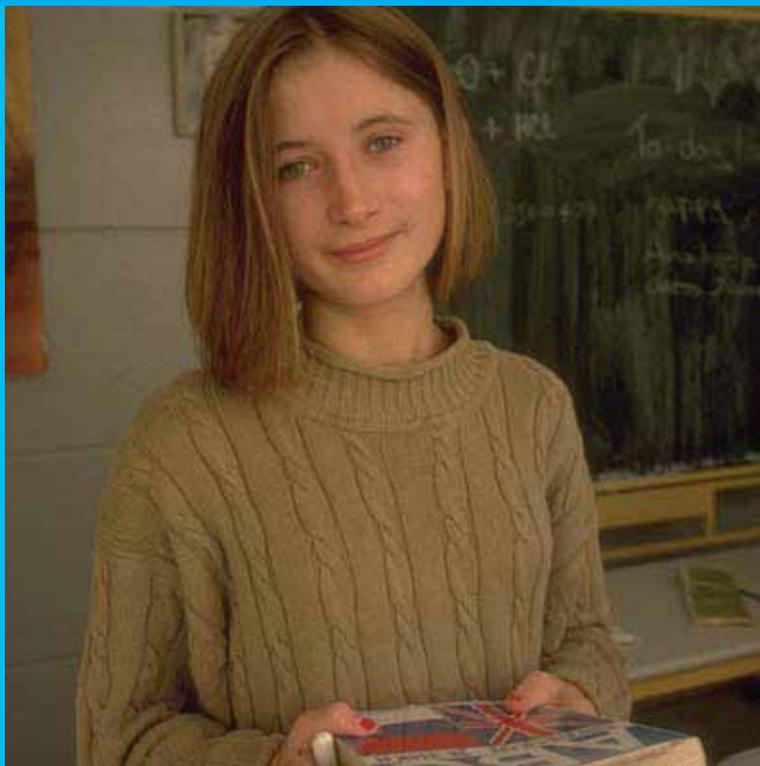


# POVERTY AND CHILDREN: A PERSPECTIVE

WORKING PAPER



DIVISION OF  
POLICY AND PLANNING  
JULY 2007



**DIVISION OF  
POLICY AND  
PLANNING**

**WORKING PAPERS**

**POVERTY AND CHILDREN:  
A PERSPECTIVE**

GÁSPÁR FAJTH  
KATHERINE HOLLAND

July 2007

**Poverty and Children: A perspective**  
© United Nations Children's Fund (UNICEF), New York, 2007

**UNICEF**  
3 UN Plaza, NY, NY 10017  
July, 2007

**This is a working document. It has been prepared to facilitate the exchange of knowledge and to stimulate discussion, and builds on a paper originally produced for the curriculum of the 2007 UNICEF Learning Programme on Evidence Based Policy Analysis to Deliver Results for Children. It has benefited from the support and comments of colleagues from UNICEF and from the Maastricht Graduate School of Governance at Maastricht University.**

**Gaspar Fajth ([gfajth@unicef.org](mailto:gfajth@unicef.org)) and Katherine Holland ([kholland@unicef.org](mailto:kholland@unicef.org)) are with the Economic and Social Policy Unit of the Global Policy Section at UNICEF DPP. The findings, interpretations and conclusions expressed in this paper are entirely those of the authors and do not necessarily reflect the policies or the views of UNICEF.**

**The text has not been edited to official publication standards and UNICEF accepts no responsibility for errors.**

**The designations in this publication do not imply an opinion on legal status of any country or territory, or of its authorities, or the delimitation of frontiers.**

# Table of Contents

	<u>Page</u>
<b>Executive Summary .....</b>	<b>i</b>
<b>Resumen Ejecutivo.....</b>	<b>i</b>
<b>Résumé Analytique .....</b>	<b>ii</b>
<b>1. Why is the definition of poverty important? .....</b>	<b>1</b>
<b>2. How do UNICEF’s partners define and measure poverty? .....</b>	<b>4</b>
<b>3. Child Poverty: taking benefit from a three part approach.....</b>	<b>7</b>
<b>4. Evidence based policy analysis to deliver results for children.....</b>	<b>12</b>
<b>5. References.....</b>	<b>14</b>



## Executive Summary

This paper aims to provide a brief, practical review on the main concepts, policy approaches and measurement issues related to poverty and children. The purpose of this paper is not to introduce the reader to poverty analysis in general, but rather to provide a perspective on how different approaches to poverty in general, and most recently to child poverty in particular, have contributed to the concepts we present here. The literature on poverty and/or on child well being is huge – and merits its own separate in depth inquiry– however there is no single, universally accepted definition of poverty. We hope that making a case for children, and showing alternative viewpoints in the poverty debate, will be useful for those seeking an initial orientation to the topic, as well as for more seasoned readers.

We start our paper with a brief discussion of why the definition of poverty is important for policy. Here we consider both why *poverty* as a concept is important and how its *definition* informs policymakers and the broader public opinion on what needs to be done. The next section reviews how poverty is generally understood and actually measured by UNICEF’s major *partners*. The third section looks at *child poverty* both as a distinct issue and as part of poverty in general. Section four concludes with a consideration of why child poverty concepts and measures are important to evidence based policy analysis to deliver results for children, which is currently the subject of much discussion and work within UNICEF.

## Resumen Ejecutivo

Este documento tiene como objetivo ofrecer un examen breve y práctico de los principales conceptos, enfoques de política y cuestiones de medición relacionados con la pobreza y la infancia. El objetivo de este documento no es presentar al lector un análisis de la pobreza en general, sino más bien ofrecer una perspectiva sobre cómo los diferentes enfoques de la pobreza en general, y más recientemente de la pobreza infantil en particular, han contribuido a los conceptos que presentamos aquí. La documentación sobre la pobreza y/o sobre el bienestar infantil es enorme, y merece un examen a fondo separado; sin embargo, no hay una definición de la pobreza única y universalmente aceptada. Esperamos que al presentar argumentos en favor de la infancia y mostrar puntos de vista alternativos en el debate de la pobreza, este documento sea útil para quienes buscan una orientación inicial sobre el tema, así como para lectores más experimentados.

Iniciamos el documento con un análisis breve de por qué la definición de pobreza es importante para las políticas. Aquí consideramos a la vez por qué la *pobreza* como concepto es importante y cómo su *definición* sirve para informar a los encargados de formular políticas y a la opinión pública en general sobre lo que es necesario hacer. La siguiente sección analiza cómo se comprende en general la pobreza y cómo la miden realmente los principales *asociados* de UNICEF. La tercera sección examina *la pobreza infantil* como un tema diferenciado y como parte de la población general. La cuarta sección concluye con una consideración sobre por qué los conceptos y medidas de la pobreza infantil son importantes para los análisis de políticas basados en pruebas destinados a proporcionar resultados en favor de la infancia, que es en la actualidad el tema central de gran parte de los debates y los trabajos en UNICEF.

## Résumé Analytique

Ce document offre un examen bref et pratique des principales notions, approches de politique et problèmes de mesure qui ont trait à la pauvreté et aux enfants. Son objectif n'est pas de présenter au lecteur une analyse de la pauvreté en général, mais plutôt de montrer comment différentes approches de la pauvreté, et plus récemment de la pauvreté des enfants en particulier, ont contribué aux concepts présentés ici. La documentation qui existe sur la pauvreté et /ou le bien-être des enfants est très vaste, et mérite à elle seule une analyse approfondie ; toutefois, il n'y a pas de définition unique et universellement reconnue de la pauvreté. Nous espérons qu'en présentant le cas des enfants et en introduisant des points de vue alternatifs dans le débat sur la pauvreté, ce document sera utile à tous ceux qui souhaitent s'initier à ce sujet, ainsi qu'aux lecteurs mieux informés.

Nous commençons par examiner brièvement pourquoi la définition de la pauvreté est importante pour élaborer des politiques. Ici, nous considérons à la fois les raisons pour lesquelles la *pauvreté* est importante en tant que concept, et comment sa *définition* informe les décisions des responsables de politique et de l'opinion publique en général sur ce qui doit être fait. La partie suivante est un rappel de ce que l'on entend généralement par pauvreté, et des mesures que les principaux *partenaires* de l'UNICEF utilisent sur le terrain. La troisième partie s'intéresse à la *pauvreté des enfants*, à la fois en tant que problème séparé et dans le contexte de la pauvreté en général. La quatrième partie explique, en conclusion, pourquoi les concepts et les mesures de la pauvreté des enfants sont importants dans les analyses de politiques fondées sur des preuves pour obtenir des résultats pour les enfants, un thème actuellement au coeur de nombreux débats et de nombreuses activités de l'UNICEF.

# 1. Why is the definition of poverty important?

**Knowing the poor and how poor they are is the first step towards achieving results.** How we define an issue establishes the way we are going to address it; concepts determine action the way the barrel projects the bullet towards its target. In the policymaking process, the concept is essential because it sets the way evidence will be compiled and/or analysed, and determines the way policy action, public discourse and advocacy, monitoring, and follow-up will be carried out.

Poverty – the substantive lack of means or resources – is a concept burdened with negative connotations; it is a term that many governments, especially authoritarian regimes with long tenure in power, tend to duck completely or are generally not keen to discuss.<sup>1</sup> Poverty approaches, moreover, range in a spectrum from human rights and universal entitlements to charity and social assistance. Accordingly, some poverty approaches are accused of causing more harm than good by paving the way to residual approaches to welfare – or even strengthening social exclusion – by focusing exclusively on a narrow segment of society.<sup>2</sup> In the child context, poverty might even be considered a non-issue by some, since children, especially when they are very young, tend not to have an income and have little say in the allocation of resources.

So what is the benefit of focusing on poverty? For UNICEF, knowing who is poor and how poor they are is important because it is the first step towards achieving results for children by

- understanding better the size and the implications of the problem and entering into dialogue with partners
- designing, assessing and adjusting policies and programmes that address poverty and its consequences
- knowing when to rely on specific policies and targeted action, and how to use general public policy programmes to reach the poor and to eliminate poverty and deprivation.

A World Bank textbook mentions four reasons why defining and measuring poverty is important:<sup>3</sup>

- to keep the poor on the agenda
- to target interventions, domestically and worldwide
- to monitor and evaluate projects and policy interventions geared towards the poor
- to help evaluate institutions responsible for poverty eradication.

One could claim that a credible poverty concept and corresponding poverty measure is needed not just for targeting interventions or for evaluating the institutions responsible for poverty

---

<sup>1</sup> The former communist regimes of Eastern Europe are an easy reference here; despite modest national income, poverty was a taboo subject and portrayed officially as being already eradicated through a combination of full employment and universally available social services. See UNICEF's Regional Monitoring Report series on the transition in CEE/CIS and the Baltics e.g. UNICEF. A Decade of Transition. (2001)

<sup>2</sup> The residual concept of welfare generally sees state assistance as temporary, minimal, requiring evidence of need, and available only after all other avenues have been exhausted. In this concept, social welfare organizations should play a residual role to those of the private market and the family: for example, the state should pay for the education of only those children whose parents can not afford to pay themselves, and welfare state programmes are a safety net confined to those who cannot manage otherwise.

<sup>3</sup> Introduction to Poverty Analysis. (WBI 2005)

reduction, but also for broader purposes. In this sense, defining poverty is more than just a technical exercise: what is considered poverty and how this is acted upon eventually reflects the values and the institutions of the whole society. The poverty measure therefore can be useful as a yardstick for evaluating and adjusting economic and social policies overall. These include policies concerned with the nation (e.g. macro-economic policies, labour market policies, education, health policies etc.), and policies developed for a specific purpose with universal character (i.e. targeting on a categorical basis) as well as the means-tested programmes. In this way the concept and measure of poverty in a country impact a broader range of institutions rather than just those that deal directly with the poor, and eventually reflect upon the quality of governance.

**Defining and measuring poverty helps ensure that policies benefit everyone.** But why keep the poor and poverty concerns on the public policy agenda? Why monitor results and adjust policies accordingly? Why can one not just assume that by promoting economic growth or by expanding the coverage of basic social services the poor will benefit and eventually progress? There are several reasons. First, experience suggests that in both richer and poorer countries better-off population groups are more likely to benefit from new employment opportunities associated with globalization and rapid technological change than are the rest of society. This finding has given rise to concerns on rising inequality and ‘jobless growth,’ as well as research and arguments for preferential options for the poor and ‘pro-poor growth.’<sup>4</sup>

Second, it is widely acknowledged that the better-off tend to have a stronger ability to further their own interests than do the worse-off segments of society. In the case of public provision of services, this can have far reaching implications for the demand for and uptake of services and benefits. Sociologists repeatedly identify the pattern that groups at higher gradients of social advantage use better and make more out of the same entitlements than do those in disadvantaged positions. Even without state capture by elite groups or outright corruption, the poor can often access to public education or health services only when demand from the better-off has already been saturated, or when the quality of service is so poor that the better-off opt for buying the services of private providers.

On the supply side there is a tendency to believe that making new employment opportunities, services and benefits available for the poor, who may tend to live in remote geographical areas or who might need extra support to take advantage of the opportunity or service, is more costly and/or complicated. Finally, on the resources side the affordability argument often blocks the way to securing adequate public funding to universal entitlements (e.g. free basic education or health services, social pensions or child grants). In developing countries, affordability-type arguments often make the case for narrowly targeted, means-tested benefits which are known to carry large exclusion errors.<sup>5</sup> In other words, defining and measuring poverty provides evidence for ‘talking back’ to policies that ignore, fail to benefit, or actively exclude the poor. Defining and measuring poverty also gives some indication of the commitment of society to address its

---

<sup>4</sup> See for example ‘Pro-Poor Growth in the 1990s: Lessons and Insights from 14 Countries’ at the World Bank website on Pro-poor Growth and Inequality, for a sectoral approach, see Paul Farmer’s *Pathologies of Power: Health, Human Rights, and the New War on the Poor* (2003)

<sup>5</sup> See G.A. Cornia and F. Stewart ‘Two Errors of Targeting’ in ‘Public Spending and the Poor: Theory and Evidence’ (1995)

less fortunate members, even if definition and measurements are clearly only the first steps in addressing poverty as a major social issue.<sup>6</sup>

**How poverty is defined matters.** The way in which poverty is defined has many implications for the next steps in the antipoverty agenda, some of which are more apparent than others. If poverty is defined in terms of absolute income (e.g. through a minimum basket of food and other goods) this makes a strong case to focus on economic growth in poverty reduction strategies. If poverty is understood as lack of ability to read or have a healthy life (which shifts focus onto human development) or as social exclusion (which turns attention to inclusive solutions), then the antipoverty agenda will go beyond economic growth, taking a more multifaceted approach.

Where to draw the poverty line (i.e. the quantitative aspect of the definition), or whether to use an international or national poverty measure, often gets more attention than the basic qualitative aspect of poverty (i.e. dimensions of deprivations considered, type of resources needed). However, as Figure 1 illustrates, over time the definition of poverty has evolved, making the picture more complex.<sup>7</sup>

**Figure 1. Poverty concepts become more complex over time**

17 <sup>th</sup> century	Poor laws in England
1900	Absolute poverty (Rowntree, Study of York, UK)
1950s	Relative poverty (Rowntree)
1960s	GDP per capita
1970s	Relative deprivation (Runciman, Townsend) Basic needs approach (ILO)
1980s	Capabilities and functioning (Sen) Subjective poverty (Hagenaars, van Praag) Gender and development
1990s	Human development (UNDP) Well-being
2000	Social exclusion (EU) Vulnerability

Source: Franziska Gassmann. *Counting the Poor: From Poverty Concepts to Measurement Tools*. Presentation at the Maastricht Graduate School of Governance. June 2006.

<sup>6</sup> In some countries, developing a concept and measurement is part of a concerted effort to prioritize poverty action in the national agenda. In Ireland, the government set out a 10-year National Anti-Poverty Strategy characterized by 8 steps: 1) define and measure poverty, 2) prove there is a problem, 3) create awareness, 4) highlight risks to children, 5) appeal to a respect for human rights and fairness, 6) debunk myths, 7) build partnerships, 8) demonstrate need for action. As reported in UNICEF Innocenti Report Card Issue 1. June 2000.

<sup>7</sup> Simon Maxwell lists the following terms used to describe poverty: (1) Income or consumption poverty, (2) Human (under)development, (3) Social exclusion, (4) Ill-being, (5) (Lack of) capability and functioning, (6) Vulnerability, (7) Livelihood unsustainability, (8) Lack of basic needs, (9) Relative deprivation. (ODI Poverty Briefing February 1999).

The next section reviews how poverty is generally understood and measured by UNICEF's major partners. The main point is that whatever way poverty is conceptualized, focusing on poverty is also helpful for acting on the deeper, underlying causality of human deprivations. Do children die due to diarrhoea or due to poverty? Do they miss school due to not having shoes or due to poverty? By addressing a single, common cause that underlies many manifestations of deprivation, an antipoverty strategy can produce multiple benefits. Similarly, by identifying and focusing attention on disadvantaged populations, poverty concepts foster positive feedback loops or 'virtuous cycles' among various sectoral interventions: for example, nutrition interventions helping better education or health outcomes among poor children.

There is reason to believe that such antipoverty strategies work better when they are part of a broader social contract around a set economic and social agenda. For example, by making the case for public intervention to level the playing field, poverty concepts inspired by human rights approaches call for special (and often related) efforts that enable the poor to be included in and to benefit from the same opportunities and provisions that are available for non-poor members of society.<sup>8</sup> In other words, effective strategies avoid falling into the trap of residual welfare approaches, which tend to provide "poor programmes for the poor."

## **2. How do UNICEF's partners define and measure poverty?**

This is how some of UNICEF's major international partners talk about poverty:

"Poverty erodes or nullifies economic and social rights such as the right to health, adequate housing, food and safe water, and the right to education. The same is true of civil and political rights, such as the right to a fair trial, political participation and security of the person. This fundamental recognition is reshaping the international community's approach to the next generation of poverty reduction initiatives."<sup>9</sup> (OHCHR)

"Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. [...] To know what helps to reduce poverty, what works and what does not, what changes over time, poverty has to be defined, measured, and studied – and even experienced. As poverty has many dimensions, it has to be looked at through a variety of indicators – levels of income and consumption, social indicators, and indicators of vulnerability to risks and of socio/political access."<sup>10</sup> (The World Bank)

---

<sup>8</sup> Providing support and incentives to the poor to uptake basic social services has indeed been one of the main considerations behind recent popularity of social protection programmes providing cash transfers and other benefits in many developing countries.

<sup>9</sup> Office of the United Nations High Commissioner for Human Rights <http://www.ohchr.org/english/issues/poverty/index.htm>

<sup>10</sup> The World Bank <http://www.worldbank.org/>

Poverty is “a multifaceted, dynamic and contextualized form of adversity in which material lack interacts with and is mediated and compounded by social exclusion, inequity and powerlessness, with multiple effects.”<sup>11</sup> (CCF)

“Childhood poverty means children and young people growing up without access to different types of resources that are vital for their wellbeing and for them to fulfil their potential. By resources we mean economic, social, cultural, physical, environmental and political resources.”<sup>12</sup> (CHIP)

“The poor shall be taken to mean persons, families and groups of persons whose resources (material, cultural and social) are so limited as to exclude them from the minimum acceptable way of life in the Member State in which they live.”<sup>13</sup> (EU)

“One in five people in the world today, over 1 billion people, live in poverty on less than one dollar a day. In an increasingly inter-dependent world, many problems – like conflict, crime, pollution, and diseases such as HIV and AIDS - are caused or made worse by poverty.”<sup>14</sup> (DFID)

“Through the Millennium Development Goals the world is addressing the many dimensions of human development, including halving by 2015 the proportion of people living in extreme poverty. Developing countries are working to create their own national poverty eradication strategies based on local needs and priorities. [...] UNDP promotes the concept of human poverty as a complement to income poverty, emphasizing that equity, social inclusion, women's empowerment, and respect for human rights matter for poverty reduction.”<sup>15</sup> (UNDP)

It is clear from the above that poverty is widely understood today as a multidimensional phenomenon, where income – or even material deprivation – is only one, though clearly very important dimension. Still, the crucial step from concept to measurement is a challenge that few international partners have managed to make in full.

**From concept to measurement.** Despite all efforts to broaden the poverty concept, the most widely used measure today is still monetary, according to an international poverty line of \$1 a day first popularized in the World Bank's 1990 World Development Report.<sup>16</sup> This measure also leads the Millennium Development Agenda, where target 1 is to “Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.”<sup>17</sup>

---

<sup>11</sup> Christian Children's Fund (2003)

[https://www.christianchildrensfund.org/uploadedFiles/Publications/7660\\_Poverty%20Pt%202.pdf](https://www.christianchildrensfund.org/uploadedFiles/Publications/7660_Poverty%20Pt%202.pdf)

<sup>12</sup> Quoted from Delamonica E, et al. Children Living in Poverty: Overview of definitions, measurements and policy (2006). See also Childhood Poverty Research and Policy Centre <http://www.childhoodpoverty.org/>

<sup>13</sup> European Commission Anti-poverty Programme (1975, 1984)

<sup>14</sup> The Department for International Development: leading the British government's fight against world poverty.

<http://www.dfid.gov.uk/aboutdfid/missionstatement.asp>

<sup>15</sup> United Nations Development Programme <http://www.undp.org/poverty/>

<sup>16</sup> Currently this threshold is \$32.74 per month / \$1.08 a day, at 1993 international purchasing power parity. “Poverty” is then assessed using either household income or, when accurate measures of income are not available, household per capita expenditure on consumption. See Chen and Ravallion Absolute Poverty Measures for the Developing World, 1981-2004. (2007)

<sup>17</sup> The actual indicators on this target include also the ‘Poverty gap ratio’ and the ‘Share of poorest quintile in national consumption’ <http://mdgs.un.org/unsd/mdg/Host.aspx?Content=Indicators/OfficialList.htm>

The advantages of using an income/consumption based measure include:

- Heuristic value: little need for further explanation as poverty is generally understood as an absolute or a relative lack of income and/or assets i.e. material resources households use and/or make decisions about.
- Statistical advantage: because monetary poverty aggregates human deprivation into a single dimension, one can calculate not just the poverty headcount (how many people live under the threshold) but also the poverty gap (the income shortfall i.e. the amount needed to bring the household or the individual to the poverty line), and the poverty gap ratio, as well as the poverty severity index.<sup>18</sup> These measures are helpful in identifying the poor, and in prioritizing and assessing the interventions needed.
- Sensitivity to change: Identification of and distinction between transient and chronic poverty is easier than with other measures.<sup>19</sup>
- Links to public policy: Using income poverty measures creates opportunity for dialogue and partnership with economic and fiscal policy decision-makers, a key audience for advocacy and leveraging resources for basic social services and/or to households and families with children.

In the global quest for measurement, much debate has considered the dichotomies of means versus ends and quantitative versus qualitative approaches, as discussed by Renata Lok-Dessallien in her paper on poverty concepts and indicators.<sup>20</sup> For example, the Human Poverty Index (HPI) proposed in UNDP's 1997 Human Development Report and Sen's human capability approach both take an ends, or outcome-focused approach. Based on these debates, the World Bank revisited its poverty concept in the 2000 World Development Report, expanding the original money metric concept to consider health and education, vulnerability, voicelessness and powerlessness. However, rather than proposing a new aggregate measure capturing all elements, the Bank basically recommended paying attention to indicators and evidence on these new dimensions in addition to income in countries' poverty reduction strategy papers.

At the national level, money-metric measures also dominate approaches to poverty measurement, which portray poverty as a failure to command private resources. In a global survey of national practices on poverty measurement, the United Nations Statistical Division collected information from government statistical offices in 93 developing and developed countries, revealing that the main poverty focus continues to be on material deprivations of basic needs.<sup>21</sup> Almost half of the surveyed countries based their poverty calculations on household expenditure data, about 30 percent used income data only, and 12 percent used both. Some surveyed countries however, looked at household-level deprivations along dimensions other than money, such as the inability to fully participate in communities. Several countries added community-based questionnaires to

---

<sup>18</sup> For details on these poverty indices see for example *Introduction to Poverty Analysis* (2005) or <http://mdgs.un.org/unsd/mdg/Metadata.aspx?IndicatorId=2>. See also Ravallion, M. Poverty Comparisons. A Guide to Concepts and Methods (1992)

<sup>19</sup> The distinction between transient and chronic poverty is particularly important for social protection programmes that aim at reducing the risk of future poverty. See e.g. Barrientos, A. and De Jong, J (2006) Reducing Child Poverty with Cash Transfers: A Sure Thing? *Development Policy Review*, Vol. 24, No. 5, pp. 537-552, September 2006

<sup>20</sup> As in *Review of Poverty Concepts and Indicators* by Renata Lok-Dessallien

<sup>21</sup> Two-thirds of statistical offices favoured using absolute poverty lines – typically using a basket of foods that will deliver the minimal nutritional requirements and then use food shares or other methods to account for the non-food items. The survey nonetheless found large variation in how the similar principles on basic needs are implemented in practice making the comparison of results difficult. See United Nations Statistics Division Handbook on Poverty Statistics (2005)

ascertain access to basic services, irrespective of household incomes. (Such information is essential in developing country contexts: if a village has no wiring for electricity, or if quality health facilities do not exist, households with incomes well above the poverty thresholds could still be exposed to severe deprivations.)

The case of Mozambique shows a good example of how a poverty measure can be tailored to fit the socioeconomic context in which poverty occurs. Mozambique's first Poverty Reduction Strategy Paper (2001-2005) defined poverty as "the inability of individuals to ensure for themselves and their dependants a set of basic minimum conditions necessary for their subsistence and well being in accordance with the norms of society."<sup>22</sup> The new poverty concept, however, took into consideration the country's high burden of AIDS and the impact of the epidemic on household income and well being by making reference to *incapacity or lack of opportunity* of individuals, *families and communities* in place of just "individuals" alone.

Martin Ravallion, the prolific researcher and writer on the topic of poverty, holds that "a credible measure of poverty can be a powerful instrument for focusing the attention of policy makers on the living conditions of the poor."<sup>23</sup> In the same way, a credible measure of child poverty can be a powerful instrument for focusing the attention of policy makers on the rights and well being of children. Then, for any stakeholder working towards results for children, the definition and measurement of child poverty is of utmost concern.<sup>24</sup>

### **3. Child Poverty: taking benefit from a three part approach**

Organizations with a strategic commitment to policy, advocacy and partnerships for children's rights increasingly endeavour to be present in upstream policy discussions, to engage with partners, and to influence development processes and socioeconomic debates in order to achieve results for children. In practice, this often means that stakeholders who advocate for child rights and well being find themselves trying to enter discussions on topics to which they are not accustomed with partners with whom they are unfamiliar (e.g. the World Bank or Ministry of Finance). Such situations might raise new demands on the capacity and orientation of an organization's staff. For example, on the topic of poverty, UNICEF's role is to bring children into the discussion. Once in the discussion, however, if the only topic UNICEF can talk about is children, other partners soon lose interest and UNICEF loses credibility.

In this section, we present a three-part approach that considers the how child poverty fits in as a vital part of the general discussion of poverty, taking note of the strengths and weaknesses of various concepts. As far as poverty can be an entry point to debates about a country's broader socioeconomic frameworks, this approach could be a springboard and a model for further analyses and dialogue.

---

<sup>22</sup> UNICEF. Childhood Poverty in Mozambique (2006)

<sup>23</sup> Ravallion, M. Poverty Lines in Theory and Practice (1998)

<sup>24</sup> One key group of stakeholders are, of course, children themselves. The "new" role of children in measuring and monitoring their own well being – a role of active participants rather than of subjects for research is discussed in "Where are the Children? Children's Role in Measuring and Monitoring Their Well being" Ben-Arieh (2005)

**Children experience all forms of poverty more acutely than adults** because of their vulnerability due to age and dependency, and because lost opportunities in childhood often cannot be regained later in life. Considering this, UNICEF's 2005 State of the World's Children set forth a working definition of child poverty : "Children living in poverty experience deprivation of the material, spiritual, and emotional resources needed to survive, develop and thrive, leaving them unable to enjoy their rights, achieve their full potential or participate as full and equal members of society."<sup>25</sup>

Here material resources include income, food, access to education or health service, protection from health risks, such as those associated with hard physical work etc., spiritual resources include stimuli, meaningfulness, expectations, role models and peer relationships, and emotional resources include love, trust, feeling of acceptance, inclusion, lack of abusive situations etc. There are obvious challenges to measuring these, and few available indicators.

How can we build on the existing concepts and measures of poverty? How can we then bring in the unique way that children experience poverty, while also maintaining linkages to broader, systemic policy concerns at family, community, national and even international level?

Figure 2 attempts to summarize the main threads of the international approach to child poverty thus far, highlighting the main tradeoffs of each.

Model "A" presents the way much of the world sees child poverty: absorbed into overall poverty. This approach starts with a macro view of poverty, and must then be focused (or disaggregated) to reveal poverty at the community or household level. While this may seem to be a "worst case scenario," "A" is exactly the point where child-minded stakeholders could find a foothold, as children are already included (although in invisible manner).

Model "B" equates child poverty with the poverty of families raising children. The advantage of this model is that it takes the household-level perspective, which is much closer to the level at which children come into focus. However, concepts at this level tend to ignore non-material aspects of child deprivations, and could mask child disparities in that exist within the household.

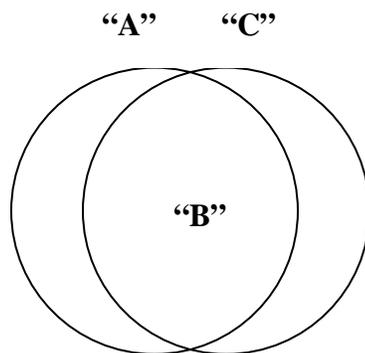
In terms of capturing individual child outcomes and bringing in non-material aspects of poverty, Model "C" is the best fit. It considers child well being and child deprivation to be "just different sides of the same coin"<sup>26</sup>.

---

<sup>25</sup> UNICEF State of the World's Children 2005 "Childhood Under Threat" (2004)

<sup>26</sup> As Bradshaw et al note "...from a child rights perspective well being can be defined as the realisation of children's rights and the fulfillment of the opportunity for every child to be all she or he can be in the light of a child's abilities, potential and skills. The degree to which this is achieved can be measured in terms of positive child outcomes, whereas negative outcomes and deprivation point to the neglect of children's rights." See Comparing Child Well being in OECD Countries: Concepts and Methods' (2007)

**Figure 2: Models of and stylized facts on approaches to child poverty**



**Model ‘A’: child poverty = overall poverty**

- Implications → focus on material poverty as well as poverty as powerlessness, voicelessness
- Advantage → seeks solutions addressing the main underlying or core causes of poverty in the country
- Disadvantage → child-specific concerns and/or urge for immediate relief ignored
- Examples → Per capita GDP  
→ People living on less than \$1USD a day (at PPP) or in different wealth/asset quintiles  
→ Households under national food poverty line or people excluded from political participation

**Model ‘B’: child poverty = the poverty of households (families) raising children**

- Implications → focus on material poverty
- Advantage → seeks solutions addressing the main underlying or core causes of poverty in the country as well as the inadequate support and services to families raising children
- Disadvantage → non-material aspects of child deprivations ignored
- Examples → Number of children living in households less than 50% of the median income or under national poverty threshold (UNICEF IRC Report Card No 6)  
→ Children with two or more severe deprivations (shelter, water, sanitation, information, food, education and health service) (the ‘Bristol concept’ in Townsend et al 2003 or SOWC 2004)

**Model ‘C’: child poverty = the flip side of child well being**

- Implications → strongest focus on child outcomes
- Advantage → besides material poverty addresses also the emotional and spiritual aspects of child deprivation therefore brings in the concerns for child protection
- Disadvantage → methodological difficulty to produce standard poverty measures (headcount, poverty gap) and/or lack of indicators/statistical data especially in developing country contexts
- Examples → Composite indices on child well being in the rich countries (Bradshaw at al 2006, UNICEF IRC Report Card No 7)  
→ Complex child poverty measures in some OECD countries (e.g. UK)

For stakeholders in issues of child rights, gender equality and well being, including UNICEF, the area of comparative advantage may be “C;” however, data availability issues might constrain us to focus more on “B,” especially in poor countries where statistical data on non-material aspects of well being might be particularly scarce. The advantage of working with “B” type concepts is their clear link to the household and community environment (although there is a risk that the specific roles of families in child well being, and the contributions of women in particular, will be overlooked). As noted above there are also useful concepts and influential elements to be aware of in “A”.

To maximize results for children, when collaborating with partners and participating in poverty and development debates, those who seek to protect child rights should be conversant in all three areas as a strategy for achieving the best possible outcomes for all children, girls and boys.<sup>27</sup>

**Introducing a deprivations concept.** The groundbreaking study ‘Child poverty in the Developing World’ (Peter Townsend et al, Bristol: 2003) examined child poverty using a model that most closely resembles “B” in Figure 2. Looking through the lens of seven severe deprivations of human needs, the Bristol study estimated the poverty headcount i.e. the number of children living in such conditions. The term ‘absolute poverty’ was used for cases when children have been exposed to two or more severe deprivations, partly to increase the robustness of findings, and partly because – as it has argued – factors other than (material) poverty, such as discrimination, can also result in child deprivations. The dimensions and indicators employed in this study were as follows:

1. Shelter: Children living in a dwelling with five or more people per room or with no floor material.
2. Sanitation facilities: Children with no access to a toilet facility of any kind.
3. Safe drinking water: Children using surface water such as rivers, ponds, streams and dams, or for who it takes 30 minutes or longer to collect water (walk to the water, collect it and return).
4. Information: Children (aged 3-18 years) with no access to a radio or television or telephone or newspaper or computer (i.e. all forms of media).
5. Food: Children who are more than three standard deviations below the international reference population for stunting (height for age) or wasting (height for weight) or underweight (weight for age). This is also known as severe anthropometric failure.
6. Education: Children (aged 7-18) of schooling age who have never been to school or who are not currently attending school.
7. Health: Children who did not receive immunization against any diseases or who did not receive treatment for a recent illness involving an acute respiratory infection or diarrhoea.

---

<sup>27</sup> UNICEF’s Global Study of Child Poverty and Disparities, which is informed by the approach presented here, will be carried out in a large number of low and middle income countries during 2007 and 2008. The Study will gather concrete evidence on, among other topics, how these concepts could be implemented in practice.

The study has clearly informed the January 2007 UN General Assembly statement on child poverty:

“Children living in poverty are deprived of nutrition, water and sanitation facilities, access to basic health-care services, shelter, education, participation and protection, and that while a severe lack of goods and services hurts every human being, it is most threatening and harmful to children, leaving them unable to enjoy their rights, to reach their full potential and to participate as full members of the society.”

However, it is highly recommendable that a conceptualization of child poverty does not entirely miss the income/consumption dimension. Certainly there are important theoretical limitations to and practical, policy-oriented arguments against the (sole) use of monetary measures on poverty.<sup>28</sup> From a child and gender equality viewpoint, the following limitations are particularly relevant:

- Tendency to ignore the impact of public goods and basic social services, which are important for children and women (while privately acquired resources captured in the income/consumption concept tend to be most frequently accessed by adult men.)
- Lack of clear understanding on the nature and impact of intra-household distribution. The per capita measure treats household members as equals (it assumes e.g. that ‘male breadwinners’ have access to the same share of incomes within the household total as do resident female domestic labourers or children, which is strongly questionable).
- Monetary concepts do not recognize that children experience poverty differently than adults.<sup>29</sup>

**Family income and child deprivations: composite indicators in OECD countries.** In recent years there has been a major effort in industrialized countries to develop statistical surveys, and to generate indicators that throw light on the complex dimensions of child well being.<sup>30</sup> Typically, these conceptualizations use a mix of child outcomes and household/family indicators (e.g. family structure, income data) which are statistically correlated with child outcomes. What is common in these efforts is that they consider poverty in terms that are broader than just income/consumption or even material deprivation.<sup>31</sup>

Building on these efforts, UNICEF’s 2007 Report Card ‘*Child poverty in perspective: An overview of child well being in rich countries*’ looked at child outcomes through six dimensions of child well being, employing the following indicators to arrive at a composite (unweighted) index of child well being:

---

<sup>28</sup> See also Lipton and Ravallion (1995); Ravallion (1992; 1998); Reddy and Pogge (2002)

<sup>29</sup> See also Delamonica et al. *Children Living in Poverty* (2006)

<sup>30</sup> Bradshaw and al. (2006) provides an excellent overview on these. Among others, they cite the US Child Well being Index (CWI) which collects twenty-eight national-level key indicators in seven components: 1. Material well being, 2. Health, 3. Safety/behavioural concerns, 4. Productive activity (educational attainment), 5. Place in community (participation in schooling or work institutions), 6. Social relationships (family, peers), 7. Emotional/ spiritual well being.

<sup>31</sup> Concepts that go beyond income or material goods are present also in the broader thinking about development and poverty. Amartya Sen’s capability approach, as well as UNDP’s Human Development Index, and the World Bank’s recent emphasis on ‘voicelessness’ i.e. on the power and participation aspects of poverty reduction noted earlier are good examples.

1. Material well being
2. Health and safety
3. Education
4. Peer and family relationships
5. Subjective well being
6. Behaviour and risk.

It would be appealing to use a similar conceptualization of child well being in the developing world, and to make efforts to capture the non-material aspects of child well being. However, poor availability of data – especially on peer and family relationships and on subjective well being – would currently make such an exercise impossible for now. Indeed, even the Bristol study (thus far the most comprehensive review on child poverty in the developing world) looked only at material deprivations, thus confirming a persistent gap in measurement and analysis of child poverty and well being.

Theoretically perhaps the best model would capture key factors that influence child outcomes:

- both income and non-income factors, and how these determine whether or not a child enjoys her/his right to survive, grow and develop;
- how resource scarcity and deprivations directly impact children, as well as how they are more broadly experienced at the family or household level;
- childhood as a space that is separate from adulthood;
- family care and protection enable children to enjoy other basic rights such that children who are deprived of a safe, stimulating and caring environment are also more likely to experience other deprivations.

#### **4. Evidence based policy analysis to deliver results for children**

Recall that in general, understanding poverty and how people experience it is the first step toward results through:

- understanding better the size and the implications of the problem and entering into dialogue with partners
- designing, assessing and adjusting policies and programmes that address poverty and its consequences
- knowing when to rely on specific policies and targeted action, and how to use general public policy programmes to reach the poor and to eliminate poverty and deprivation.

And, that estimating poverty in different ways can also be instrumental for:

- capturing the attention of policy makers, media and NGOs and drawing their attention away from the more usual economic statistics
- questioning national policy choices (asking e.g. how two countries with the same level of income per person can end up with such different outcomes) and stimulating debate on government policies on health and education
- highlighting differences and disparities within countries, across regions and population groups, and raising national debates.

For children, credible measurement of the different dimensions of child poverty and disparities enables data analysis and understanding of why poor child outcomes persist. Reliable evidence on child poverty and disparities can produce a vivid picture of which children experience deprivations, why, and to what extent. A clear concept of child poverty should draw popular and official attention to gaps in improving child outcomes, and influence policies, programmes and/or minimum standards such that they prioritize children.

When public policies are responsive to an accurate national child poverty picture, instruments such as social protection programmes are more likely to achieve desired results for children. For example, the national social welfare scheme could ideally be a strong system of overlapping interventions that improve child outcomes and support parents and caregivers to help children reach their full potential.

Ultimately, a concept and measure of child poverty should generate evidence, create insights and incite networks that serve to influence national development plans, to fine-tune poverty reduction strategies, and to bring a child's face to MDG progress in the settings where progress is needed the most.

## 5. References

Asher Ben-Arieh. Where are the Children? Children's Role in Measuring and Monitoring Their Well being. Journal Social Indicators Research, Issue Volume 74, Number 3. December, 2005, Springer Netherlands

Bradshaw J, Hoelscher P, and Richardson D. Comparing Child Well being in OECD Countries: Concepts and Methods. Innocenti Working Paper No. 2006-03. UNICEF Innocenti Research Centre, Florence: 2006. Available: [http://www.unicef-irc.org/publications/pdf/iwp2006\\_03\\_eng.pdf](http://www.unicef-irc.org/publications/pdf/iwp2006_03_eng.pdf)

Chen, S and Ravallion, M. Absolute Poverty Measures for the Developing World, 1981-2004. World Bank Policy Research Working Paper WPS4211. April 2007. Available: [http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2007/04/16/000016406\\_20070416104010/Rendered/PDF/wps4211.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2007/04/16/000016406_20070416104010/Rendered/PDF/wps4211.pdf)

Cornia, G.A. and Stewart, F. 'Two Errors of Targeting.' in D. van de Walle and K. Nead (eds) Public Spending and the Poor: Theory and Evidence IBRD: 1995. Available: [http://www.unipv.it/iuss/esasc/docs/paper\\_cornia\\_5.pdf](http://www.unipv.it/iuss/esasc/docs/paper_cornia_5.pdf)

Delamonica E, Minujin A, Davidziuk A and Gonzalez E. Children Living in Poverty: Overview of definitions, measurements and policy. UNICEF DPP Working Papers Series. June 2006. Available: [http://www.unicef.org/policyanalysis/files/Children\\_Living\\_In\\_Poverty.pdf](http://www.unicef.org/policyanalysis/files/Children_Living_In_Poverty.pdf)

Paul Farmer. Pathologies of Power: Health, Human Rights, and the New War on the Poor. U of California Press. Berkeley: 2003.

Franziska Gassmann. Counting the Poor: From Poverty Concepts to Measurement Tools, Presentation at the Maastricht Graduate School of Governance. June 2006.

Lipton, Michael & Ravallion, Martin,. 'Poverty and policy.' in Hollis Chenery & T.N. Srinivasan (eds.), Handbook of Development Economics, 1:3, 1995. pp 2551-2657. Available: <http://www.sciencedirect.com/science/article/B7P5D-4FD79WH-6/2/edd638111c9b72dd0d0ec67d226bbada>

Renata Lok-Dessallien. Review of Poverty Concepts and Indicators. Available: [http://www.undp.org/poverty/publications/pov\\_red/Review\\_of\\_Poverty\\_Concepts.pdf](http://www.undp.org/poverty/publications/pov_red/Review_of_Poverty_Concepts.pdf)

Simon Maxwell. The Meaning and Measurement of Poverty. ODI Poverty Briefing 3. February 1999. Available: <http://www.odi.org.uk/publications/briefing/pov3.html>

Ravallion, M. Poverty Comparisons: A Guide to Concepts and Methods. The World Bank, Living Standards Measurement Study, Working Paper N0.88. 1992.

Ravallion, M. Poverty Lines in Theory and Practice. World Bank. Washington, DC: 1998.  
[http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2000/02/24/000094946\\_99031911030079/Rendered/PDF/multi\\_page.pdf](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2000/02/24/000094946_99031911030079/Rendered/PDF/multi_page.pdf)

Reddy, Sanjay G., and Pogge, Thomas W. How Not to Count the Poor (Version 3.0), mimeo. Barnard College, New York: 2002.

UNICEF. A Decade of Transition. The Monee Project Regional Monitoring Report No. 8. UNICEF Innocenti Research Centre, Florence: 2001. Available: [http://www.unicef-irc.org/publications/pdf/monee8/eng/cover\\_monee8.pdf](http://www.unicef-irc.org/publications/pdf/monee8/eng/cover_monee8.pdf)

UNICEF. A League Table of Child Poverty in Rich Nations. Innocenti Report Card Issue 1. June 2000. Available: <http://www.unicef-icdc.org/publications/pdf/repcard1e.pdf>

UNICEF. Child poverty in perspective: An overview of child well being in rich countries. Innocenti Report Card Issue 7. 2007. Available: <http://www.unicef.org/media/files/ChildPovertyReport.pdf>

UNICEF. Childhood Poverty in Mozambique: A Situation and Trends Analysis. Maputo: 2006. See [http://www.unicef.org/media/files/Final\\_SITAN\\_English\\_summary.pdf](http://www.unicef.org/media/files/Final_SITAN_English_summary.pdf)

UNICEF. State of the World's Children 2005: Childhood Under Threat. New York: 2004. Available: <http://www.unicef.org/sowc/>

United Nations Statistics Division. Handbook on Poverty Statistics: Concepts, Methods and Policy Use. Special Project on Poverty Statistics, United Nations. New York: 2005. Available: [http://unstats.un.org/unsd/methods/poverty/pdf/UN\\_Book%20FINAL%2030%20Dec%2005.pdf](http://unstats.un.org/unsd/methods/poverty/pdf/UN_Book%20FINAL%2030%20Dec%2005.pdf)

The World Bank. Pro-Poor Growth in the 1990s: Lessons and Insights from 14 Countries. Washington, DC: 2005. Available: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPGI/0,,contentMDK:20161268~pagePK:210058~piPK:210062~theSitePK:342771,00.html>

World Bank Institute. Introduction to Poverty Analysis. August 2005. Available: <http://siteresources.worldbank.org/PGLP/Resources/PovertyManual.pdf>









For more information, please contact:

**The United Nations Children's Fund (UNICEF)**

3 United Nations Plaza, Global Policy Section  
New York, NY 10017, USA

E-mail: [globalpolicy@unicef.org](mailto:globalpolicy@unicef.org)

Website: [www.unicef.org/policyanalysis](http://www.unicef.org/policyanalysis)