Given the large numbers of people living in poverty, and the worsening income distribution, estimates suggest that almost 200 million

⁷ SAARC. Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment. SAARC Secretariat. Kathmandu. August 2006. Table 2.2. p.12

⁸ Calculations based on Table 2.2. in SAARC. Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment. SAARC Secretariat. Kathmandu. August 2006. Annex II. p. 12

⁹ SAARC. Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment, SAARC Secretariat, Kathmandu, August 2006, Annex II, p. 176

¹⁰ Food and Agriculture Organisation, The State of Food and Agriculture: Food Aid for Food Security? 2006, Rome, p.83

¹¹ UNICEF ROSA, The Millennium Development Goals: Progress and Challenges in South Asia 2006, Kathmandu, p. 7

¹² UNICEF ROSA, The Millennium Development Goals: Progress and Challenges in South Asia 2006, Kathmandu, p. 7

children¹³ are growing up in income-poor families, as migrants, and/or working as child labourers.

Table 4. Agricultural land Per Capita, Under-nourishment, Food Production and Agricultural Productivity

	Agricultural area per capita (ha/person)	Number of people undernourished (millions)		Per capita food production (average annual rate of growth %)		Cereal yields (hg/ha)	
		1990-92	2001-03	1986-195	1996-05	1993-95	2003-05
World	0.78	...	...	0.3	1.1	27 711	32 389
developed countries	1.33			-0.6	0.2	35 245	39 255
developing countries	0.63	823.1	820.2	-0.7	0	19 057	21 747
Asia and Pacific	0.30	569.7	524	-2.5	0.1	23 623	28 049
Afghanistan		...	...		
Bangladesh	0.06	39.2	43.1	-1.1	1.6	25 722	35 331
Bhutan	0.23	...	...	-0.1	-3.3	13 213	15 990
India	0.17	214.8	212	1.2	0.4	21 040	23 909
Maldives	0.04	...	...	-0.8	-1.1	11 905	10 000
Nepal	0.16	3.9	4.1	1.2	0.6	18 411	22 844
Pakistan	0.16	27.8	35.2	2.1	0.1	19 463	24 380
Sri Lanka	0.12	4.8	4.1	-0.4	-0.3	29 929	34 282

Source: Food and Agriculture Organisation, The State of Food and Agriculture: Food Aid for Food Security? 2006, Rome, Table A 2, p. 118, Table A 3, p. 122, Table A5, p. 133-134

... and between economic performance and MDGs delivery

Human development indices have improved only marginally over the past 16 years (using 1990 levels as the benchmark), placing South Asia at an HDI of 0.628 in 2003, second lowest only after Sub-Saharan Africa¹⁴. The HDI – comprising results-oriented outcome indicators - incomes, literacy and life expectancy at birth - can be unpacked into the MDGs, for which South Asia as a region is under-performing with few exceptions. In fact, South Asia is the poorest performing sub-region of Asia, and one of the poorest performing regions globally. Progress has been achieved in increasing access to improved drinking water and sanitation, but even there South Asia's sanitation coverage remains among the lowest in the world. A few countries are on track for universal primary education, with Bangladesh and Maldives taking

¹³ Calculations based on the proportion of children in the total population and the estimates of over 400 million people living below \$1/day.

¹⁴ SAARC, Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment, SAARC Secretariat, Kathmandu, August 2006, Table 2.11, p. 21

the lead, or for gender equality in education¹⁵, which is a basic right, as well as a basis for girls' development and future chances of participation in the higher-value added segments of the labour market (see table 5).

There are of course large variations between and within the countries in MDG progress. For example, while India has made significant overall progress in reducing poverty, poverty rates range from less than 10 percent in the richest states to well above 40 percent in the two poorest, Orissa and Bihar¹⁶.

MDG underperformance is manifest in many ways. A startling juxtaposition shows that only a few countries are on track for most MDG targets, while most are off-track for nearly half of the targets (see Table 5). It is noteworthy also that the MDGs are complacent. For some MDGs, even if attained, populations will remain in very difficult circumstances. For example, decreasing the MMR by $\frac{3}{4}$ as per MDG 5 would result in an MMR of 425 women per 100,000 live births in Afghanistan in 2015, which means that 425 in 100,000 would still die from pregnancy or childbirth.

Underachievement on the MDGs is the most compelling indicator of the effects of growing inequalities on the background of pervasive social exclusion, which jeopardises equitable implementation of government-led pro-poor and social inclusion policies (see Tables 3 and 5).

Table 5. MDG Achievement in South Asia by Target, and GDP growth rates

MDG Target/Indicator		AFG	BGD	BHU	IND	MDV	NEP	PAK	SLK
Goal 1	1.a. \$1 Poverty		↓		↑		↑	●	↑
	1.b. Underweight Children	↑	■		■	↑		■	
Goal 2	2.a. Primary enrolment		↑		↑	↓	↑	↑	●
	2.b. Reaching grade 5		↓	↑	↑		■		
	2.c. Primary completion rate		↓		↑	●	↑		
Goal 3	3.a. Gender primary	■	●		↑	●	↑	■	●
	3.b. Gender secondary	↓	●		↑	●	↑	↑	●
	3.c. Gender tertiary	↓	↓		■	●	■	↓	
Goal 4	4.a. Under-5 mortality	■	↑	↑	■	●	↑	■	●
	4.b. Infant mortality	■	↑	■	■	●	■	■	●
Goal 6	6.a. HIV prevalence	↑	↑	↑	↑		↑	↑	↑
	6.b. TBC prevalence	●	●	●	●	●	●	●	●
	6.c. TBC death rate	●	●	●	●	●	●	●	●
Goal 7	7.a. Forest cover	↓	↓	●	●	↑	↓	↓	↓
	7.b. Protected area	↑	●	●	●		●	●	●
	7.c. CO2 emissions	●	↓	↓	↓	↓	↓	↓	↓

¹⁵ UNICEF ROSA, MDG Report: Progress and Challenges in South Asia, Kathmandu, Nepal, 2006, p.11. SAARC and UNICEF ROSA, State of the SAARC Child 2005. Kathmandu 2006, p. 9 ff.

¹⁶ UNICEF ROSA, MDG Report: Progress and Challenges in South Asia, Kathmandu, Nepal, 2006

7.d.	ODP CFC consumption	●	↓	●	↓	●	●	↓	●
7.e.	Water urban	●	↓	●	●	●	●	●	●
7.f.	Water rural	↑	■	●	↓	●	●	↑	●
7.g.	Sanitation urban	●	↓	↑	●	↑	●	●	●
7.h.	Sanitation rural	↑	↑	↑		↑	↑	●	●
GDP Growth rate 2005, in %		14	6	6	9	-4	2	8	5

Source: UNESCAP, Fact Sheets on MDGs in South Asia, October 2006, and Table 1 above.

Legend:

● Early achiever – Has already met the target; ↑ On track – Expected to hit the target by 2015; ■ Off track - Slow – Expected to hit the target, but after 2015; ↓ Off track - Regressing – Slipping backwards, or stagnating, <http://www.mdgasiapacific.org/index.php?q=node/16>

Some explanatory factors

Persistent poverty, malnutrition and low social indicators in South Asia are an outcome of many factors. Many of the poor live in rural areas, where access to services is difficult because they are remote, or not functioning. Livelihoods are precarious, with many landless labourers, and even those households with access to land suffer the impact of the extremely poor productivity and lack of connectivity of rural areas. As one indicator: agricultural yields in South Asia lie far below that of other regions, and per capita output has decreased in several countries (Table 4). South Asia – in contrast to its high growth rates in manufacturing and services - shows stagnation or even decreases in agricultural productivity – which in India, Nepal and Pakistan lags behind the Asia-Pacific average (see Table 4). Low productivity compounds with severe inequity in the wage economy and in access to land, inputs and collateral. Inefficiency and discrimination in the public food distribution systems, and in emergency assistance conspire to exclude large numbers of people from food – although it is available. Moreover, stagnant (or decreasing) per capita food production – alongside having some of the world’s lowest distributions of agricultural land per capita (see Table 4) – is aggravating the food security of the countries.

Economic growth is also not absorbing the growing labour force, which has increased at the high annual rate of 2.1% over the last decade¹⁷. Although they offer great potential, the talents and skills of the young population are under-utilised, and in 2006, young people were almost 3 times more likely to be unemployed than adults. This is compounded by the growing youth bulge – the proportion of youth in the 15-25 age bracket poses a critical challenge to policy-makers. Annually, roughly 60,000 young people enter the job market in Maldives, over half a million in Nepal and over 20 million in India¹⁸, but growth has not been sufficiently labour-intensive to absorb them.

Moreover, an increasingly large number of those who do find work are working poor. In this region, four out of 10 young working people remain below the US\$1 per day per person

¹⁷ ILO, Global Employment Trends Brief 2007, January, 2007, <http://www.ilo.org/public/english/employment/strat/download/getb07en.pdf>

¹⁸ Calculations based on available population census disaggregated data for Maldives (2000), Nepal (2001), and India (1991). The numbers refer to the age group of 15 (both sexes), http://unstats.un.org/unsd/demographic/products/dyb/DYBcensus/TableSpecial1_1a.pdf

extreme poverty level, and only one in 10 young people earn enough to put themselves and their families above the US\$2 per day poverty threshold¹⁹. Many young people are relegated to informal sector jobs with precarious working and payment conditions. This is one of the reasons behind the growing rate of working poverty in the region²⁰ as well as of laggard MDG achievement on poverty, malnutrition, health and education.

It is also manifest that poverty of adults feeds into the high rates of child labour. According to conservative estimates, child labour affects at least 20 million children in South Asia²¹. Moreover, in Afghanistan, India and Nepal, more girls than boys between the ages of 5-14 are engaged in child labour²². Child labour is also an outcome of distress migration, both within countries and across borders, in search of cash incomes which has become one strategy for coping with poverty and exclusion. Most countries in South Asia now have sizeable out-migration, and the countries' migrant labour remittances now exceed inflows of FDI and ODA by a factor of 2, accounting for a growing share of the countries' GDPs²³, with Nepal, Sri Lanka and Bangladesh being among the top 20 remittance-receiving developing countries in the world²⁴. 3% of the total population of Nepal are international labour migrants, where roughly one in 17 adults has migrated abroad²⁵. In India, distress migration is primarily within India, with whole families temporarily migrating during the lean season from one state to another, which severely affects the well-being of at least 60 million children who are deprived of access to services, benefits and opportunities, either at origin or destination. Around half are children under 6 years of age²⁶ - the age at which one could still break the cycle of poverty if basic services and other opportunities were made available to them)

While remittance inflows are helping South Asia have a current account surplus (such as Nepal²⁷) and ease the foreign exchange restraint which many developing countries faced in earlier decades, reliance on remittances is risky for political and economic reasons, does not *a priori* create decent work, and might be destructive for the social fabric of the society and for family cohesion.

In four of the South Asian countries, the socioeconomic environment is aggravated by ongoing conflict, such as in Afghanistan or Sri Lanka, or waning civil strife, such as in Nepal, or

¹⁹ http://www.ilo.org/public/english/region/asro/bangkok/public/releases/yr2006/pr06_19.htm

²⁰ ILO, Global Employment Trends Brief 2007, Brief, January 2007,
<http://www.ilo.org/public/english/employment/strat/download/getb07en.pdf>

²¹ ILO, Child Labour and Responses in South Asia,
<http://www.ilo.org/public/english/region/asro/newdelhi/ipec/responses/index.htm>

²² Compiled from UNICEF South Asia Booklet on Child-relevant socio-economic indicators, updated July 2006

²³ SAARC, Regional Poverty Profile 2005: Poverty Reduction in South Asia through Productive Employment, SAARC Secretariat, Kathmandu, August 2006, Figure 7.2, p. 118, Table 7.3, p. 123

²⁴ UNCTAD Trade and Development Report 2006, United Nations, New York and Geneva, p. 102

²⁵ Calculations based population data from the 2001 census,
<http://unstats.un.org/unsd/demographic/sconcerns/popsizesize2.htm>, and world migrant stock data for 2005,
<http://esa.un.org/migration/p2k0data.asp>

²⁶ Jayati Ghosh, The Children of Migrant Workers, 3 June 2006,
http://www.macrosan.com/cur/jun06/cur030606Migrant_Workers.htm

²⁷ United Nations, World Economic Situation and Prospects 2007, New York, Table A 3, p.; World Bank, Global Economic Prospects Report 2007: Managing the Next Wave of Globalisation, Table A 10, p. 176

frequent violent agitation, as in Bangladesh. In addition, Bangladesh, India and Nepal in particular face almost perennial natural disasters – drought, floods, landslides. In these countries, policy-makers face difficult choices with regard to current or future national development priorities in the context of emergency recovery, and/or peace-building, rehabilitation and reconstruction. In such fragile environments, the situation of millions of marginalised and vulnerable women and children has been exacerbated, depriving them of their basic rights and entitlements.

Key factors explaining the disjuncture

What then is at the heart of the South Asian disjuncture between economic performance and child and family development? It is obviously challenging for the countries of South Asia to achieve progress in the MDGs, given their large and growing populations, of whom between 40-50% are children. Afghanistan, Bangladesh, India, Pakistan and Nepal count as high-population countries and populations continued to grow at rates above 2 % per year in many South Asian countries.²⁸ But that ought not be a reason for this poor delivery on the MDGs, given that the macroeconomic growth rates and ensuing fiscal resources could facilitate and finance far better MDG achievement.

A key factor in the South Asian disjuncture between economic and social outcomes lies in social exclusion, processes of economic, socio-cultural and political discrimination based on vectors such as gender, caste, ethnicity, language, location, and ability,²⁹ which in turn compact with poverty. Two examples will serve to illustrate this.

For example, studies show that of the rural poor in Nepal, almost all are members of the Dalit or “oppressed” caste, with Dalit women by far the worst off among all socially-excluded groups, as they experience several layers of exclusion simultaneously³⁰. Women’s social exclusion compounds the poverty and social exclusion of children, as it is traditionally the women who prioritise investments into children’s education, healthcare and nutrition³¹.

Another example comes from India, where over 167 million Dalit people face caste discrimination and exclusion, with children born to Dalit families facing social restrictions to changing their hereditary occupation and social position. These groups are excluded economically from access to land, capital, credit, markets, decent work and equitable wages,

²⁸ UNICEF ROSA. South Asia Booklet on Child-relevant Socioeconomic Indicators. July 2006.
www.unicef.rosa.org

²⁹ UNICEF/UNRISD, Social Policy in South Asia: Towards Universal Coverage and Transformation for Achieving the Millennium Development Goals, CD, Kathmandu, May 2006; Gabriele Köhler., Concept note on social policy, November 2006,
http://groups.stakes.fi/KEKE/EN/kellokoski/international_organizations/int_organizations.htm

³⁰ Lynn Bennett, Poverty and Caste-Based Social Exclusion in Nepal, Paper Prepared for the International Consultation on Caste-based Discrimination Kathmandu, November 29-30, p. 12,
<http://socialjustice.ekduniya.net/k4a/k4anews/Poverty%20and%20Caste%20based%20Social%20Exclusion-Nepal.pdf>

³¹ UNICEF, The State of the World’s Children 2007: The Double Dividend of Gender Equality, New York, 2006, pp.23-27

Sukadheo Thorat, Untouchability in Rural India. Sage Publications: 2006

thus reproducing economic poverty, social exclusion and low human development from one year to the next, and from one generation to the next.³²

Next steps

A special push will be needed to break this cycle and to ensure that economic growth translates into social development.³³ And indeed, the countries in South Asia have in place a number of ambitious policies and programmes of social and economic development aimed at addressing the multiple vectors of social exclusion, underpinned by the principles of universalism, non-discrimination and equity.³⁴

For instance, Nepal has implemented the 20/20 initiative, steadily increasing fiscal expenditure on basic social services. In 2006, the government introduced a grant of 1000 rupees to compensate women for travel costs incurred if they deliver their child in a health centre or clinic; this small but often decisive incentive is augmented by funding from local Women's Federations and Women's Watch Groups earmarked for women from Dalit and other socially excluded communities.³⁵ It is showing clear results in terms of the number of births in health centres. Bangladesh is implementing universal girl-child secondary school stipend programmes, which have contributed to raising the equity ratio in schools, and to improving child protection through preventing child marriages, for instance.³⁶ The Government of India is implementing rural employment guarantee schemes in over 200 districts, which besides ensuring employment for the rural poor and destitute, are designed to create durable assets and have multiplier effects on the local economy.

Greater gender equality in terms of political participation, employment opportunities and access to basic social services among the general population, between the different groups but also within the marginalised groups themselves will bring greater dividends for the children. These and similar programmes could ultimately help break the cycle of poverty and overcome the patterns of inequality hindering MDG achievement in the region, and make the economic growth work of the rights of every child to survival, development and realising her and his full potential.

Filename: rar/coar/economicandsocialsituationsouthasia2007.doc

³² Sukadheo Thorat, *Untouchability in Rural India*. Sage Publications: 2006. Annie Namala, *Children and Cast-Based Discrimination: Policy Concerns*, paper presented at the workshop "Social Policy in South Asia: Towards Universal Coverage and Transformation for Achieving the Millennium Development Goals

³³ Cecilia Lotse, "MDGs and Transformative Social Policy", address to the high-level panel session on national strategies and approaches in reaching the MDGs, South Asia MDG Forum, 11-12 October 2005, http://www.mdgasiapacific.org/files/shared_folder/documents/presentation_unicefrosa.pdf; Köhler, G. and J. Keane, Analytical Report, UNICEF/UNRISD, *Social Policy in South Asia: Towards Universal Coverage and Transformation for Achieving the Millennium Development Goals*, CD, Kathmandu, May 2006;

³⁴ Köhler, G., "Paradox of the South Asian welfare state", in *Himal Southasian*, September 2006, http://www.himalmag.com/2006/september/analysis_3.htm

³⁵ Nepal Country Office Annual Report, Kathmandu 2006.

³⁶ SAARC and UNICEF ROSA, *State of the SAARC Child 2005*. Kathmandu 2006, p. 60