Poverty Reduction Begins with Children

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United Nations Children's Fund

Poverty Reduction Begins with Children

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Definition of terms

National poverty line: The poverty line is a monetary income per period (year, month or day), without which a person (or household) is considered to be 'poor'. It is determined by access to a group of goods and services considered 'minimal' for survival. Different methods of calculation result in different poverty lines. As a result, some country studies use two poverty lines, an 'upper' and a 'lower' one.

International poverty line: As defined by the World Bank, an income of US$1 per day per person.

Incidence of poverty: The percentage of the population below a poverty line.

Income poverty: Poverty as measured using a poverty line.

Basic needs poverty: Poverty based on the lack of essential goods or services (e.g., water, minimum food calories, children attending school).

Extreme poverty: The level of poverty that refers to a discrete group of the poorest. In this grouping, poverty is so extreme that if all income were used to buy only food, it could still not ensure even a minimum level of nutrition.

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Foreword

The unprecedented prosperity that the global economy is currently enjoying has not trickled down to benefit the staggering 40 per cent of all children in developing countries – over half a billion – who are still struggling to survive on less than $1 per day. Other child indicators such as global under-five mortality, school attendance and child malnutrition – which are among the most accurate measures of development – clearly suggest that progress has not kept pace with the promises made at the World Summit for Children in 1990.

It is, indeed, a sorry distinction of today's world that, at the dawn of the 'information age', one in three children in developing countries does not complete five years of education – a minimum required for achieving basic literacy. Millions more are being taught by untrained and underpaid teachers in overcrowded and poorly equipped classrooms, denying these children their social and economic rights.

There are many reasons for this tragic situation but poverty is the main underlying cause of millions of preventable child deaths each year. It is the cause of tens of millions of children going hungry, missing out on schooling or being forced into child labour.

Poverty causes lifelong damage to children's minds and bodies, turning them into adults who perpetuate the cycle of poverty by transmitting it to their children. This is why poverty reduction must begin with the protection and realization of the human rights of children. Investments in children are the best guarantee for achieving equitable and sustainable human development.

This document describes how children bear the brunt of poverty and explains why they are central to poverty reduction. It illustrates how UNICEF's efforts to improve communities' access to and quality of health, education, water and sanitation, child protection and participation – combined with policy advocacy – contribute to poverty reduction and the fulfilment of human rights.

As governmental and other leaders gather in the coming months to review the progress achieved since the Education Conference in Jomtien, the World Summit for Children in New York, the Social Summit in Copenhagen and the Women's Conference in Beijing, I hope that this document will provide some concrete lessons and encouraging examples of success in the fight against poverty.

Carol Bellamy
Executive Director
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UNICEF/94-1218/Andrew

Poverty is the worst form of violence.

– Mahatma Gandhi

Introduction

Children are often hardest hit by poverty: it causes lifelong damage to their minds and bodies. They are therefore likely to pass poverty on to their children, perpetuating the poverty cycle. Poverty reduction must begin with children.

The well-being of children is a key yardstick for measuring national development. Indeed, the ultimate criterion for gauging the integrity of society – or the international community, for that matter – is the way it treats children, particularly the poorest and most vulnerable ones.

Global prosperity is at an unprecedented level. Yet the promise to give every child a good start in life remains unfulfilled. More than half a billion children – representing a staggering 40 per cent of all children in developing countries – are currently struggling to survive on less than $1 a day. Poverty is the main cause of millions of preventable child deaths each year. It also causes tens of millions of children to go hungry, miss school or be exploited in hazardous child labour.

The worst manifestations of poverty can be eradicated in less than a generation. The knowledge and techniques needed to achieve this goal already exist. Through the investment of a very modest share of the world's annual income, all children could achieve a minimum standard of living, including access to adequate food, safe water and sanitation, primary health care and basic education. The investment needed is estimated at $80 billion per year – less than a third of 1 per cent of global income. Seldom has the international community had an investment opportunity so noble in its objective and so productive in its potential.

Over the past decade, the international community's concern with poverty has been rising in tandem with the increased attention accorded to the realization of human rights. The goal of reducing the proportion of people in developing countries who live below the international poverty line of $1 per day has received widespread support. The near universal ratification of the Convention on the Rights of the Child is an indication of governments' political commitment to end child poverty.

Lifting the world's poor out of poverty, however, will require the translation of good intentions and promises into concrete action. This action must do more than merely boost incomes. As a precondition for reducing poverty, every person must receive the opportunity to lead a long, healthy, creative and productive life and to enjoy an adequate standard of living, freedom, dignity, self-esteem and the respect of others. These aims are further complicated by poverty's many and changing faces, which can make it difficult to decide where to start, let alone how to monitor progress.

This document describes how children bear the brunt of poverty and explains why poverty reduction must begin with children. It illustrates UNICEF's support for the process of improving access to, and quality of, health care, education, water and sanitation and child protection. It also describes how the participation of the poor, as well as children themselves, combined with policy advocacy, contributes to poverty reduction and the fulfilment of human rights.

UNICEF/97-0262/Noorani

A girl holds her younger brother in a squatter settlement in Dhaka (Bangladesh). Poor children endure compound losses in terms of nutrition and health care that can impede future learning and development.

Poverty reduction begins with children

When poverty strikes a family, the youngest members become its most innocent and vulnerable victims. Since a good start in life – especially in the first few months – is critical to the physical, intellectual and emotional development of every individual, poverty in early childhood can prove to be a handicap for life.

Child development is a succession of events for which there is seldom a second chance. Biological and intellectual growth cannot wait until a family escapes from poverty. When poverty spreads and deepens, the risks of contracting respiratory infections, diarrhoea, measles and other illnesses that commonly kill children or undermine their physical, psychosocial and cognitive capacities increase. Damage suffered due to malnutrition, ill health and inadequate care during childhood impedes future learning and often cannot be repaired later in life.

There exists extensive evidence that poor families generally have more children than do non-poor families *(see annex I)*. This implies that children are disproportionately represented among the poor. No other age group is more likely to live in poverty.

Impoverished children become transmitters of poverty, as parents, to the next generation. In a vicious cycle, malnourished girls grow up to become malnourished mothers who give birth to underweight babies; parents lacking access to crucial information are unable to optimally feed and care for their children; and illiterate parents cannot support children in their learning process.

These children, then, run the risk of becoming the next generation of poor. In order to transform this vicious cycle into a virtuous cycle, poverty reduction must start with children.

In the words of James P. Grant, former Executive Director of UNICEF, "Children and women can be our Trojan Horse for attacking the citadel of poverty." Recognizing the need to interrupt generational poverty transmission, the World Summit for Social Development, held in 1995, called on policy makers to prioritize the needs of children in devising sustainable poverty reduction solutions – aimed not only at the household level but also at the community and national levels.

Giving children access to an integrated package of basic social services of good quality is one of the most effective and efficient steps in combating poverty. While boosting income is important, it would be economically inefficient and socially unacceptable to make the poor wait for the benefits of economic growth to trickle down. Moreover, ensuring access to basic education, primary health care, adequate nutrition and safe water and sanitation is not only a fulfilment of human rights, it also contributes to renewed economic growth.

Investment in children today is the best guarantee of equitable and sustainable development tomorrow.

Poverty is a denial of human rights

Poverty remains among the most important human rights challenges facing the world community. Based on the equal worth and dignity of every individual, human rights are central to well-being. Freedom from want and fear constitutes the fundamental condition to enjoy that well-being, while freedom from discrimination forms the basis for social protection and effective participation in society.

UNICEF pursues a human rights approach to poverty reduction because it responds to poverty's multifaceted nature. This approach can be distinguished from a welfare approach in terms of the relationship between the State, on the one hand, and local communities and individuals, on the other.

Participation is central to the human rights approach: the poor are the principal and engaged actors of development, rather than its passive subjects. Rather than 'target groups', they are considered central partners in pursuit of human rights entitlements.

A human rights-based approach means that the situation of poor people is viewed not only in terms of welfare outcomes but also in terms of the obligation to prevent and respond to human rights violations. For example, any action that excludes a specific group of children from school or discriminates against girls constitutes such

a violation. The human rights approach aims to empower families and communities to secure assistance and advocates a fair and just distribution of income and assets.

Human rights instruments – such as the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the Convention on the Rights of the Child – provide a coherent framework for practical action aimed at poverty reduction at the international, national and subnational levels. Enforcing compliance with human rights standards, however, can be difficult in practice. Indeed, a holistic approach can be daunting, even to the most committed and least resources-constrained government. Reasons range from weak political commitment and silent resistance by certain social groups with vested interests in discriminatory practices, to the lack of institutional and administrative capacity and financial resources for implementing necessary reforms.

Poverty encroaches on a set of rights that cannot be divided into subsections: human rights are interdependent and indivisible. There are no 'small' rights, nor can rights be traded off against each other. Still today, some quarters insist on the immediate protection of civil and political rights while conceding that economic, social and cultural rights depend on their affordability. This approach is unacceptable, for two reasons.

First, there is no clear-cut division between civil and political rights, on the one hand, and social and economic rights, on the other. No rights have priority over others. Second, all rights have resources implications. To ensure the economic, social and cultural rights of children requires States to allocate resources for these purposes to the maximum extent possible. Children's social and economic rights are as essential to their well-being and harmonious development as are their civil and political rights, even in emergency and crisis situations. Without the realization of all children's rights, poverty cannot be reduced.

Based on the principles of the best interest of the child, non-discrimination and the participation of children, the Convention on the Rights of the Child provides a comprehensive and coherent approach to poverty reduction. Ratified by all countries worldwide – except Somalia and the United States – the Convention is the most widely accepted human rights instrument ever. As the most complete statement of children's rights ever made, the Convention provides the overarching framework of actions to reduce poverty.

Following the Convention on the Rights of the Child, the family, as the first caregiver, has the primary responsibility for ensuring the full and harmonious development of the child. For its part, the State is obliged to take appropriate measures to assist those responsible for children in respecting their rights and, whenever needed, to provide material assistance and support programmes. This obligation of the State applies to all countries, regardless of their economic status and political approach. It provides the legal and moral foundation for state intervention to reduce poverty, particularly in the financing of basic social services. Obviously, the Convention also has implications for the role of other social actors.

Poverty has many faces

Poverty wears a multitude of faces and has numerous dimensions. There exists no universally accepted definition. A family can be considered poor because of inadequate income, unmet basic needs, or both. Should a family with an income above the poverty line but lacking access to basic education, primary health care or safe drinking water be considered as non-poor? The answer will depend on the interpretation of poverty. According to a money-based interpretation, this family would not rank among the poor, while a wider interpretation would consider this family impoverished. Some interpret poverty as the inability to keep up with the standard prevalent in a given society. Others place greater emphasis on the non-material assets of the poor – particularly their social capital, security and skills – and their potential to participate as equal partners in the development process.

UNICEF/95-0764/Lemoyne

A young girl plays the accordion for money on a Moscow street. Between 600 million and 700 million children – a staggering 40 per cent of all those in developing countries – are currently struggling to survive on less than $1 a day.

Contrary to common belief, poverty is not easy to quantify. Most observers and policy makers now accept a multidimensional definition of poverty, which includes certain 'non-measurable' attributes such as discrimination, social exclusion or deprivation of dignity. Nevertheless, the selection of relevant indicators and their respective weight remains a subject of debate. For operational purposes, a narrow definition of poverty is often adopted.

Just as freedom from poverty cannot be encapsulated in one particular human right, one single indicator cannot express poverty. Reflecting poverty's complex nature, an array of terms is in use, such as income poverty and basic needs poverty, lack of sustainable livelihood, social exclusion, absolute and relative poverty, hopelessness and vulnerability.

Nevertheless, a tendency to interpret poverty solely in terms of income remains well entrenched. As the economist John Maynard Keynes observed, the "difficulty lies, not in new ideas, but in escaping from old ones." The global debate on poverty often

remains confined to using an interpretation of poverty in money-based terms.

Income poverty. Poverty is most commonly defined as insufficient income to buy a minimum basket of goods and services. Based solely on quantitative measures, this interpretation is known as 'income poverty'. The most commonly used indicator associated with income poverty is the 'headcount ratio', which gives the proportion of people or households whose income falls below a particular poverty line. The demarcation of the poverty line depends on the basic basket of goods and services.

The international community commonly defines the poverty line as $1 per day per person – expressed in purchasing power parity (for 1985) to adjust for differences in prices between countries. Using this definition, the World Bank estimates that 1.2 billion people in developing countries lived in poverty in 1998 – which translates to a headcount ratio of about one out of three people in the developing world. A further 1.5 billion people lived in marginally better conditions – on less than $2 per day. Sub-Saharan Africa is the region where income poverty is most widespread, while the greatest number of the income-poor live in South Asia.

Basic needs poverty. Because of its multifaceted nature, poverty can be interpreted more broadly as the lack of basic capabilities to live in dignity. This approach goes beyond a definition of poverty as a strictly material condition, recognizing poverty's broader characteristics such as frequent illness, low birthweight, low education, social or political marginalization, or discrimination based on gender, age or any other ground. Indeed, there are dimensions of poverty that cannot be quantified but are felt by millions of people in their daily lives.

Many of the basic capabilities that allow a life of dignity are accessed through social services. As a result, there is a strong linkage between poverty and inadequate access to an integrated package of basic education, basic health, nutrition, safe drinking water and sanitation. Lack of special protection for disadvantaged children – such as victims of war, landmines, natural disasters, child labour and those with disabilities – is also a form of poverty. The basic needs approach to poverty seeks solutions that empower the poor to access these services.

This approach, therefore, interprets poverty in terms of 'outcomes' rather than 'inputs' needed to buy a minimum basket of goods and services. It focuses on poor people's potential strengths, including their values, their non-material assets and their participation in society. Children stand at the centre of this solution to poverty: the intergenerational transmission of poverty cannot be broken unless children's basic capabilities and skills are developed from birth.

A mixed picture. Not surprisingly, different interpretations of poverty can yield markedly different conclusions. Countries with few people living in income poverty can have many people without access to basic social services. Similarly, countries with a low basic needs poverty can have a high level of income poverty.

Data on income and human poverty compiled for 43 countries by the United Nations Development Programme (UNDP) and the World Bank reveal that income poverty exceeds basic needs poverty in about half of the countries, while basic needs

poverty exceeds income poverty in the other half *(see annex II)*. Only a few countries had similar values for both poverty indicators. This implies that anti-poverty interventions can be targeted at totally different groups of households or individuals, depending on the definition of poverty.

Obviously, a variety of poverty measures is required to assess and monitor the different aspects of poverty. Box 1 illustrates further how difficult it can be to arrive at a common interpretation of poverty trends.

Box 1: Interpreting poverty trends

China: Based on income poverty, China has made great strides in recent years. According to World Bank data, rapid growth lifted an estimated 200 million people out of income poverty between 1978 and 1995, when the headcount ratio declined from 30 per cent to 10 per cent. However, this remarkable reduction in income poverty was not mirrored in similar improvements in social indicators. Surveys and census results suggest that under-five mortality stopped falling after 1985 and may actually have risen since. Stunting among children was also reported to be on the increase after 1985.

Costa Rica: While per capita income in Costa Rica is roughly one tenth of that in industrialized countries, life expectancy is about the same. This impressive achievement is the result of many years of investments in basic social services. Between 1970 and 1990, adult illiteracy was halved, child malnutrition was reduced by two thirds and infant mortality declined by three quarters. Trends in income poverty during that period, however, do not reflect the country's social progress. The headcount index of poverty remained unchanged, at about a quarter of all households.

Indonesia: By the mid-1990s – before the financial crisis of 1997 – income poverty had been reduced to almost 10 per cent, down from nearly 60 per cent in 1960. Nevertheless, one third of the children under the age of five were reported to be underweight in 1995 – a proportion that was higher than the average for sub-Saharan Africa. In education, only a fifth of the children belonging to the poorest income quintile completed nine years of education – which was less than was achieved in Zimbabwe.

It is therefore insufficient to rely on income as the sole indicator in assessing poverty levels and trends. A multidimensional approach is indispensable in devising an effective, sustainable solution to poverty. Poverty reduction is more than having people merely transcend a particular income threshold. It will also require a sustained increase in the capabilities of all people, including poor people, to live long, healthy and productive lives; to participate in the development process as full partners; and to enjoy the fulfilment of their human rights.

Freeing children from poverty

At the World Summit for Children in 1990, the international community pledged to meet an ambitious set of goals to improve the quality of life of the world's children. Targets were set for reductions in infant, child and maternal mortality rates, improvements in child nutrition, better access to basic education and to safe water and environmental sanitation, improvements in early childhood care and primary health care, and the protection of children from abuses and exploitation. Even though considerable progress has been made towards most of these goals – especially in disease control and the reduction of micronutrient deficiency disorders – several of the key goals are unlikely to be met at the global level by the agreed target year 2000. This section briefly reviews progress and the remaining challenges.

Progress based on income

According to the latest World Bank estimates, the proportion of people in developing countries living on less than $1 per day declined from 32 per cent in 1990 to 26 per cent in 1998. The extrapolation of this trend to the year 2015 results in a headcount index of about 17 per cent – suggesting that the world is more or less on track for reaching the global goal of halving the proportion of people living in extreme poverty between 1990 and 2015 *(see Box 2)*.

However, most of the progress occurred in East Asia and the Pacific – a region where the incidence of income poverty nearly halved during the 1990s, although the impact of the financial crisis of 1997 on income poverty remains to be fully determined.

The decline in income poverty was much less dramatic in the other developing regions, where it decreased to 33 per cent in 1998, down from 35 per cent in 1990. It has been calculated that at this pace, poverty will not be halved by 2015, but reduced by a fifth.

Box 2: Global goal for reducing income poverty

In 1996, development ministers and heads of aid agencies in donor countries agreed on six specific goals to which development assistance should contribute. The goals spelled out in *Shaping the 21st Century: The contribution of development co-operation* (OECD/DAC) seek to halve the proportion of people living in poverty (i.e., living on less than $1 per day) between 1990 and 2015. The document also calls for greater consistency in industrialized countries between their own agricultural, trade and investment policies and the goals of development cooperation.

Although many aid agencies made serious efforts to help reduce poverty in the 1990s, achieving this ambitious objective would still leave approximately 1 billion people in income poverty by the year 2015, down from an estimated 1.3 billion in 1990. Over a period of 25 years, this would translate into an average reduction in the number of poor by a relatively modest 1 per cent per year.

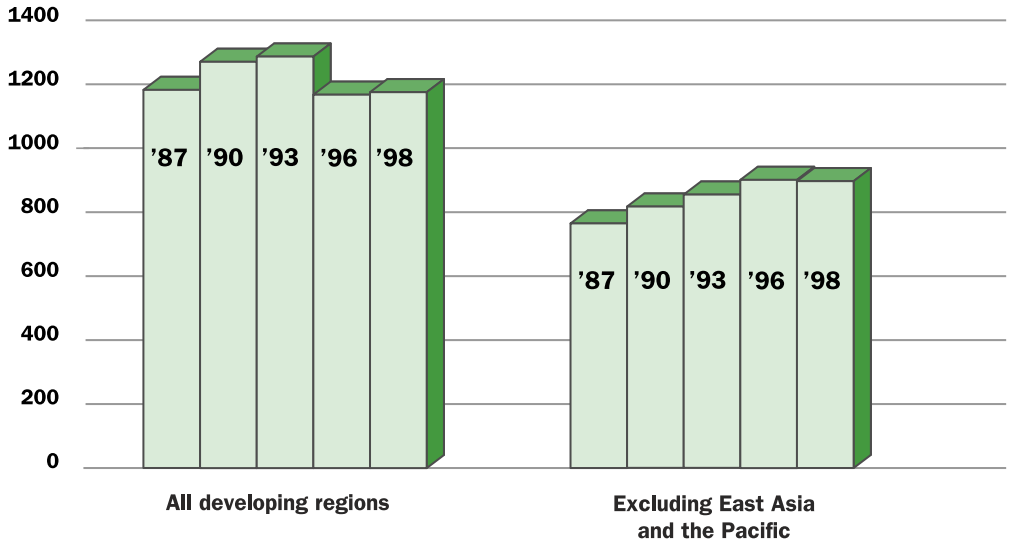
The number of income-poor in developing countries was estimated at about 1.2 billion in 1998. UNICEF estimates that children represent at least half of the income-poor (*see annex I*). This means that at least 600 million children under the age of 18 years struggle to survive on less than $1 a day. They represent a staggering 40 per cent of all children in developing countries. No other age group is more vulnerable to poverty than are children.

The headcount ratio of income-poor might have declined, but because of the increase of the population in developing countries, the absolute number of people surviving on less than $1 a day has remained relatively stable throughout the 1990s, in contrast to projected trends. The *World Development Report 1990* projected that the number of income-poor in developing countries would decline by some 2 per cent per annum between 1985 and 2000. Instead, the ranks of the income-poor remained unchanged between 1987 and 1998.

Excluding East Asia and the Pacific, the number of people in developing countries struggling to survive on less than $1 a day has increased continuously since 1987 (*see Figure I*). Their ranks increased by an average 1.5 per cent – about 12 million people – per year. In other words, little or no progress has been made in recent years in reducing income poverty, despite the economic recovery in several parts of the developing world and the surge in international trade and private capital flows during the 1990s.

Figure I

Millions of people struggle to survive on less than $1 a day



Source: Adapted from World Bank (1999). Estimates for 1998 are preliminary.

Progress based on basic needs

UNICEF's approach to poverty reduction focuses on building poor people's strengths – particularly in terms of their basic capabilities to escape poverty. In general, the picture that emerges from this perspective is more encouraging than the one depicted above. Nevertheless, complacency is unwarranted because progress is not keeping pace with promises, despite the fact that the international community can easily afford the attached price tag.

The world stands by as millions of children are denied their basic social and economic rights. Moreover, new challenges – such as the HIV/AIDS pandemic, the resurgence of some communicable diseases, increased volatility in the world economy and man-made conflicts – are throwing more children into poverty than ever before, making the task at hand even more daunting.

Basic education. Primary school enrolment across developing countries has continued to increase in recent years. Between 1990 and 1995, the number of children enrolled in primary school in developing countries rose by about 50 million. The proportion of school-age children enrolled in primary education increased from 80 per cent to 82 per cent. The gender gap also narrowed by 2 percentage points over the same period.

But these figures mask the fact that almost one third of all children in developing countries still fail to complete four or five years of primary education – a minimum required for basic literacy. Although the goal set during the World Summit for Children in 1990 calls for universal access to primary education by the year 2000, an estimated 130 million children were out of school in 1995, mostly in South Asia and sub-Saharan Africa. If current trends persist, they will number 165 million by the year 2015. Millions more sit in overcrowded and under-equipped classes and are taught by poorly trained and underpaid teachers. All these children are far from enjoying their right to basic education.

Basic education, particularly of girls, is unquestionably a key to reducing poverty. It gives a young woman a sense of personal empowerment and self-confidence to make decisions that affect her life. An educated girl tends to marry later, is more likely to space her pregnancies, will seek medical care for her child and herself when needed, will give better childcare and nutrition and will ensure that her children attend primary school – all important factors in preventing the intergenerational transmission of poverty. Education is also likely to enhance her income-generating capacity and will embolden her to claim her rights and those of her children.

Health and nutrition. Considerable progress has been made in disease control and the reduction of micronutrient disorders. The coverage of immunization, use of oral rehydration in the treatment of diarrhoea, iodization of salt, supplementation and fortification of vitamin A and the promotion of breastfeeding have all given a boost to child survival.

Although most countries continue to show a gradual decline in under-five mortality rates (U5MR), the pace of progress on this important aspect of poverty is insuffi-

cient to reach the targets set for the year 2000 and beyond. Child malnutrition remains high, particularly in Asia and sub-Saharan Africa. More than half the children in low-income countries are anaemic. There is no indication that the estimated number of 585,000 maternal deaths in developing countries in 1990 – about one per minute – is falling.

Water and sanitation. The first half of the 1990s witnessed considerable progress when an estimated 800 million people gained access to safe drinking water and an estimated 500 million people gained access to environmental sanitation.

However, monitoring progress is hampered by the varying definitions of 'safe water access' used by different countries. Access is usually defined in terms of distance to the nearest water point. But the distance beyond which a family is no longer considered to have access to water varies widely – both between countries and over time. Similarly, the types of water sources considered safe vary from country to country.

Notwithstanding these caveats, data show that all regions in the developing world have a considerable way to go before achieving the goal of universal access to safe water and adequate sanitation in the year 2000. Some 1.3 billion people had no access to safe water in the mid-1990s, and twice as many lacked access to decent latrines or sanitary means of waste disposal. Lack of access to safe drinking water or inadequate hygiene and sanitation causes over 3 million child deaths a year in developing countries – about one in every four such deaths. Moreover, fetching water is a time-consuming activity that is shouldered almost exclusively by women and children.

Rapid urbanization, increasing population and poor maintenance of existing systems have made the goal of universal access to safe water and sanitation by the year 2000 unattainable in many countries.

Child labour. While income poverty does not automatically lead to child labour, it certainly provides a fertile ground for the economic exploitation of children. When a child's primary caretakers cannot make ends meet, it becomes significantly more likely that the child will be pressured to work from an early age to supplement the family's income. It is important to note, however, that many income-poor families do not allow their children to become involved in intolerable and exploitative forms of child labour.

Recent estimates suggest that in developing countries at least 120 million children between the ages 5 and 14 work full-time. The figure rises to about 250 million when those with part-time work are included. Many children are forced to work in dangerous and exploitative conditions. Each year, for instance, an estimated 1 million children are lured into prostitution.

Child labour often prevents children from attending school, denies them the right to develop, exposes them to abuses, exploitation and physical injuries and, at times, leads to death. While there is little evidence that the global situation has improved in recent years, one positive development is a gradual dismantling of the wall of silence and denial surrounding the subject of child labour within many countries as well as internationally.

Gender. Poverty unduly affects women and girls. Gender relations often restrict the role of women within the household, community and society at large. This influences their economic status, the selection of national and local development priorities, the design of government policies and programmes and also the level of economic growth.

In general, girls have less access to basic social services than do boys. The reasons why girls are disadvantaged in public health and education are not totally clear. It may be partly due to the failure of the delivery system to avoid gender stereotypes or to take the specific needs of women and girls into account. Other factors – such as discrimination, household preferences and the assignation of tasks in homes – frequently deny women and girls access to health facilities or primary school. To make matters worse, the gender gap often widens as poverty deepens. It has been observed that poor households make different health and education choices for males than for females, which may explain in part why the impact of public programmes is not always progressive.

This brief review shows that progress towards the goals agreed at the World Summit for Children in 1990 has been mixed. Though important advances have been made, they have been inadequate to overcome the most severe manifestations of poverty. There has been insufficient progress to equip all children and their caretakers with the basic capabilities needed to escape poverty.

AIDS conspires against the poor

The AIDS pandemic is rolling back many of the social development gains mentioned above. The disease is reducing average life expectancy in many countries and by several years. In Malawi, for instance, average life expectancy had fallen to a mere 39 years by the mid-1990s, down from 45 years in the early 1980s. In Zambia, it dropped from 50 to 40 years. Under-five mortality in Kenya was reportedly higher in 1998 than in 1980. By raising morbidity and mortality among qualified health staff and teachers, the pandemic is causing a significant deterioration in the availability of social services to all children. The pandemic not only undermines progress, it also discriminates against children and the poor.

AIDS leaves behind millions of orphans, thereby reinforcing the transmission of poverty. The scale and urgency of the crisis show no signs of easing in the developing world, with dire implications for future generations. Children bear the brunt of the pandemic; statistics fail to capture their incalculable suffering, stigma and stress. When one or both parents fall ill, myriad problems emerge for the child, ranging from malnutrition, ill health and school drop-out, to labour and other forms of exploitation. Some of these abuses can further increase children's own vulnerability to HIV infection. Children who have lost a parent to AIDS are society's most vulnerable members.

Moreover, a gradual change in the socio-economic pattern of the pandemic is taking a particularly severe toll on the poor. Recent evidence indicates that HIV infec-

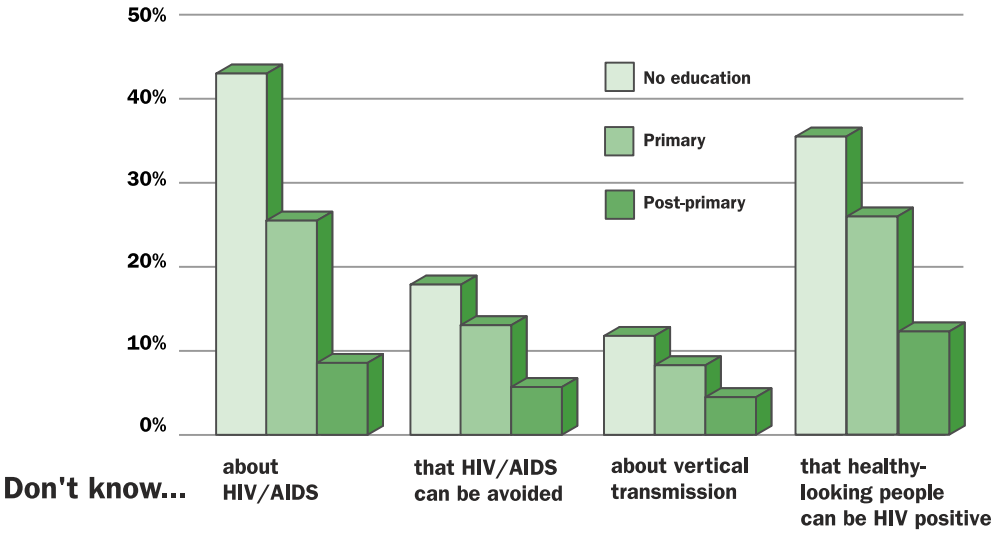
UNICEF/97-0074/Horner

A grandmother in Thailand is raising her two grandchildren, whose parents died of AIDS. The pandemic has seriously escalated the problem of poverty in communities that were already desperate.

tion is becoming more prevalent among illiterate people than among those with primary and post-primary education. During the initial stages of the AIDS pandemic in the 1980s, the more educated, mobile and better-off members of society were often most vulnerable. With increased information, knowledge and awareness, however, their behaviour started to alter in the 1990s, whereas that of illiterate people did not see a similar change. This suggests that education is the best protection against HIV infection. Indeed, the 'education vaccine' against AIDS is likely to be the only one available for the foreseeable future.

Since the early 1990s, Demographic and Health Surveys (DHS) have regularly incorporated AIDS-related questions. There are now 32 countries for which comparable information exists. Their results indicate that women without education are, on average, five times more likely to lack minimum knowledge about AIDS than women with post-primary education. Their belief that there is no way to avoid AIDS is about four times higher than for their educated counterparts. The proportion of women who do not know that HIV can be transmitted from mother to child is, on average, three times higher for uneducated women than for those with post-primary schooling. Illiterate women are also three times more likely to think that a healthy-looking person cannot be sero-positive, compared with those with post-primary education. Figure 2

Figure 2
Women's lack of knowledge about HIV/AIDS, by level of education



Source: Derived from 32 DHS surveys using unweighted averages.

summarizes the results of the 32 DHS surveys. All countries show a uniform pattern: a person's ignorance level about the various aspects of HIV/AIDS decreases as her or his education level increases.

Although knowledge about the disease does not necessarily trigger behavioural change, evidence is emerging that for the better-off it does. A sentinel surveillance of HIV in Zambia shows a positive correlation between sero-prevalence and education for pregnant women of the age group 25-29. Although at face value, this positive correlation might contradict the 'education vaccine', women who belonged to that age group in 1994 – the year of the survey – became sexually active in the early 1980s, when little was known about HIV/AIDS. The positive correlation confirms that the educated and better-off people were actually more vulnerable to HIV infection in the 1980s than were illiterate people. However, the correlation between sero-prevalence and education was not observed for the age group 15-19 – the group that became sexually active a decade later, when information regarding the pandemic was more widespread. Educated women started to alter their behaviour in the 1990s – based on information and knowledge. In both urban and rural Zambia, a steep reduction in the average HIV infection rate was observed for women with primary and post-primary schooling. The infection rate among women without any formal education, by contrast, remained relatively constant.

Uganda's efforts to reduce new HIV infections via public information campaigns

are paying off, but Figure 3 indicates that even in this exceptional case, the positive impact on the poor – those with little or no education – has been the least. A sentinel survey of childbearing women in a town in western Uganda shows that the relationship between the level of education and the rate of HIV infection has reversed direction in the 1990s due to behavioural change among educated women. Their infection rate decreased dramatically – dropping by almost half – whereas it fell much less and remained high for women without any formal schooling.

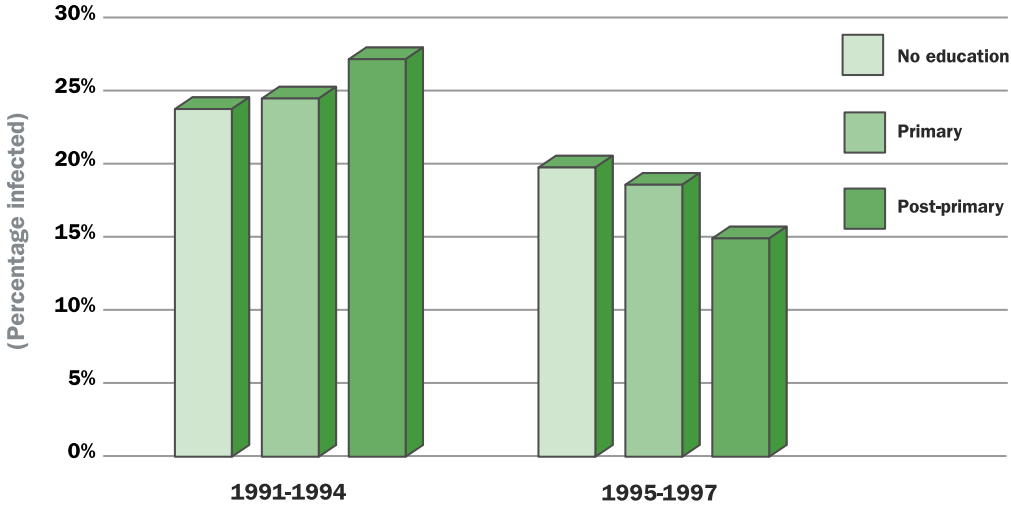
The 'education vaccine' against AIDS is not necessarily a direct result of information provided in schools. Rather, education equips and empowers people – especially young women – to capture and internalize relevant knowledge and to transform it into behavioural change. The spread of education also changes the community environment in which such behavioural changes become socially more acceptable, primarily through greater gender equity and the gradual higher status of women in the community.

Further research on the workings of the 'education vaccine' against AIDS is required, but the changing socio-economic profile of the AIDS pandemic adds a powerful argument for renewed efforts towards universal coverage of primary education and other basic social services as soon as possible. Girls' education is an absolute priority in this regard, because recent studies in Africa show that teenage girls are five to six times more likely to be infected by HIV than are boys of the same age.

Figure 3

The 'education vaccine' against HIV/AIDS

(HIV prevalence among pregnant women aged 15-24 by level of education, western Uganda)



Source: Kilian et al. (1999).

The deepening of poverty: The poorest get poorer

Poverty is obviously a function of an inequitable distribution of assets and lack of access to productive resources such as education, land and credit. Rapid economic growth without social equity can perpetuate poverty. An examination of recent evidence yields the compelling conclusion that there has been a marked increase in disparities – both across and within countries (*see annex III*). Income disparities seem to be widening fast in today's increasingly global world, both at the international and national levels, as well as among socio-economic groups that were traditionally more homogeneous. Income disparities have also widened among the poor.

Different poverty lines determine diverse levels of income poverty. Thus, it is not surprising that, with growing income inequality, whether poverty appears to increase or decrease depends on which line is being used. For example, the data in Figure 4 show the proportion of Nigeria's population living below a set poverty line declining by 9 percentage points between 1985 and 1992. However, if the poverty line is set at a very low level – so that in the initial year only about 10 per cent of the population falls below it – there is an increase of 3 percentage points in the incidence of extreme income poverty. In other words, the conditions of the poorest worsened.

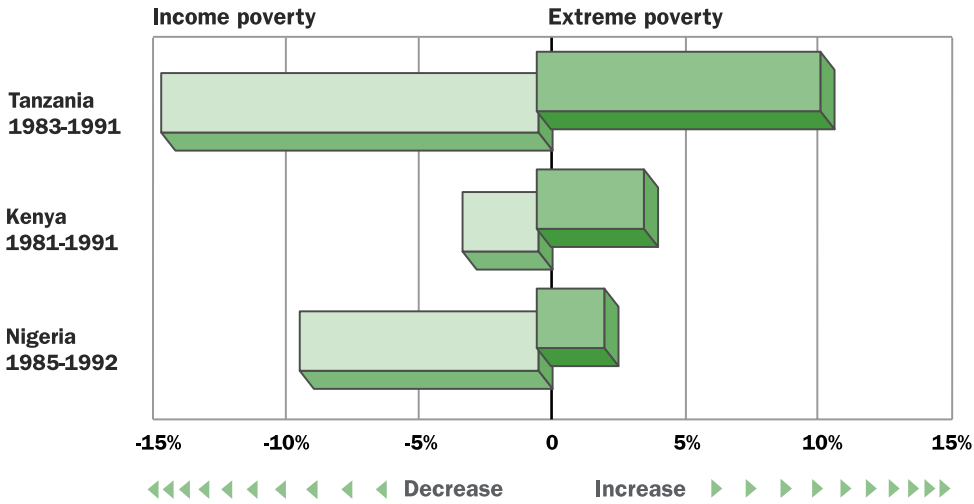
A similar picture emerges for rural Kenya (1981-1991) and rural United Republic of Tanzania (1983-1991), where the incidence of income poverty declined by 3 and 14 percentage points, respectively, while extreme income poverty (based on a lower poverty line) rose by 4 and 11 percentage points. This evidence confirms that the poor

UNICEF/97-0105/DeCesare

A six-year-old Salvadoran boy fills small bags with charcoal in the capital, San Salvador. In developing countries, up to 120 million children between the ages of 5 and 14 are employed full-time, robbing them of the opportunity for schooling.

Figure 4

Changes in the incidence of income poverty and extreme poverty



Source: Demery and Squire (1996)

are not a homogeneous group for whom one-size-fits-all policies and programmes are equally relevant.

In all three countries, the poorest of the poor saw their already low living standards fall, even though the overall incidence of income poverty declined. Many other countries are experiencing unbalanced growth that leaves the extreme poor further behind. This evidence suggests that a two-tier economy is emerging around the world.

Going beyond averages

A human rights approach calls for analysis that goes beyond national averages, one that pays attention to the distribution of progress between and within countries, regions, urban and rural areas and socio-economic groups according to gender or age and ethnic or caste origin. National averages mask wide discrepancies between and among such groups.

The widening gap between rich and poor is observable not only in terms of income but also in terms of social indicators. The World Health Organization (WHO), for instance, estimates that in most developing countries, the probability of dying before the age of five is about five times lower for better-off socio-economic groups than the national average. In many countries, the percentage of the poor that use 'free'

public health services is less than half the proportion of the rich using these same services.

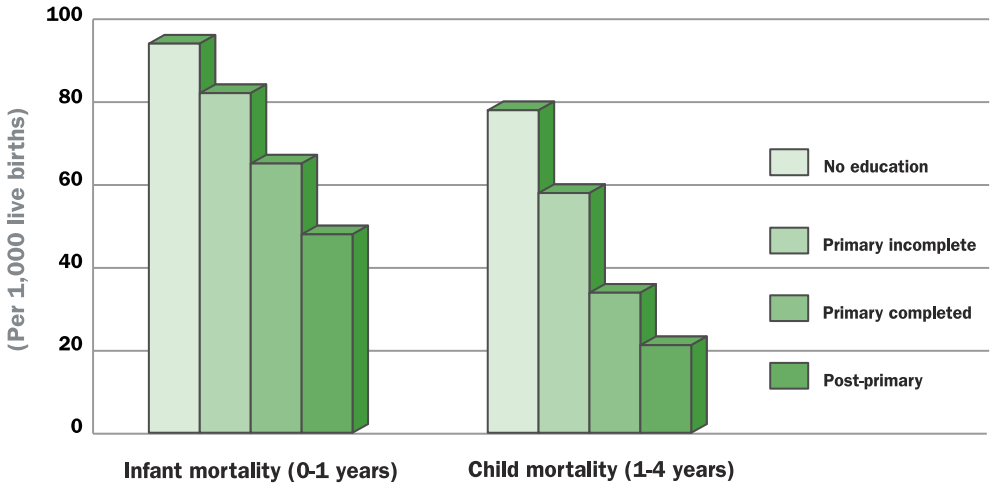
Education is similarly divided. Data compiled by the Inter-American Development Bank, for instance, show that in Brazil, children from families in the top income decile (or tenth) have a primary school completion rate of 95 per cent, whereas their counterparts in the bottom decile have a rate of only 19 per cent. In Nepal, enrolment for secondary education among the most privileged groups is 94 per cent, while only 8 per cent of the children of underprivileged families go beyond primary education. Several examples of other countries could be mentioned as well.

A comparative study of Demographic and Health Surveys in 20 countries confirms that children's health status is closely linked to poverty in the family, and that the association is only partly explained by the income level of the household. Using the level of maternal education, the surveys indicate *(see Figure 5)* that an infant whose mother had no formal education is about twice as likely to die before her first birthday as is an infant whose mother attained post-primary education. In some countries, the ratio between these two groups exceeds 3:1. Without exception, all surveys show a strong correlation between high maternal education and lower infant mortality.

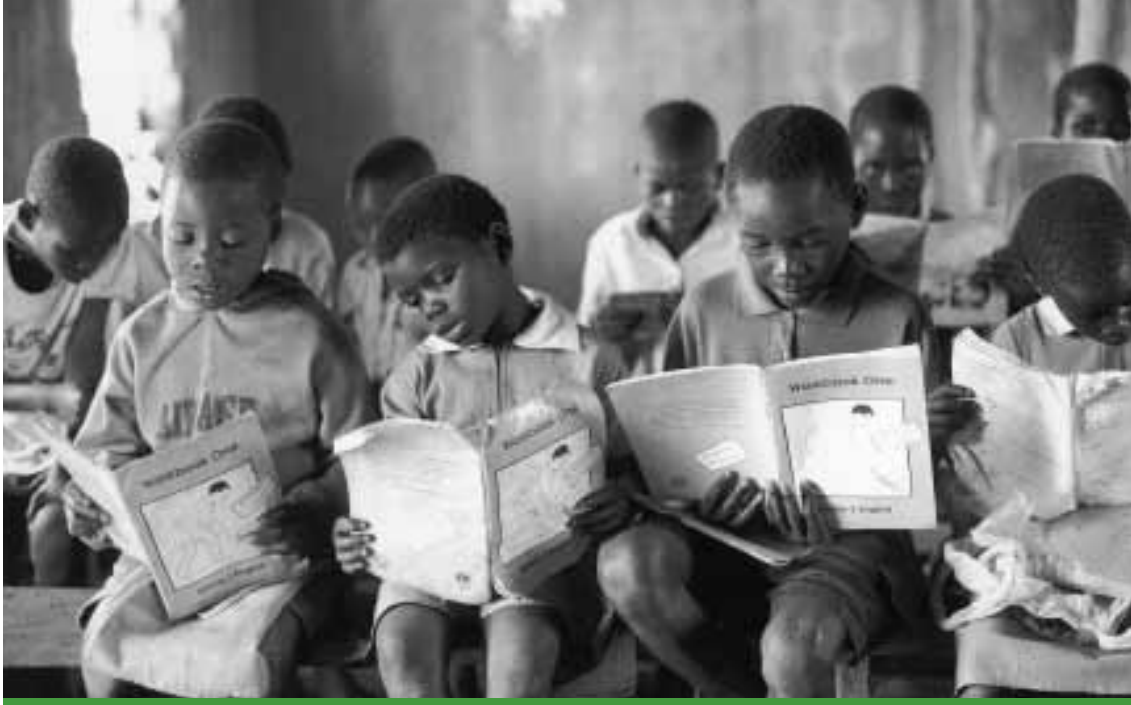
The correlation is even stronger for child mortality, indicating the importance of socio-economic disparities in access to health services and feeding practices that affect the child's susceptibility to disease and death during ages one to four. Children aged one to four of mothers without formal education are, on average, three times more likely to die than those whose mothers had post-primary education.

Figure 5

Mothers' education reduces infant and child mortality



Source: Bicego and Ahmad (1996), based on 20 Demographic and Health Surveys



UNICEF/96-1235/Pirozzi

Zambian children read workbooks printed and distributed by UNICEF at a primary school in Lusaka. UNICEF fights gender discrimination by eliminating stereotypes and gender bias in educational materials and by promoting safe and healthy conditions in schools.

How does UNICEF contribute to poverty reduction?

The multidimensional nature of poverty implies the absence of one single solution. Poverty reduction can only be achieved through a broad spectrum of activities bolstering universal human rights, fostering economic growth and social development, enhancing national and local capacity and empowering the poor to join as central partners in their own development. These actions fit no simple framework nor single blueprint.

Recognizing that poverty constitutes a denial of human rights and dignity, UNICEF incorporates the principles of the Convention on the Rights of the Child and other human rights treaties into its operations. The Convention's guiding principles, which stress non-discrimination, the best interests of the child and participation, frame UNICEF's approach to poverty reduction. Country programmes are based on, and tested against, adherence to these principles. UNICEF has forged many new alliances – with UN agencies, development banks, professional and media groups, and community and civil society organizations – to better reach the most marginalized, excluded and vulnerable children.

UNICEF focuses its assistance on strengthening the basic capabilities of people, communities and local governments to plan, manage and sustain the delivery of basic social services of good quality and to monitor outcomes. In promoting the realization of children's rights, UNICEF helps national and subnational authorities devise appropriate legislative, administrative and financial measures, always striving for synergy and complementarity among government departments and other institutions. By building basic capabilities, UNICEF helps prevent and reduce the immediate impact of poverty on children and contributes to its sustained reduction over the medium term.

In addition to capacity-building, UNICEF employs two other elements – direct support and advocacy – in its anti-poverty interventions. Direct support can take the form of procuring essential supplies and providing technical advice. UNICEF also helps strengthen internal logistics and national procurement systems for basic services. Advocacy takes the form of communication, monitoring, evaluation and policy analysis: efforts that can reap large and cost-effective results for children.

The major areas of UNICEF's anti-poverty interventions include basic education, primary health care, nutrition, water and sanitation, special protection, policy advocacy and microcredit. Below follows a brief description of each of these areas with a few concrete examples illustrating their relevance to poverty reduction.

Box 3: UNICEF at a glance

Since its foundation in the aftermath of World War II, UNICEF has been committed to protecting the rights of children in times of peace and war, to helping meet their basic needs and to expanding their opportunities to lead long, healthy and productive lives. Community participation, multisectoral approaches and women's empowerment form the hallmark of UNICEF efforts to promote children's rights by encouraging action and advocating in favour of the most disadvantaged and forgotten. UNICEF's Mission Statement explicitly says, "in everything it does, the most disadvantaged children ... have priority."

Governed by a 36-member Executive Board that establishes policies, reviews programmes and approves budgets, UNICEF operates through country programmes in more than 160 countries and territories. These programmes are developed in cooperation with governments and in close consultation with civil society organizations and other development partners. UNICEF is funded through voluntary government contributions and fund-raising activities of 37 National Committees in industrialized countries. Foundations, non-governmental organizations (NGOs), private business groups and individuals also help fund UNICEF's activities.

Basic education

UNICEF's support in basic education focuses on strengthening the cognitive and psychosocial aspects of early childhood care. It promotes universal access to, and completion of, quality basic education, including the development of a healthy, effective and protective learning environment. Promotion of community participation and parents' involvement in schools is an important aspect of this support.

Box 4: Pursuing education for all

Cambodia: Since 1996, UNICEF has supported the Community Action for Social Development Programme, which aims to achieve measurable improvements in education, as well as in the health and nutritional status of children. To date, 567 villages have benefited by developing and implementing their own Village Action Plans. Evidence shows there have been positive effects on school enrolment and adult literacy. Immunization coverage increased by as much as 40 per cent and child malnutrition fell by more than 10 per cent. Improved knowledge and practices have been observed in the areas of childcare, birth spacing, HIV/AIDS prevention, hygiene and agriculture.

Guinea: UNICEF supports community-based learning centres for children to catch up when they start their education late. Local communities manage the centres and ensure that children are enrolled. The Government provides technical support and a paid instructor. UNICEF provides basic equipment and school materials and supports the training of all those involved, while the local community sets a timetable for teaching – ranging from 15 to 18 hours per week. By 1998, the centres had enrolled 4,500 learners, most of whom were girls.

Peru: When children do not enrol at the proper age, they are more likely to drop out before completing primary education. In 1997, UNICEF helped develop a campaign to ensure the timely enrolment of all children in Peru. A network of partners was mobilized, including national and local education authorities, governors, women's associations, young people's clubs, child centres and community leaders. Leaflets, radio and TV spots, skits in markets and plazas, special schedules for registering children and free birth certificates were some of the campaign's activities. In just two years, over 70,000 girls and boys who were not previously enrolled started schooling.

Venezuela: Many Venezuelan-born children are not in school because their parents did not register them at birth. Those who manage to enrol without a birth certificate receive no academic credit and are unable to continue their education past the primary level. In 1997, UNICEF partnered with national and regional authorities and other social organizations to raise awareness of the situation of these children. As a result, maternity hospitals have been authorized to issue birth certificates to all newborns without the need for legal identification by their parents.

Yemen: In areas with very low female enrolment rates, UNICEF is helping train female teachers; support community-based low-cost construction of schools; strengthen the relationship between schools and community; and engage media, mosques, imams and community leaders in raising awareness of the need to educate girls. Within two years, there has been an increase of between 100 and 300 per cent in girls' enrolment in pilot schools, with learning achievements comparable and sometimes superior to those of other schools. Advocacy for school fee exemptions, recruitment and training of women teachers, and school materials contributed to these results.

Innovative and catalytic reforms, particularly focused on promoting girls' education, are strongly encouraged. In support of the rights of girls to education, UNICEF has developed a Framework for Action that fights gender discrimination by eliminating stereotyped and gender-biased books and other educational materials and by promoting safe and healthy conditions in schools.

Many out-of-school children seem invisible because those who are not registered at birth do not officially exist. The first step to making all children count is to count them all. Universal birth registration may not seem relevant to poverty reduction, but non-registration can make children ineligible for schooling or for other basic social services. Birth registration also helps protect children's rights by enforcing the minimum age for work and the minimum age for recruitment into the armed forces. Box 4 illustrates the types of activities UNICEF is supporting in promoting good-quality basic education for all.

Primary health care

The reduction of morbidity and mortality rates among children and women is UNICEF's most critical health care goal. Improved health is essential not only for raising income and productivity levels but, most fundamentally, for enhancing the quality of life. Freedom from sickness is vital to reducing poverty. In the West Indies, for example, mass treatment of children infected with whipworm dramatically increased their learning capacity. Since a nurturing family environment is important for the full and harmonious development of children, UNICEF's strategy addresses not only the health of the child but that of the child's family as well. Country programmes aim to empower families and communities to make informed health decisions and to act on them.

As part of its efforts to prevent and reduce the burden of disease on poor children and their families, UNICEF provides support for mass immunization, breastfeeding, nutrition, hand-washing and appropriate sanitation practices. It promotes oral rehydration therapy (ORT) to prevent diarrhoeal dehydration and the use of mosquito nets for malaria prevention. UNICEF strengthens the technical capacity of community health workers to diagnose and treat diseases and refer families on for specialized health care when necessary, thus placing emphasis on early disease detection. It also provides support to make safe and essential medicines widely available at an affordable cost.

UNICEF has adopted a health strategy that focuses on building basic capabilities to prevent and reduce the burden of disease, which disproportionately affects the poorest. Evidence suggests that characteristics such as low self-esteem, ignorance and insecurity (all qualities that often coexist with poverty) are frequently associated with higher morbidity and mortality rates, and that therefore the health care needs of the poorest are often greater than those of the non-poor. UNICEF focuses its actions on high-risk groups and hard-to-reach populations. It also strives to reduce health care costs to households through the mobilization of resources and innovative financing strategies, such as the Bamako Initiative. Box 5 illustrates the types of activities UNICEF has undertaken to protect and improve children's health.

Box 5: Enjoying the right to health

Bolivia: More than half the country's population does not use formal health services and 60 per cent of all births take place at home. A major reason for the limited utilization of health services is the inability of the poor to pay. UNICEF has supported the introduction of a National Insurance Programme for Maternity and Childhood to remove financial barriers to health services. Within a two-year period, the number of prenatal visits increased by 63 per cent, and deliveries in health facilities were up by a third. The number of cases treated for pneumonia jumped by 40 per cent. Approximately 200,000 more women and children under five received care through the insurance programme.

Lao People's Democratic Republic: Malaria is the major cause of death among young children in Lao PDR and contributes to school absenteeism and maternal mortality. Since 1994, UNICEF has provided significant financial and technical support to local communities to prevent the disease. Preventive measures include distribution of insecticide-treated mosquito nets, complemented by public awareness campaigns. In just three years, the number of malaria cases in remote districts declined by a quarter. A key element of success was the participation of women and community leaders.

Nepal: Oral rehydration salts (ORS) – the combination of water, sugar and salt that prevents diarrhoeal dehydration – have been around since the late 1960s, but only 2 per cent of Nepal's residents outside Kathmandu had heard of ORS by the early 1980s. UNICEF supported a massive campaign aimed at spreading the message about ORS. The campaign included a song about ORS by a popular singer, advising traditional healers about the dangers of withholding liquids from a dehydrated child and distributing instructions on how to mix ORS. A survey in 1996 found that 96 per cent of the population knew about ORS. The number of children dying from diarrhoea was halved in the 1990s, saving an estimated 20,000 lives each year.

Senegal: The practice of female genital mutilation (FGM) was a tradition in a village near Dakar. FGM was often performed with unsanitary utensils that caused infection, lifelong complications and even death. Today, FGM has been abandoned, largely thanks to an innovative literacy programme focused on women's right to health. Supported by UNICEF and augmented by the passage of national legislation banning FGM, the programme empowered women and won the support of their spouses. In less than two years, similar programmes have been introduced in about 60 other villages.

Safe motherhood: Almost 600,000 women in developing countries die each year during pregnancy and childbirth, and millions more suffer from lifelong complications. Promoting hygienic delivery is part of UNICEF's drive to ensure women's rights. Trained birth attendants and health workers use easy-to-follow instructions that are included in basic clean birth kits to ensure safe deliveries. The kits usually include a razor blade, soap, string, a plastic bag and floor cover, but are tailored to local needs and circumstances.

Nutrition

Malnutrition manifests itself at the individual level, but its underlying and basic causes extend from the household and community to the national and international levels. UNICEF recognizes that ending malnutrition requires a simultaneous response to many of its causes. Nutrition is not determined by food availability alone, but also by access to basic social services, quality of home-based care for young children, infant feeding patterns, morbidity and other factors.

To address the specific causes of malnutrition, it is necessary to support communities in their own assessment and analysis of the problems they face before appropriate actions can be taken at all levels. UNICEF calls this strategy the 'triple A' approach (for assessment, analysis and action).

Measures to prevent and combat malnutrition are present in many UNICEF programmes. These include nutritional rehabilitation of severely malnourished children such as those found in emergency situations, food supplementation and fortification to reduce micronutrient deficiencies, young child growth monitoring, health and nutrition education and training, breastfeeding training, and improved child-care and feeding practices.

UNICEF/94-0730/Booker

Babies eat foods rich in vitamin A at their day-care centre in Viet Nam. Child malnutrition remains high in some regions, particularly in Asia and sub-Saharan Africa. More than half the children in low-income countries are anaemic.

Micronutrients – including iodine and vitamin A – have remarkable power in protecting the health status of mothers and children. For example, adequate vitamin A intake can cut by half a child's risk of dying of measles, while salt iodization protects millions of children against mental and physical disabilities.

Salt iodization to reduce goitre and other iodine deficiency disorders (IDD) has been one of the major success stories of the 1990s. UNICEF supports universal salt iodization through training, supplying testing equipment and implementing quality control to fortify local salt production with iodine, often in close collaboration with the private sector.

UNICEF also promotes breastfeeding and the implementation of the International

Code of Marketing of Breastmilk Substitutes to prevent unethical promotional practices that can undermine breastfeeding. It is often the poorest who are most vulnerable to micronutrient deficiency disorders and inadequate or inaccurate information about breastfeeding. Box 6 highlights some examples of UNICEF's contributions in the area of nutrition.

Box 6: Improving child nutrition

Indonesia: More than 2 million Indonesians are affected by high levels of vitamin A deficiency, which can cause blindness and damage the immune system. A 1993 national survey showed that the rate of severe vitamin A deficiency had declined by more than three quarters as a result of a UNICEF-supported programme that distributed high-dose vitamin A capsules to children aged one to five years. UNICEF is working for the fortification of foods with vitamin A.

Jordan: In 1993, UNICEF supported the Government in conducting a study on the prevalence of goitre among children aged 8 to 11. The study revealed a prevalence rate of 38 per cent, which led to a collaborative effort with salt factories and Government to make salt iodization mandatory in 1995. The percentage of households consuming iodized salt rose from 5 per cent to 75 per cent in just three years. UNICEF supports several manufacturers in procuring potassium iodates and provides them with technical assistance in the process of salt iodization. Such interventions have yielded similar successes in many other countries.

Niger: Women often work 14 hours or more a day to grow, gather and prepare food for their families. In a number of villages, UNICEF helped them obtain better agricultural implements, donkey carts and a diesel mill. The output of cereals increased substantially, enabling the women to set up a cooperative cereal bank that purchased and stored grain safely, following a harvest, and sold the grain to poor families at reasonable prices during the pre-harvest season. Children's malnutrition levels fell dramatically as women acquired the capacity and resources to overcome seasonal food shortages and access to complementary basic services.

AIDS and breastfeeding: Research confirms that an infant whose mother is HIV positive can contract the virus through breastfeeding. The risk is estimated to be at least one in seven. New guidelines issued by UNICEF, WHO and the Joint United Nations Programme on HIV/AIDS (UNAIDS) call for access to voluntary and confidential HIV testing and counselling to help mothers make informed infant-feeding decisions. Access to these services has been critical to reducing HIV prevalence in Thailand, where half of the country's health workers were trained in pre- and post-test counselling techniques.

UNICEF/99-0594/Pirozzi

A woman and a girl in northern Iraq collect water at a newly installed handpump. Lack of access to safe drinking water or inadequate hygiene and sanitation causes over 3 million child deaths a year in developing countries.

Water and sanitation

Lack of safe water, inadequate sanitation and poor hygiene practices are some of the underlying causes of malnutrition, disease and death in children. As explained earlier, fetching water claims an inordinate amount of time and physical effort for millions of women and children. Since the late 1960s, UNICEF has supported programmes to bring affordable drinking water to thousands of villages and peri-urban areas, through the drilling and installation of boreholes with handpumps, gravity-fed designs, improvement of traditional water sources, protection of springs and wells, and rainwater harvesting. UNICEF has also supported programmes that boost awareness of environmental sanitation and hygiene through education and communication for behavioural change and through the promotion of locally made latrines.

Global progress towards achieving the goal of universal access to water and sanitation in 2000 lags behind, in part because efforts have predominantly focused on providing hardware and technology, to the neglect of efforts to change behaviour and build local capacity for managing existing systems. Country programmes aim to strengthen the capacity of local communities to participate in the management of their water and sanitation systems. In this regard, it is of particular importance to enlist the participation of women and to build their capacity in this area to sustain progress. Improving cost-effectiveness in order to make access to safe water and sanitation affordable for the poorest is a key concern. In response to the increased risks of pollution and excessive withdrawal of groundwater, the issue of sustainable management of freshwater resources is also addressed. Box 7 highlights some recent cases of UNICEF-supported advances in the area of water and sanitation.

Box 7: Ensuring access to safe water and sanitation

India: A UNICEF project to alleviate the effects of a major drought in 1967 quickly grew into a massive national agenda of providing safe drinking water to the rural poor. UNICEF helped develop technology for the Mark II handpump, which subsequently became an effective tool for providing safe drinking water in many other countries. By 1990, India had achieved nearly 80 per cent safe water coverage of its rural population. The average capital cost was restrained, making progress affordable and sustainable.

Indonesia: In the West Lombok district, religious leaders have integrated messages about good hygiene into their services, and the local government requires that new buildings include latrines. For example, before receiving a marriage licence, couples must promise to build a latrine. Between 1994 and 1998, UNICEF supported the construction of 25,000 new latrines per year in the district, compared with 1,500 before the programme started.

Myanmar: A national sanitation programme launched 15 years ago aimed to improve sanitation by providing each family with a plastic latrine pan, but this proved too costly. A standard latrine design and a do-it-yourself method were introduced in 1995, accompanied by an intensive social mobilization campaign. In each of the 66,000 participating villages, an initial group of 15 families were made aware of the benefits of safe sanitation and enlisted in helping demonstrate how to build a latrine. Nearly 800,000 newly constructed sanitary latrines have been built, providing access to an additional 10 per cent of the population.

Zambia: Until recently, borehole construction used specifications suited for piped water supply only. UNICEF helped introduce more appropriate designs for rural areas. As a result, drilling time was reduced and the cost per borehole was halved. The number of contracts awarded by other donors rose substantially, and project completion rates improved. Communities were trained in basic technical methods, which enabled them to monitor the work of contractors, to arrange for repairs of local pumps and to purchase spare parts from local entrepreneurs.

The Andes region: Under PROANDES – a UNICEF-assisted programme launched in 1992 to reduce poverty in the Andean region by promoting basic services – villagers have identified access to safe water as their first priority. PROANDES has helped build village-wide water systems using the land, labour, tools and management skills of the communities themselves. To this end, UNICEF has helped train village health workers and teachers in Bolivia, Colombia, Peru and Venezuela. The programme has given over 800,000 people access to safe drinking water. Also, as a result, school enrolment rates have increased and more than 13,000 villagers have learned to read and write.

Special protection

Supporting children in need of special protection is an important activity for UNICEF *(see Box 8)*. Many groups of children are particularly vulnerable: those suffering from disability, violence, sexual exploitation, hazardous labour or abandonment; those handicapped by life on the street, early marriage or female genital mutilation; children and especially adolescents at risk of HIV/AIDS; and those affected by armed conflict and landmines. War and civil strife – often both cause and consequence of poverty – expose children to severe social, economic and psychological pressures, including recruitment as child soldiers and participation in hostilities. UNICEF's efforts in this area focus on prevention, legal reform and advocacy for changing social values.

Making basic, good-quality education available to all is also part of this effort. Education is a vital element in eliminating intolerable forms of child labour and other types of discrimination, exploitation and abuse of children. The longer they remain in school, the less likely it is that children will become involved in child labour. Also, as access to basic education improves, the relationship between the quality of schooling and child labour becomes more of an issue. When primary education is of low quality, many parents do not see the value of the time and money invested and take their children out of school, into the labour market. Education must be perceived as part of the solution.

UNICEF/92-1217/Sprague

A social worker speaks to a young beggar in north-eastern Brazil. In the last three years, UNICEF has allocated increased resources to community development, women's programmes and children in need of special protection.

Box 8: Assisting children in need of special protection

Bangladesh: Fearing an international boycott in 1993, many garment manufacturers dismissed thousands of child workers under the age of 14. While a few of them entered school, many continued to work – often in worse conditions. In 1995, the Bangladesh Garment Manufacturers and Exporters Association, the International Labour Organization (ILO) and UNICEF signed a Memorandum of Understanding on the placement of child workers in school programmes and the elimination of child labour from the garment industry. Within a year, 130 non-formal schools were opened and 3,900 children under the age of 14 were enrolled in a three-year education programme where they received skills training and a monthly cash stipend. Children's jobs were offered to qualified adult family members. Independent monitoring continues.

Colombia: In this war-weary nation, UNICEF has provided funding and technical support for REDEPAZ, a national network of children who work for peace. In a national referendum in 1996, 3 million children voted for peace and their rights to survival and freedom from abuse. A year later, more than 10 million adults went to the polls – over twice the turnout in previous elections – to call for an end to the fighting and to the involvement of children under 18 in warfare. Although the children's vote was symbolic, its political impact was real. Warring factions could no longer claim to represent the 'people'.

Kenya: The struggle for survival can occasion high levels of stress and frustration in poor families and may lead to abuse. UNICEF supports an NGO that runs a school for working children in Nairobi. Classes are for half-days so that children are still able to contribute to the family income. The focus of learning is on arithmetic so as to help the children protect themselves against financial exploitation by scrap dealers and others, who may see them as sources of cheap labour.

Rwanda: UNICEF has supported the demobilization of more than 3,000 children under age 18. It provided assistance in the form of food, health care, education and vocational training, and reunification of former child soldiers with their families. Some 800 of these children were enrolled in secondary schools and about 1,000 returned to their families. UNICEF also provided support to the National Recovery Centre in Kigali to better assist children and their families in coping with the psychological effects of war.

AIDS programmes: UNICEF supports HIV testing and counselling, the administration of short AZT courses in the last month of pregnancy to reduce the risk of mother-to-child transmission and counselling and support regarding infant feeding. UNICEF, together with the United Nations Population Fund (UNFPA) and WHO, supports preventive services for young people through testing and providing information on sexually transmitted infections. National needs assessments are carried out on the problems of AIDS orphans to outline the policy and legal reforms needed and formulate plans of action. UNICEF supports community-based innovations in orphan care.

Policy advocacy

Economic and social policies are seldom child-neutral. Sustainable improvements in the situation of women and children require a supportive policy environment, as well as operational interventions to help develop their basic capabilities. UNICEF recognizes the importance of policy reforms for poverty reduction and social inclusion. A human rights approach to poverty reduction should not be confined to eliminating discriminatory laws but should also address discrimination that originates in economic and social policy-making.

UNICEF's policy advocacy attracted media attention after 1987, following the publication of *Adjustment with a Human Face*. Since then, the organization has continued to give practical expression to 'child-friendly' reforms and to gauge the ways in which macroeconomic reforms, social sector adjustment programmes and public spending affect children.

Five principles of good social policy can be derived from the experience of countries that have reduced poverty in a rapid and sustainable manner. First, these countries integrate and simultaneously address economic and social rights; they do not give priority to achieving macroeconomic stability or economic growth first while keeping social development in abeyance. Second, they spend more on basic social services and child protection. Third, they allocate funds better in terms of integration, equity and efficiency. Fourth, during periods of austerity and adjustment they maintain the level of financial support for basic social services and the protection of children's rights. Finally, they promote community participation in managing the delivery of an integrated package of social services and in the special protection of vulnerable children.

UNICEF advocates for poverty reduction through reforms in public finance (the 20/20 Initiative), debt relief, sectoral policy reforms, sector-wide approaches and targeting of social safety nets. Some of these efforts are highlighted below.

The 20/20 Initiative. UNICEF is the lead agency within the United Nations system for this Initiative. Formally endorsed at the World Summit for Social Development in 1995, it provides a financial framework for reaching the social goals agreed to at the world summits of the 1990s. A compact between developing and industrialized countries, the Initiative calls for the allocation of an indicative 20 per cent of the national budget in developing countries and 20 per cent of donor aid to basic social services. Its main purpose is to ensure that an integrated package of basic social services of good quality becomes accessible to all in the shortest possible time. The implementation of the 20/20 Initiative at the country level is pursued, *inter alia*, by supporting national reviews of the allocation of budgetary resources to basic social services.

Social, economic and cultural rights of children, according to the Convention on the Rights of the Child, are to be implemented to the "maximum extent of ... available resources and, where needed, within the framework of international co-operation" (article 4). National budgets are an important expression of government commitment to implementing human rights.

UNICEF/98-0660/Balaguer

Two children broadcast news and information about Hurricane Mitch from a radio station run by children in northern Nicaragua. Direct participation by youth is central to poverty eradication programmes.

20/20 Initiative studies in more than 30 countries indicate that basic social services receive, on average, between 12 per cent and 14 per cent of total public spending. Social outcome indicators suggest that this is inadequate. Virtually all countries appear to underinvest in basic social services. Employing basic social services to break the hold of destitution is far less costly than bearing the moral, social and economic costs of permitting poverty to deepen and disparities to widen. Implementation of the 20/20 Initiative would generate enough resources to ensure universal access to a package of basic social services of good quality.

In addition to calling for increased public spending on basic social services, the Initiative presses for equitable and efficient use of those resources. In order to equip people with basic capabilities to escape from poverty, social spending has to reach the poorest. However, evidence indicates that health and education spending often bypass them. The 20/20 studies show that the richest quintile (or one fifth) receives, on average, twice as many subsidies in health and education as the poorest quintile. Inequity is particularly strong in higher education, where about half of the subsidies go to the top quintile, while the bottom quintile captures less than 5 per cent.

Reports of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) show that basic education and basic health combined represent less than 5 per cent of total official development assistance (ODA). Moreover, the share allocated to these basic services – measurement of which began in 1994 – does not show any sign of growth. Although the share of ODA

directed to basic social services in recipient countries varies greatly between countries, as well as over time, which makes an average slightly misleading, it can be estimated that not more than 10 per cent of total ODA is currently being allocated to basic social services.

The primary source for financing universal access to basic social services should be the national budget, but restructuring a national budget is a difficult and time-consuming task. ODA can play a critically helpful role in this transition phase. However, from 1992 to 1997 total aid to developing countries plummeted by a fifth in real terms, and it has become more selective based on the criteria of efficiency and effectiveness. The poorest countries – those with the highest rates of child mortality and the lowest access to basic services such as primary education and safe drinking water – suffered the most severe impact of this decline. Suffice to say that neither the decline in ODA nor the policy of greater aid selectivity is consistent with the objectives of fostering human rights and of halving the proportion of people living in income poverty by the year 2015.

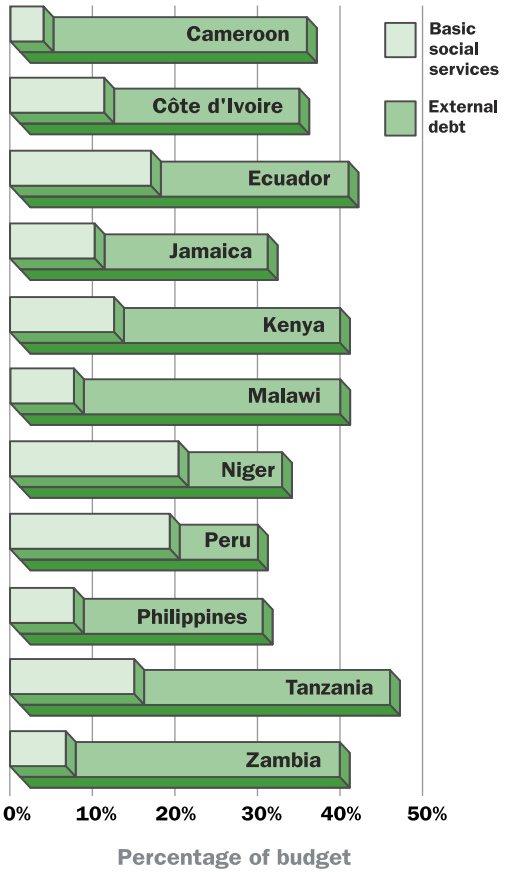
In order to reverse ODA trends, legislators and policy makers in donor countries must understand that development cooperation makes a real difference in people's lives. Improving access to primary health care, basic education, water and sanitation – or enhancing their quality – are precisely the areas where ODA can be seen to have a tangible impact on people's lives.

Debt relief. Two thirds of the countries surveyed by the 20/20 studies spend more on debt servicing than on basic social services; several spend three to five times more on debt. In 11 of the countries surveyed, debt payments absorb 30 per cent or more of the national budget *(see Figure 6)*. To spend more on debt than on basic social services while hundreds of millions of children go hungry or lack access to basic education, primary health care

Figure 6

Debt servicing crowds out basic social services

(data refer to 1990-1995 period)



Source: UNICEF and UNDP (1998)

and safe water is not only economically inefficient, it is also morally wrong. Without deep and broad debt relief, budget restructuring in favour of the realization of children's rights and the poor will remain elusive. UNICEF calls for faster and deeper debt relief because of the crippling effect debt servicing has on poor people's lives, especially poor children's lives. The time for massive debt relief is not today, it was yesterday; tomorrow will be too late for millions of children.

The Heavily Indebted Poor Countries (HIPC) Initiative remains the best hope to solve the debt crisis of poor countries. Launched in 1996, the HIPC Initiative marks the first comprehensive attempt to solve the debt issue, bringing together multilateral, bilateral, Paris Club and other official creditors to reduce the debt overhang. Even though the initial HIPC Initiative has yielded positive results, it has been widely criticized as an insufficient solution to the debt problem. By early 2000, HIPC had provided debt relief to just four countries: Bolivia, Guyana, Mozambique and Uganda.

In response to the many calls for a restructuring of the HIPC Initiative to provide swifter, broader and deeper debt relief, the International Monetary Fund (IMF) and the World Bank launched a review of HIPC in 1999, involving a broad consultation of civil society organizations and public officials. In a joint proposal with Oxfam, UNICEF has recommended that the revised HIPC Initiative consider a country's ability to sustain debt servicing as one criterion for determining eligibility for debt relief. The two organizations argue that countries should be granted early debt relief – within a maximum two-year period instead of six years. To reinforce the link between debt relief and poverty reduction, the joint proposal includes a 'debt for development' plan.

The core goal of the HIPC Initiative, in UNICEF's opinion, should be to convert debt liabilities into human investment (primary health care, basic education, water and sanitation measures), which acts as a catalyst for accelerated progress towards realizing children's rights. It is encouraging that Uganda – the first country to receive HIPC support – is using its debt dividend to expand primary school enrolment. Debt relief must be funded by new money and cannot be taken from the already reduced levels of ODA.

Sectoral reforms. It is beyond dispute that the effectiveness and efficiency of social spending can be improved through appropriate policy reforms. While no consensus exists on the exact nature of these policy reforms – their relevance and applicability will depend on country-specific and local circumstances – this 10-point list highlights areas with potential for improving the effectiveness and efficiency of public spending:

1. increased reliance on local communities in managing service delivery and making service providers accountable to users;
2. programmes of early childhood care and development;
3. more female teachers, provision of separate toilet facilities for girls and elimination of gender stereotypes in educational materials to retain more girls in schools;
4. adequate budget allocations for essential drugs, spare parts for handpumps, teaching materials, textbooks, etc.;
5. procurement of generic drugs;

6. more reliance on nurses and other medical staff rather than on physicians;
7. elimination of school and health fees for basic services and minimizing other out-of-pocket costs such as uniforms;
8. automatic promotion in primary education, provided quality is maintained;
9. use of the mother tongue in teaching, especially in the early years;
10. accelerated learning programmes for over-age pupils.

Sector-wide approaches. To reduce the fragmentation of development assistance associated with the conventional 'project approach', UNICEF participates in sector-wide approaches (SWAPs) for health, education and water and sanitation. SWAPs can improve the effectiveness and efficiency of programmes through better coordination among government, donor agencies and civil society. They also improve the sense of ownership of government and local communities over those programmes. The multiplication of projects – despite creating enclaves of excellence – can corrode the effectiveness of institutions, while foreign technical assistance can undermine national and local capacity. SWAPs establish clear priorities and objectives that are translated into agreed work programmes to be financed through common funding.

UNICEF participates in SWAPs in several countries, including Bangladesh, Ethiopia, Ghana, Mali, Philippines, Tanzania, Uganda and Zambia. This enables the organization to promote children's and women's rights and to get other partners focused again on the plight of disadvantaged groups and deprived areas. UNICEF's participation in SWAPs also facilitates the use of multisectoral approaches for children, combining interventions for child and maternal health, nutrition, early education and care for the psychosocial well-being of children. UNICEF's integrated and multisectoral strategy, in sum, is to improve a child's chances of arriving at the first day of school in a healthy, resilient and well-nourished condition, feeling ready and eager to learn.

Targeting of social safety nets. A holistic approach to poverty reduction can be overwhelming, particularly in low-income countries. Narrowly targeted programmes are increasingly prescribed for reasons of efficiency and flexibility: they claim to minimize leakage to the non-poor and offer rapid anti-poverty intervention. Such programmes may take the form of scholarships and vouchers, waivers or exemption of fees at health centres and schools, and direct cash transfers to eligible households based on specific criteria. However, narrow targeting has important hidden costs that are often overlooked. Five of these major costs are highlighted below.

First, because poverty is complex and difficult to quantify, it is virtually impossible to identify those most affected, thereby augmenting the risk of mistargeting. Second, the non-poor seldom accept 'missing out' on special programmes so that narrowly targeted programmes often bypass the poorest. Third, narrow targeting requires special eligibility criteria, which means that poor households must incur costs (fees and bus fares) to document their eligibility. Also, the poor are generally less informed about social safety nets but are well aware of the social stigma associated with means testing. This combination easily leads to the exclusion of the poorest of the poor. Fourth, programmes that use narrow targeting are at least twice as expensive to ad-

minister than untargeted programmes. And because they can create opportunities for mismanagement and petty corruption – particularly in the context of pervasive and endemic poverty – extra outlays for oversight and control add to their cost. Last, but not least, the political commitment to sustain narrowly targeted programmes is generally weak. Once the non-poor cease to have a stake in the quality and scope of targeted programmes, the voice of the poor alone is usually too weak to maintain strong political commitment. Proposals for multiple providers of basic social services such as education should therefore be considered with caution because they can reinforce segmentation of service delivery.

A discussion on the relative advantages of targeting must include the type of goods and services. The merits of a targeted fertilizer subsidy or microcredit scheme, for instance, are very different from those of a targeted subsidy for primary education. From a human rights perspective, the principle of universality has to take priority over that of selectivity when it comes to public goods such as basic social services. Annex IV shows evidence that suggests that access for the poorest of the poor to basic social services only becomes a reality when these services are universally available.

Microcredit

Equitable growth requires that the poor gain better access to land, infrastructure, technology and credit. Measures that accomplish this can have a powerful impact on poverty reduction. Many of these areas are beyond the mandate and resources of UNICEF, and other partners are better equipped to help manage large microcredit programmes. However, several country programmes aim to improve access of the poor to vital assets by combining microcredit programmes with a wider coverage of basic social services and the dissemination of key social messages. UNICEF supports microcredit when lack of access to small loans is identified as a key obstacle to improving the situation of women and children. A two-pronged approach that combines microcredit with social messages often contributes to a higher demand for basic social services. Box 9 illustrates some of the UNICEF-supported activities to improve the access of poor women to microcredit.

UNICEF/93-0863/Spry-Leverton

An instructor teaches literacy and numeracy skills to women in Bamako (Mali), as part of activities to improve the access of poor women to microcredit.

Box 9: Improving women's access to microcredit

China: UNICEF supports the Social Development Programme for Poor Areas (SPPA) to break the poverty cycle for the poorest populations by providing them with a package of integrated basic social services, microcredit and group-based training. SPPA builds women's basic knowledge and self-confidence. It is being implemented in the 24 poorest counties with the strong commitment of all social sector departments and the Women's Federation. Since 1997, the programme has disbursed loans to 22,000 women and has trained 33,000.

Egypt: UNICEF supports the Family Development Fund – a group-based microcredit scheme integrated with access to basic social services. It provides credit to poor women in combination with weekly group meetings to educate them on issues of health and nutrition. UNICEF supports the training of extension officers recruited from the community. The scheme has had a measurable impact on the health, nutrition and education status of the borrowers and their families. In some villages, access to credit has reduced the incidence of child labour.

Guatemala: In 1988, with start-up funds from UNICEF, 20 women formed an association of textile weavers in the village of San Juan La Laguna. A decade later, a strong cooperative of nearly 200 women sells textiles to markets worldwide. With their self-confidence bolstered, the women have become active in community affairs, spreading health messages and spearheading successful efforts to build a school and child-care centre. Similar programmes have supported women across the country.

Mauritania: Women's efforts to protect their children from poverty are hobbled by their low social status, illiteracy and limited access to credit. Since 1997, UNICEF has supported the Nissa (for 'woman' in Arabic) Bank. In its first two years of operation, 38,000 women received small loans. Each loan applicant must demonstrate that her daughter(s) attend primary school. Participating women have been drawn closer to decision-making in the household as well as in the community, and the nutritional status of their children has improved. The credit scheme is also promoting the use of insecticide-treated bed nets to prevent malaria, and salt iodization to combat physical and mental disabilities.

Viet Nam: UNICEF supports a microcredit project of the Viet Nam Women's Union. Its primary objective is to improve women's knowledge about basic maternal and child health care while strengthening their financial capacity to act on this knowledge. The project currently reaches 60,000 borrowers. An evaluation found that daughters of borrowing mothers were, on average, 25 per cent more likely to attend primary school than their counterparts whose mothers lacked access to microcredit. Children from families that participated in the project were better nourished than those in the control group. Moreover, women's self-confidence increased and their position in the family and community improved.

Poverty monitoring

Monitoring the situation of the world's children is an important activity of UNICEF. A broad set of indicators is used to assess the situation of children, including their health, nutrition, education, special protection, access to safe water and sanitation and other child rights such as birth registration. UNICEF analyses and reports on the results of these assessments in its two reports issued annually, namely *The State of the World's Children* and *The Progress of Nations*.

To help monitor global progress towards its goals for children, UNICEF has designed and supported Multiple Indicator Cluster Surveys (MICS) in many countries. MICS have been developed in collaboration with other United Nations agencies and external partners as a rapid and cost-efficient method for tracking the globally adopted goals for children. So far, full-scale MICS, or selected modules thereof, have been carried out by governments in about 100 countries. A recent evaluation concluded that MICS have boosted national and local capacity to monitor and analyse the situation of poor children.

Combining quantitative and qualitative evidence to assess poverty poses a special challenge. Much of this challenge can be met through sentinel surveillance, focus group discussions, rapid assessments, key informant interviews and institutional reviews of local services units. In the 1980s, sentinel site surveillance was developed as a tool to monitor health conditions. It has since been used to assess the impact of structural adjustment and droughts. These surveys and interviews combine low-cost and fast results with community participation. Community participation in selecting topics, formulating questions and implementing the surveys is more likely to influence local decision-making.

UNICEF has been working with other UN agencies, the World Bank and OECD/DAC to develop appropriate indicators and instruments for monitoring poverty. Through these efforts, UNICEF has developed a range of child-relevant indicators in the United Nations Development Assistance Framework (UNDAF), the Common Country Assessments (CCAs) and the OECD/DAC international development goals for the year 2015.

Allocation of UNICEF resources

There has been a deliberate effort to allocate more of UNICEF's regular (core) resources to the poorest countries. Although reallocating resources is never easy, significant progress has been made in recent years. The share of regular resources allocated to countries with high under-five mortality rates increased from 76 per cent in 1990 to 83 per cent in 2000. In order to achieve this result, the allocation to countries with medium mortality levels had to be reduced, as the share of resources allocated to countries with low mortality rates was already minimal *(see Table 1)*. A similar pattern is observed when countries are classified according to their level of per capita income. Low-income

countries, which in 1990 already received the substantial share of 81 per cent of regular resources, saw their allocation increase to 86 per cent by 2000. The least developed countries also increased their share from 42 per cent to 50 per cent during that period.

Table 1

Allocation of UNICEF's regular resources by country groupings

(in percentages)

Country grouping based on 1997 under-five mortality rate (U5MR)*		1990	2000
High	(U5MR over 70)	76	83
Medium	(U5MR between 20 and 70)	22	15
Low	(U5MR less than 20)	2	2
Country grouping based on 1996 GNP per capita			
Low income ($785 and less)		81	86
Lower-middle income (between $786 and $3,115)		16	12
Upper-middle income (between $3,116 and $9,635)		3	2
Least developed countries		42	50

* Probability of dying between birth and exactly five years of age, expressed per 1,000 live births.

Note: Allocations to multi-country programmes and regional funds have been excluded.

Source: UNICEF Programme Operating Statistics.

Apart from the allocation by country type, the distribution of resources by sector and type of support also provides an indicator to assess the impact of the organization on poverty reduction. Between 1993 and 1998, health-related activities accounted for almost a quarter of programme expenditures – including regular and other resources. Emergency programmes claimed a significant share, but declined from 29 per cent in 1993 to 21 per cent in 1998. At the same time, education's share rose from 9 per cent to 12 per cent. Planning, advocacy and programme support has accounted for between 15 per cent and 19 per cent of total expenditures, reflecting the importance of advocacy at global and national levels.

Since the Social Summit in 1995, and in line with the 20/20 Initiative, UNICEF has allocated between 70 per cent and 75 per cent of its regular resources to support basic social services. The remaining share was mainly devoted to emergency support.

More than three quarters of UNICEF's total expenditure is directly allocated to country programmes. The breakdown of UNICEF's programme expenditure by type of support indicates that supplies (covering inputs for immunization, rural health centres, water and sanitation projects, primary schools, quality control of iodized salt, etc.) accounted for nearly half of total programme expenditure in the 1990s. The share of supplies and equipment was particularly high in the health sector. The next important component was for building national capacity (planning and policy analysis, monitoring and evaluation, area-based programmes and exchange of visits to foster

cooperation among developing countries), absorbing about a fifth of total programme spending.

Summary

Poverty is a denial of human rights and human dignity. It means not having a good primary school or health centre to go to and not having access to safe drinking water and adequate sanitation. It means insecurity, powerlessness, exposure to violence and discrimination and exclusion from the mainstream of society. It also means not having a voice to influence decision-making, living at the margin of society and being stigmatized. Obviously, poverty reduction involves more than crossing an income threshold.

Poverty reduction is about providing people with the basic capabilities to live in dignity. This broad approach transcends any definition in a strictly material sense. It recognizes poverty's wider characteristics: frequent illness, low birthweight, low education, social or political marginalization and gender or other discrimination. Indeed, poverty's multidimensional and all-encompassing nature cannot be reduced to one single aspect or indicator.

Obstacles that impede the full development of the individual frequently occur at the very beginning in life. They then accumulate to the point of rendering the individual vulnerable to social exclusion and poverty. Hence, early childhood is the most opportune moment for preventing or breaking the poverty cycle. Investment in children is a key determinant of the success of anti-poverty programmes.

Society's youngest members are poverty's most innocent and vulnerable victims. When poverty strikes, causing irreparable damage to their bodies and minds, children are powerless victims. For UNICEF, one point is clear: poverty reduction must begin with children. When impoverished children grow up, they will – as parents – transmit poverty to the next generation. These children therefore need basic capabilities to break this vicious cycle. An integrated package of basic social services of good quality develops those capabilities, and universal access to those services is the most effective and efficient contribution to reducing poverty.

Poverty cannot be eradicated unless the basic capabilities of children are developed and safeguarded from the moment of birth. In spite of unprecedented global wealth, the promise that every child will enjoy a good start in life by the year 2000 remained unfulfilled. Hundreds of millions of children are deprived of their right to special protection, safe drinking water, adequate food, primary health services and basic education. Furthermore, between 600 million and 700 million children are currently struggling to survive on less than $1 per day – representing a staggering 40 per cent of all children in developing countries.

Empowerment, participation and social mobilization are the hallmark of UNICEF's efforts to reduce poverty. They represent ends in themselves to realize the human rights of all people, starting with the most vulnerable members of society: children and women.

Recognizing poverty's multifaceted nature, UNICEF is guided by human rights to address complex problems affecting children such as HIV/AIDS, child labour, malnutrition, poor access to education, victimization by armed conflicts and other emergencies. The human rights perspective has led to new collaboration with other organizations to better reach the most marginalized and exploited children.

All countries, even those at low levels of income, can achieve the realization of children's rights and universal access to basic social services. The pursuit of social and economic human rights does not have to wait until rapid economic growth is achieved. On the contrary, investments in children today will help lay a solid foundation for sustained and equitable economic growth in the future. No country has ever sustained rapid economic growth with high levels of illiteracy, malnutrition and morbidity. Countries that have successfully achieved sustained and equitable growth are those that have simultaneously addressed economic and social reforms, not those that have prioritized macroeconomic stability while postponing social development until the arrival of a more economically prosperous time.

UNICEF's vision is of a world in which all children have a joyous childhood: where they can play, learn and grow, where they are loved and cared for, where their health and safety are protected and where their gender is not a liability – a world in which their human rights are protected and fulfilled. That world remains a dream for tens of millions of children. With strong political commitment, sustained public action and genuine community participation, however, it is a dream that can come true for each and every child in less than one generation.

Annex I: Children are disproportionately represented among the poor

Although child poverty is not measured separately, it is possible to approximate its extent from household studies. Survey after survey indicate that the number of children in income-poor households is significantly higher than in non-poor families. Table 2 reports relevant information for 22 countries for which data are readily available.

The pattern that emerges is clear: income-poor households have more children than their non-poor counterparts. Income poverty is higher among families with many children because of their higher dependency ratio. This implies that children are disproportionately represented among the poor.

The figures in Table 2 suggest that children account for about half the income-poor. This average varies from country to country, and from region to region, depending on demographic trends and social realities. In Latin America, for instance, it is estimated that children account for more than half of the income-poor.

Table 2

Number of children in poor and non-poor households in 22 countries

Country	Household/family characteristic	Poor	Non-poor	All households
Argentina	Number of children under 15	3.0	0.4	1.3
Bolivia	Number of children under 15	3.4	1.3	2.3
Brazil	Number of children under 15	3.6	0.8	1.8
Cameroon	% households with 6+ members	59	30	45
Chile	Number of children under 15	2.5	0.9	1.5
Costa Rica	Number of children under 15	3.3	1.0	2.0
Ecuador	Number of children under 15	3.4	1.4	2.9
El Salvador	Number of children under 15	3.7	1.1	2.4
Guyana	Number of children under 17	2.6	1.4	1.8
Honduras	Number of children under 15	4.2	1.7	3.1
Indonesia	Number of children under 9	1.7	N/A	1.2
Malawi	Household size	5.4	4.2	5.0
Mali	Household size	11.5	9.2	10.4
Mexico	Number of children under 15	4.0	1.1	2.3
Nepal	Number of children under 14	3.5	2.5	N/A
Nicaragua	Number of children under 15	4.9	1.8	3.3
Panama	Number of children under 15	3.2	0.8	1.9
Paraguay	Number of children under 15	4.3	1.3	2.8
Peru	Number of children under 15	3.7	1.1	2.4
Philippines	Household size	6.0	5.0	N/A
Tanzania	Household size	7.2	5.0	6.0
Uruguay	Number of children under 15	2.8	0.5	1.2

Note: The poor and the non-poor have been defined at the national level.
Sources: Inter-American Development Bank (1998) and various poverty assessment reports (World Bank).

Annex II: Poverty incidence as measured by income and basic needs

Table 3 shows marked differences between the incidence of human and income poverty. Basic needs poverty as measured by the Human Poverty Index (HPI) concentrates on the deprivation in three essential elements of human life – longevity, knowledge and a decent standard of living. The latter is based on a combination of the percentage of people without access to safe water and health services and the percentage of children suffering from moderate and severe underweight. Income poverty is based on the international poverty line of $1 per day, expressed in purchasing power parity (PPP) values of 1985.

The 43 countries for which information is available are divided into two roughly equal groups. In 20 countries, human poverty exceeds income poverty, while in 23 nations income poverty is larger than human poverty. Only in a few countries are the two poverty indicators relatively the same. Such is the case for China, Mexico and Niger. The table ranks countries in descending order of poverty according to the larger indicator.

There are several countries where the share of the population living on less than $1 per day is relatively low, yet the percentage of people suffering from poverty is high. For example, in Pakistan 12 per cent of the population is estimated to be struggling to survive on less than $1 a day, but 47 per cent are poor according to the HPI. Other countries where human poverty is more than twice the level of income poverty include Algeria, Bolivia, Côte d'Ivoire, Egypt, Indonesia, Jamaica, Jordan, Morocco, Sri Lanka, Tanzania, Thailand and Tunisia.

On the other hand, there are countries where the percentage of the population without access to basic services is relatively low and yet the proportion of the population living below the poverty line is high. Chile, Costa Rica, Honduras, Panama, Peru, Zambia and Zimbabwe belong to the group of countries where income poverty is more than twice human poverty.

The correlation between the two poverty indicators is relatively low (r=0.45). In other words, each indicator will provide a very different assessment of the poverty problem. It can also lead to a very different picture of the socio-economic composition of the people living in poverty. Therefore, one indicator of poverty cannot capture its many dimensions and manifestations. One has to survey poverty with a wide lens.

Table 3

Income poverty and basic needs poverty in 43 countries

(percentage of people or households living in poverty)

Countries where income poverty is greater than basic needs poverty			Countries where basic needs poverty is greater than income poverty		
Country (survey year for income poverty)	Human Poverty Index	Income poverty (PPP $1 a day)*	Country (survey year for income poverty)	Human Poverty Index	Income poverty (PPP $1 a day)*
Guinea-Bissau (1991)	44	88	Niger (1992)	66	62
Zambia (1993)	35	85	Ethiopia (1981/82)	56	34
Madagascar (1993)	50	72	Guinea (1991)	50	26
Uganda (1989/90)	42	69	Bangladesh (1989/94)	48	29
Senegal (1991/92)	49	54	Mauritania (1988)	47	31
Guatemala (1989)	36	53	Pakistan (1991)	47	12
Kenya (1992)	26	50	Côte d'Ivoire (1988)	46	18
Lesotho (1986/87)	28	49	Nigeria (1992/93)	42	31
Peru (1994)	23	49	Morocco (1990/91)	42	< 2
India (1994)	37	47	Tanzania (1993)	40	16
Honduras (1992)	22	47	Egypt (1990/91)	35	8
Rwanda (1983/85)	38	46	Algeria (1995)	29	< 2
Nicaragua (1993)	27	44	Tunisia (1990)	25	4
Zimbabwe (1990/91)	17	41	Bolivia (1990/91)	23	7
Botswana (1985/86)	23	33	Indonesia (1996)	21	8
Ecuador (1994)	15	30	Sri Lanka (1990)	21	4
Philippines (1994)	18	27	Jamaica (1993)	12	4
Panama (1989)	11	26	Thailand (1992)	12	< 2
China (1995)	18	22	Colombia (1991)	11	7
Dominican Rep. (1989)	18	20	Jordan (1992)	11	3
Costa Rica (1989)	7	19			
Mexico (1992)	11	15			
Chile (1992)	5	15			

* Purchasing power parity values of 1985.

Note: The Human Poverty Index (HPI) is based on data that refer to the first half of the 1990s.

Sources: *Human Development Report 1997* (UNDP) for HPI and income poverty in Bangladesh; *World Development Indicators 1997* and *1999* (World Bank) for income poverty in all other countries.

Annex III: Widening disparities between and within countries

This annex highlights some of the relevant data on the widening income gap between and within nations.

Rising inequity among countries. The world is fast approaching a situation where 10 per cent of the people will possess 90 per cent of the world's wealth. Poverty has been described as the new face of apartheid: millions of people living in wretched conditions side by side with those who enjoy unprecedented prosperity. In recent years, the international community has apparently disregarded the warning of the 1944 Philadelphia Declaration that "poverty anywhere constitutes a danger to prosperity everywhere."

The *Human Development Report 1999* estimates that, between 1990 and 1997, the income ratio between the richest and poorest quintile of the world population increased from 60:1 to 74:1. In 1997, the poorest quintile obtained only 1 per cent of global income, half the share they controlled in 1960.

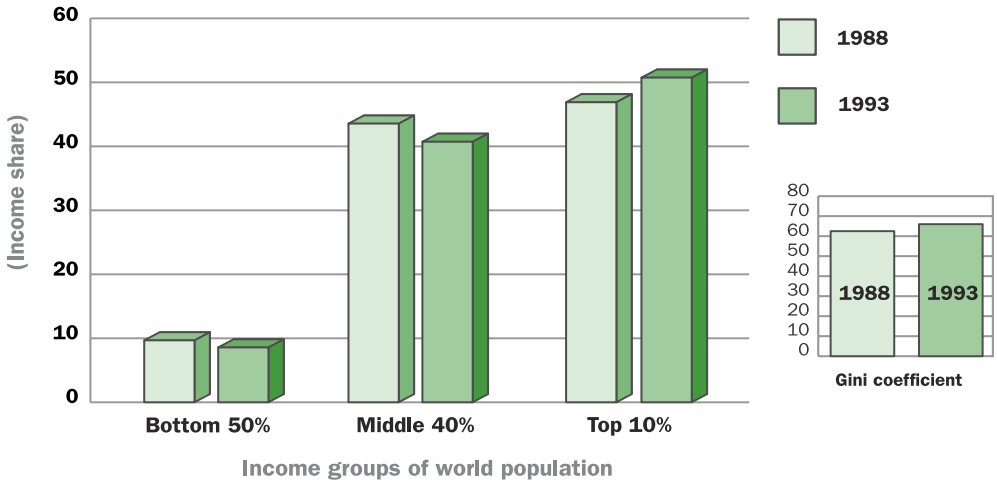
Rising inequity within countries. It is increasingly difficult to dismiss as anecdotal or based on faulty analysis the evidence of widening disparities in income distribution within countries. Several sources of data point in the direction of greater inequalities, including the UNCTAD *Trade and Development Report 1997*. A recent study entitled 'Liberalization, Globalization and Income Distribution', published by the United Nations University/WIDER, suggests that of the 77 countries with data on income distribution since the 1950s, 45 witnessed rising inequity. Only 16 experienced an improvement in equity. The remaining 16 countries did not evince a clear trend.

Assessing trends in income distribution is bedevilled with difficulties of data comparability. However, a recent study attempted to derive a world income distribution by combining the results of household budget surveys in 91 countries into one grand distribution, using purchasing power parity values *(see Figure 7)*. It shows that in 1993, the top decile controlled half of global income, while the bottom half earned less than 10 per cent of global income.

Figure 7 also shows that the distribution worsened between 1988 and 1993. The income share of the top decile increased at the expense of that of the other 90 per cent of the world population. The study shows that the Gini coefficient – a commonly used measure of inequity – increased from 62.5 to 66.0, which means that disparities widened. Gini coefficients are relatively stable: it takes a radical change in the distribution of income for the coefficient to jump by 3.5 points in a short period of five years.

According to the study, the poor are getting poorer not only in relative terms but also in absolute terms. The real income of the world's poorest 5 per cent dropped by an estimated one quarter over this five-year period. Similarly, recent studies in Indonesia and Thailand indicate that the poorest people (those at the bottom of the income scale) were hardest hit during the recent crisis.

Figure 7
Global income disparities are widening



Source: Milanovic (1999).

The widening gap between the rich and the poor is observable not only in terms of income but also in terms of social indicators. For example, the greatest improvement in under-five mortality between 1990 and 1997 was reported in the industrialized countries where it was already at a low level. By contrast, sub-Saharan Africa, where mortality rates were highest, saw the slowest progress.

The discrepancy between rich and poor countries is also observed between rich and poor people within countries. Data from Côte d'Ivoire, for instance, show that the primary enrolment ratio for girls of income-poor households decreased from 22 in 1985 to 17 in 1988, whereas it continued to increase for their non-poor counterparts – from 54 to 58.

The evidence is compelling that the 1990s saw a widening in the gap between rich and poor countries as well as between rich and poor people within countries, both in terms of income and of social outcomes.

Annex IV: Queuing for basic education

Children from poor households are generally the last to gain access to basic services, and narrow targeting can seldom overcome this reality. All too often, the poorest profit from social services after all other socio-economic groups have done so. Access to basic social services can be compared with 'queuing': the poor are often at the end of the line. Figure 8 attempts to illustrate this point for primary education, based on the results of Demographic and Health Surveys (DHS).

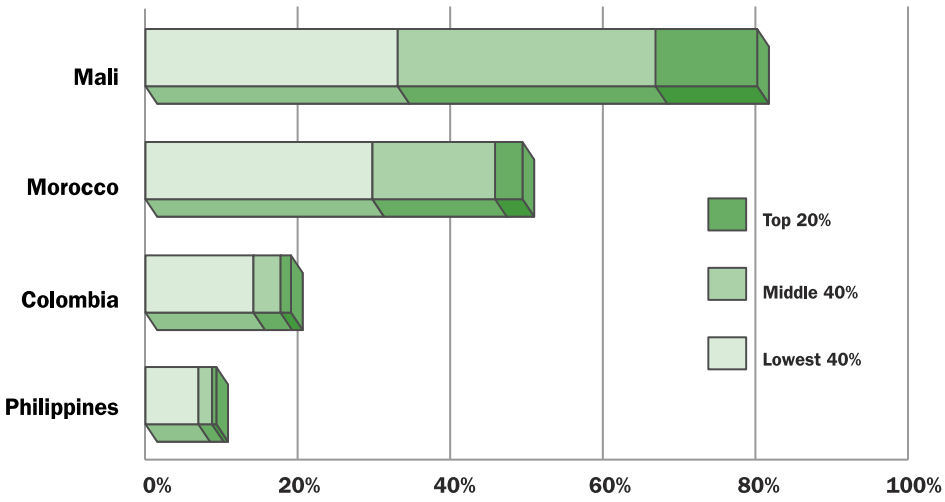
DHS do not collect income or consumption data, but their information allows one to cross-tabulate social indicators by socio-economic groups. Households can be grouped in three categories (lowest 40 per cent, middle 40 per cent and top 20 per cent) based on their assets such as a bicycle, a radio, the size of the dwelling and the type of construction materials used, and the source of drinking water. Assets-based distributions give a socio-economic picture that is at least as reliable as those based on reported income or consumption.

The comparison between Mali and Morocco in the figure is instructive. The proportion of poor children (i.e., those belonging to families in the lowest 40 per cent) is not very different in the two countries. However, a greater percentage of children not completing five years of education in Morocco are poor – as many as 60 per cent of all those not completing schooling – compared to 40 per cent of those not completing school in Mali. This example from two countries of dissimilar means (or levels

Figure 8

Queuing for primary education

(children not completing 5 years of schooling, by socio-economic group)



Source: Derived from Filmer and Pritchett (1999).

of income) indicates that the non-poor benefit first from the increased availability of services.

This comparison illustrates well the 'fallacy of the mean'. Based on national averages, it is obvious that access to education is better in Morocco than in Mali, but this average hides two facts: that the situation of the poor in both countries is not very different and that the non-poor benefit first from any increase in social services. Indeed, national averages can give misleading impressions. Analysis of the underlying socio-economic composition of national averages is often neglected.

As primary education becomes more widely accessible – as is illustrated in Figure 8 by the situations in Colombia and the Philippines, where the proportion of children not completing grade five falls to 20 per cent and 10 per cent, respectively – poor children gradually share in the benefits. Nevertheless, the poor are always among the last to gain access to social services.

In Mali, children from families in the lowest 40 per cent income group account for about 40 per cent of all those who fail to complete grade five. Their share increases to 60 per cent in Morocco, 70 per cent in Colombia and 75 per cent in the Philippines. The same picture emerges from other studies in which changes over time within the same country are examined. In other words, as countries gradually expand access to basic education, children from poor families represent a growing share of the 'education queue'. All indications are that the last child to complete five years of schooling is likely to be from a poor family.

This evidence strongly suggests that it is only when access to primary education becomes universal that the poorest children will be reached. Narrow targeting cannot provide that guarantee. As far as basic social services are concerned, broad targeting – along the lines of the 20/20 Initiative – is preferable. This is consistent with the human rights approach to development. It is also preferable for reasons of effectiveness, equity and efficiency.

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