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Abstract:
Never before has the issue of child poverty been more vital and important for public policy than during this present time of the global economic downturn. Currently it is estimated that over 1 billion children, worldwide, live in poverty. This rate is predicted to rise due to the financial crises. Young children bear the greatest burden of poverty as evidenced by the noted perverted health, nutrition, and education (in terms of school retention and completion) outcomes. Research has cogently demonstrated that poverty’s effects on young children are mediated through several proximal contextual pathways such as household structure, home environment, caregiving practices and the primary caregiver. The proximal environments of low-income young children contain a confluence of psychosocial and physical risk factors with well evidenced adverse developmental outcomes. It is these very pathways that are affected by financial, food and fuel shortages, with ramifications for young children’s development. At the same time, research on program interventions has also produced a formidable body of literature on how these pathways can be bolstered and sustained to improve early childhood outcomes.

The focus of the paper is on an examination of these proximal pathways with implications for policy directives. In particular the paper will present an analysis of the links between the macro level aspects of global economic crises, as evidenced by deep and/or chronic poverty, and micro level aspects of psychosocial interactions and the physical proximal environment of the household. Also presented will be a range of proven program interventions known to address these pathways effectively. The aim of presenting these programs is to provide recommendations for national policy directives and potential governmental response.
Introduction

The compromise of development, with a dual meaning, during times of economic crises is explored in the current paper. Countries understand development with respect to social and economic progress and human development is understood with respect to progression towards reaching full developmental potential which should start right from the beginning of life. Economic crises impact both connotations of development. While the down turn in the global economy is impacting the development of countries, the consequences for young children are equally profound but on a very different in scale (Hart, 2008). In this paper we explore the exacerbation of poverty, during times of economic crises, on early childhood development (ECD) from the pre-natal stage to 8 to 9 years of age.

During the early years children make tremendous strides in all aspects of development - physical, linguistic, social, emotional, cognitive, ethical, and civic. However, this development is vulnerable to adversity and risk, especially during critical windows of time. One of the largest risk factors facing a majority of young children is poverty. Environments, compromised by poverty and concomitant factors, potentially pervert development often inalterably. In this paper we describe one of the pathways through which poverty impacts the development of children; the deepening of this pathway during times of economic crises; and immediate policy actions that could potentially reduce the negative impact of poverty.

The paper is presented in 4 sections. Section 1 presents a definition of poverty and early childhood. Section 2 describes a poverty pathway, addressing the immediate context for children’s development -- the home environment, caregiving and parenting (defined broadly). Section 3 addresses the potential worsening impact of this pathway during times of crises. The last section of the paper is a series of policy recommendations for ensuring that home environments and caregiving practices remain unaltered during this time of crises.

Section 1: Poverty & Early Childhood Defined

What is Poverty?
We are living through the worldwide race of meeting the 2015 finish line of eradication of extreme poverty (MDG, 2000). The prevalence of poverty, worldwide, is matched by the plethora of meanings and definitions conceptualizing it. While academic and scholarly definitions of poverty abound, and often form the foundation, it is the development conceptualizations that we focus on in this current paper, given the aim of
This paper is to inform policy and program provisions to ensure that early childhood development is not compromised during times of economic crises.

If poverty is defined with respect to consumption (i.e., what are estimated expenditures and does the individual/family have the income/resources to meet those expenditures), then poverty is considered as daily consumption of less than a $1 a day (World Bank). This perspective is based on the notion that consumption of goods and services is the basic objective of both citizen and society, and is the best indicator of individual and social welfare. If poverty is defined with respect to deprivation, which is “a human condition, characterized by the sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights”, then extreme poverty could be considered as two or more forms of severe deprivation. The focus of this United Nations definition is on deprivation, not just lack of income or capital, rather a continuum which ranges from no deprivation to extreme deprivation of food, safe drinking water, sanitation facilities, health, shelter, education, information and access to services (Gordon, 2005). If poverty is defined with respect to social conditions, then focus is on social exclusion, vulnerability and powerlessness, with a particular emphasis on gender disparities. As per the social condition definition, it is estimated that poverty has more to do with social relations and diminished ability to participate in society or a lowered protective buffer against calamities, which increase vulnerability (Maxwell, 1999), particularly at times of economic crises.

While there is no single definition of poverty and ideological and philosophical debates rage, noted across these development definitions of poverty are the constructs of limited access, deprivation and exclusion. These constructs are highlighted as they portend the importance of their role in the association between crises and early child development, as described in Section 3 of the paper. Given the evolving situation of the downturn, and predictions of its longevity, we hypothesize, that the experience of poverty will be far wider, i.e., more children will fall into poverty; and far deeper, i.e., those at and just below the poverty threshold may fall into the ranks of ultra-poor.

No discussion of poverty is complete without acknowledgment of the myriad of assessment models and indices that exist for its measurement. Briefly, and with respect to human development, the following indices appear to fall into the ideological categories presented above and have fairly universal acceptance. The OECD Development Assistance Committee (DAC) indicators, ensuing from the consumption model, recommended poverty indicators include percentage of population that lives below $1 per day. The United Nations Human Poverty Index measures deprivation in basic human development and is made up of four indicators (for developing countries): percent of people expected to die before 40 years of age, percent of adults who are illiterate, percent of people without access to safe water and to health services and the percent of underweight children under five years of age. Other UNDP measures focus on exclusion and gender disparities including the Gender-related development index. Nascent measurement models, derived from Child Rights framework, recommend poverty indicators that assess conditions that directly or indirectly fail to protect rights
that would allow for minimum standards of survival, protection, development or participation (Strand, 2006).

This issue of Child Rights segues us to the central questions, “What is Early Childhood Development and why is it important to place ECD at the center of public policies designed to mitigate the impact of poverty?” These are often asked in the policy world and development community. We respond to both questions below as the conceptual foundation for explaining poverty pathways to child development outcomes.

**What is Early Childhood Development?**

Early childhood (EC) is referred as a critical period in a life cycle from the prenatal stage to eight years of age ensuring child’s transition to school is successfully complete (UNICEF, 2002; UNESCO, 2005, CRC General Comment 7). Developmentally EC is defined as the period when the most rapid growth of physical, mental and socio-emotional capacities takes place (McCartney & Phillips, 2006).

Early Childhood Development (ECD) is a multifaceted concept that covers the EC period, and consists of the set of development and inter-twined process of providing services for young children and families. Children’s development as a result of good health, nutrition, early stimulation, positive social and emotional interactions with significant adult/caregiver, play as well as learning opportunities, and protection from violence, gets its best start during this important period.

The science of early child development encompasses multiple domains: physical, neurological, cognitive, social, emotional, moral, interfacing with multiple contexts, from the most proximal (e.g., home) to the most distal, global, albeit not linearly, with implications for policy. The achievement of holistic development is due to mutual influences of early experience and gene expression. Brain architecture is built in a “bottom up” sequence: higher capacities are more difficult to develop if lower capacities haven’t emerged appropriately. The development of the brain incorporates experience, positive or negative, that shapes the brain’s capacities, for example, through the Hypothalamus Pituitary Adrenal Gland (HPA) Pathway.

Recent seminal work, in the Western World *From Neurons to Neighborhoods* (Shonkoff & Phillips, 2000), commissioned by the Institute of Medicine, and more globally, *Early Child Development: A Powerful Equalizer* (Irwin, Siddiqui, & Hertzman, 2007), cogently culled and coalesced research from the neurobiological, social, economic and behavioral sciences to demonstrate that early childhood is also considered the key period for ensuring for child survival and development. Young children need to be protected from the risks of poor health and nutrition (WHO, 1999) as well as from exposure to stress and violence (Garbarino, Dubrow, Kosteln, & Pardo, 1992; Osofsky, 1997). Young children need positive and responsive interactions with at least one consistent caregiver, including exposure to language and opportunities for exploration and learning (Bowlby, 1988; Britto, Fuligni, & Brooks-Gunn, 2006; Richter, 2003). These occur primarily in homes, early care, development and learning settings and communities (Bowlby, 1951; Britto,
Engle & Alderman, 2008; Bowman, Donovan, & Burns, 2001; Connell & Prinz, 2002; Montie, Xiang, & Schweinhart, 2006; Murphy & Burns, 2002; Rutter, 1981; Zigler, Gilliam, & Jones, 2006).

Albeit the multidisciplinary literature is replete in valid documentation that the greatest developmental strides are made in the early years, a majority of the world’s youngest children are yet to achieve their full developmental potential. It is estimated that more than 200 million children under 5 years fail to reach their physical, cognitive, social and emotional potential (Grantham-McGregor, et. al., 2007) because of a range of risk factors -- fragile physical health (e.g., malnutrition, obesity; disease, including HIV/AIDS); high-risk family status (e.g., violence and abuse, refugee status; conflict situations); poor service provision (e.g., health, primary education); environmental risks (e.g., climate change, lead poisoning, pesticides) to name a few. Primary among which, and related to the risks above is poverty. Young children still bear the greatest burden of poverty effects (State of the World’s Children, 2006).

**Why is ECD important?**

While an understanding of ECD is important, it is not sufficient. The preciousness of this phase of life lies in valuing its importance. The culmination of evidence garnered across disciplines, neuroscience to economics, psychology to environmental studies that has led to a magnitude of knowledge that early childhood matters.

*“Development” is a child's basic right.* Within the framework of the Convention on the Rights of a Child (CRC), ECD translates into the right of all young children to survive and be healthy, to develop to their fullest potential in a holistic way across all domains of development, to be able to participate in their environment as agents-of-change and to be protected from abuse, neglect, and forms of disadvantage and vulnerabilities (Britto, Cerezo, & Ogbunugafor, 2008). In addition, the CRC identifies the major duty bearers and their accountabilities towards the implementation of rights, and the creation of an “enabling environment” for duty bearers to ensure the rights of young children are fulfilled (World Bank, 2006).

*ECD is an imperative for learning achievement at school.* The skills and knowledge gained in early childhood are strong predictors of later achievement and success (Young, 2002). Research has indicated that early childhood development and learning outcomes have been linked to learning, school completion, later skill development, and acquisition of academic competencies and non-academic success (Arnold, 2004; Jaramillo, & Tietjen, 2001; Kagitcibasi, Sunar, & Bekman, 2001; Pianta & McCoy, 1997; Reynolds, 2000; Rouse, Brooks-Gunn, & McLanahan, 2005). With respect to primary school outcomes, reduction in drop-out rates and increased academic achievement and engagement have been linked with better early learning and development outcomes (Nonoyama-Tarumi & Bredenberg, 2009; Save the Children, 2003; 2004). These results are also borne out in secondary school and young adulthood (Grantham-McGregor, Cheung, Cueto, Glewwe, Richter, Strupp, et. al., 2007; Nagin & Tremblay, 2001; Reynolds, Temple, Robertson, & Mann, 2001; Schweinhart, et. al., 2004).
ECD is the most effective public policy for social and economic development leading to mitigation of poverty. With respect to social and economic development, investment in the early years reaps high dividends (Heckman & Kruger, 2003). Return on Investment studies indicate almost a seven fold dividend for per dollar invested in early childhood programs. The largest benefits are for the most vulnerable children in terms of improved educational outcomes. Benefits are also noted for the systems that serve children. In particular, fewer children require remedial education. Finally, these calculations also include benefits to society at larger with lower rates of crime, increased tax revenue as notable outcomes.

Investment in early childhood efforts has been linked with internal efficiency of primacy school education costs (Coordinator’s Notebook, 2008) and benefits to society accounting for lowering public costs of education, 24% for Sub-Saharan Africa, 20% for Asia, and 18% for Latin America (Psacharopoulous, 1994). Income gains from higher levels of education have been established in the developing world. Studies from 51 countries demonstrate on average a 9.7% increase in wages by each year of schooling (Grantham-McGregor, et. al., 2007; Psacharopoulos, 1994). This data is supported by the evidence presented in the previous paragraph, that early childhood learning and development outcomes are one of the main predictors of later school achievement and learning.

In summary, investment in holistic early childhood programs, which ensure full implementation of child’s rights, is important because it lays the foundation for longer term achievement of equity in all spheres of human development.

Section 2: Poverty Pathways: Proximal Contexts for Early Child Development

Having defined the key constructs, we now move into a discussion of their relationship. Understanding poverty’s effect on children is an area of vast undertaking. The literature referred to below, has be drawn from work that has used the multiple definitions of poverty. Therefore, poverty’s effect, when described, is with respect to limited access, deprivation and exclusion. In this section, we focus on: (i) child outcomes with respect to universally recognized domains of development (physical, cognitive, language, social and emotional); and (ii) explore a specific pathway through poverty operates to impact early child development.

Poverty’s Effect on Early Childhood Development

A growing body of evidence is clearly indicating that poverty impacts young children in multiple dimensions. While poverty is not a static experience, rather the dynamic aspects of depth of poverty, duration of poverty and when it is experienced during the life span, all contribute to its influence, nonetheless there are some consistent outcomes that deserve to be highlighted. Research has demonstrated that deep and persistent poverty experienced in the early years has the worst impact on children’s development and well-being (Brooks-Gunn, & Duncan, 1997; Duncan, Yeung, Brooks-Gunn, & Smith, 1998).
It should be noted that while the results are presented individually by domain, the impact is often interlinked. Poverty does not impact only one domain of development, rather given the interconnectedness of the domains, it has a multiple effect. The results are presented by domain for ease of understanding and explanation.

With respect to physical health, the most studied area of child outcomes, children living in poverty demonstrated adverse development beginning with a greater percentage of low birth weight, increased number of neonatal hospitalizations and increase in child mortality. The odds of a poor infant being born low birth weight are nearly twice that of a non-poor infant (Brooks-Gunn, Britto, & Brady, 1999). Through the early years there is also increase in malnutrition, stunting, and often delayed gross and fine motor development (Chueng, Yip, & Karlberg, 2001; Kariger, Stoltzfus, Olney, et. al., 2005; Kuklina, Ramakrishnan, Stein, Barnhart, & Martorell, 2004). Poor nutrition and infection cause stunting (McGregor, et. al., 2007). Also, linked are adverse outcomes of exposure to disease and toxins in the environment and accidents and injuries (Morgan, Garavan, Smith, Driscoll, Levitsky, & Strupp, 2001; Rodier, 2004).

Poverty effects are also noted for young children’s cognitive development and later school achievement and learning abilities. Children who experience poverty early in life demonstrate lower cognitive development skills and abilities (Bradley & Corwyn, 2002; Lozoff & Teale, 2004). The influence of poverty on children's verbal ability as measured by standardized test scores taken during early childhood years is approximately a standard deviation below the normative mean (Whitehurst, 1997). These low standardized test scores due to income poverty are seen as early as two-years of age. With respect to schooling and learning outcomes, children grow up in poverty have lower math and reading achievement scores and behind grade level. It has also been noted that poor children tend to drop out of school at a greater rate than then non-poor peers (Brooks-Gunn & Duncan, 1997).

Psychosocial development is also perverted by poverty. Most notably with respect to social and emotional development, as manifest in behavioral outcomes 1. Negative behavior outcomes for children in poverty has been observed in comparison to non poor children (Elder, Linver, Brooks-Gunn, & Kohen, 2002; Taylor, Dearing, & McCartney, 2004; Yeung, Linver, & Brooks-Gunn, 2002). Also it has been noted the income poor children have fewer peer relationships, often lower self-esteem (Conger, Conger, & Matthews, 1999; McLeod & Shanahan, 1993). With respect to emotional development children living in poverty report greater anxiety and depressive affect (Moore, Driscoll, Zaslow, & Redd, 2002).

However it should be reiterated that these impacts do not act in isolation. Because of the strong links between nutrition and learning children with poor nutritional outcomes also perform poorly in school. Children with lower cognitive ability tend to demonstrate greater aggression and acting out behavior. Together, the evidence indicates that poverty affects multiple domains of development and learning simultaneously.

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1 It should be noted that most work on child social and emotional development has been studied in income poor samples in the United States and Western Europe.
Poverty Pathways
The impact of poverty on early child development is not direct rather it is mediated through several pathways. In optimal conditions these pathways act to boost child outcomes, but due to poverty conditions they become compromised (See Fig 1).

Figure 1

Contextual Poverty Pathways

For example, not all children raised in poverty demonstrate lowered health and psychosocial development. It is the mediating aspects of the contexts that serve to promote development. Differences in provision of learning experiences in the home have been associated with variability in outcomes for children reared in poverty (Luster & Dubow, 1990; Moore, et al., 1993; Rauh, et al., 1990). Data indicate that a greater provision of stimulating and developmentally appropriate learning environments was associated with higher school achievement and verbal ability in the children of low income families (Bradley, Caldwell, Rock, Ramey, Barnard, Gray, et. al., 1989; Luster & Dubow 1990; Sugland, Zaslow, Smith, Brooks-Gunn, Coates, Blumenthal et al., 1995). It has been estimated that provision of learning experiences in the home can account for up to half of the effect of poverty on children’s cognitive development (Smith, et. al., 2997). Consequently, despite the low income lowered development connections, variability in language, literacy, and school achievement outcomes has been noted in low income preschool and elementary school aged populations (Brooks-Gunn & Chase-Lansdale, 1995; Whitehurst & Lonigan, 1998) and amongst the potential explanations for this heterogeneity in child outcomes, the home environment has been cited as the most critical (Snow, Barnes, Chandler, Goodman, & Hemphill, 1991).
The poverty pathways are either individual to the child (e.g., nutritional status, earlier learning) or contextual. With reference to the current paper, we discuss contextual pathways, in particular the home environment and parenting. This pathway is discussed because it accounts for the greatest variance in child outcomes, is the most proximal for development and has the largest influence on development (Bradley, 2006). In addition, the provision of stimulating and responsive experiences in the home upon child well-being, appears to be the strongest during the early childhood years.

The family and home environment influences on the child can be understood within two aspects: family structure and family interactions (See Figure 2). Family structure refers to the physical environment, development opportunities, and the family composition. Family interaction refers to parenting and caregiving behaviors and interactions between family members. Both are discussed, in particular with the compromise due to poverty and the negative impact of that compromise on child outcomes.

“Although the surroundings of low-income children contain more singular psychosocial and physical environmental risk factors with known adverse developmental outcomes, the confluence of multiple psychosocial and physical risk factors may be a key, unique feature of childhood poverty” (Evans, 2004).

Figure 2.

Poverty, Family and ECD

The home environment is the most immediate environment within which an infant and young child’s development takes place. These environments when characterized by being perceptually bright (e.g., with electricity), free of structurally dangerous objects
and toxins, not overcrowded, and with opportunities to interact with stimulating materials are conducive and supportive of development (Bradley & Corwyn, 2006; Caldwell & Bradley, 1984). However in poverty conditions these aspects get compromised. Children from low income homes tend to be exposed to housing of low quality materials, lead, carcinogenic emissions, unhygienic food preparation areas, inadequate clean water, and poor sanitation (Abou-ali Hala, 2003; Arik & Arik, 2009). In addition, there appears to be more instability in the families and crowded homes present limited access to stimulation and opportunities for learning (Chi & Rao, 2003; Kanagawa & Nakata, 2008). These structural aspects of the home, when compromised by poverty, have been linked with physical health problems, cognitive deficits, socio-emotional and psycho-physiological distress. All these noxious outcomes pervert development (Evans, Wells, & Moch, 2003; Grantham-McGregor & Fernald, 1997; WHO, 2008). Therefore, poverty influences development through the home environment.

Interactions in the home are the second aspect of the environment that influence development. Families characterized by harmonious, supportive, warm and stimulating interactions are linked with positive child development outcomes. Parenting and caregiving behavior is impacted by poverty conditions. It has been noted that low income parents appear to be less responsive and more authoritarian in their parenting style. However, it should also be noted that the parenting behavior pathway has not consistently demonstrated a strong mediating effect on child outcomes (Brooks-Gunn, et. al., 1999). Failure to establish the possible mediating effect may be due to the inconsistency in measurement of parenting constructs. Furthermore, values and beliefs play a major role in influencing parenting behavior (Ogbu, 1981) and need to be accorded importance, which currently they are not. With respect to child outcomes, punitive and authoritarian parenting has been linked with more psychosocial development problems with children (Kohen, 1997).

Parental mental health is an important factor in mediating poverty effects. Low income parents are more likely to be emotionally and psychologically stressed due to the living conditions associated with poverty (McLoyd & Wilson, 1991). Depressed mothers are often disengaged and distant from their children, which has harmful effects on development (Brooks-Gunn & Duncan, 1997). Similarly maternal education is also compromised by poverty. Higher maternal literacy has been linked with greater provision of learning opportunities in the home and consequently better developmental outcomes.

It is not surprising that poverty negatively impacts early childhood development. However, simply establishing the association between the two is insufficient to design well-targeted and effective interventions. By understanding the influence of mediating pathways, we are provided with avenues for intervening to improve child outcomes, particularly because those very pathways when bolstered can minimize poverty’s effects.
Section 3: Economic Crises and Poverty Pathways

The primary outcome of an economic crisis is the deepening of poverty for families that exist in such conditions and the risk of poverty status for the families that are close to the threshold. Historically, from the time of the Great Depression, when child outcomes were recorded consistently with respect to poverty status (Elder, 1974), there has been a dismal trend noted between times of economic crises and child outcomes. The Great Depression was the defining economically deflated period of the 20th century, with the youngest bearing the greatest burden of the times. A steep decline was noted in child nutritional status as evidenced by milk consumption declining to a million gallons per day. A dramatic rise was seen in school dropout and child labor and the inception of “Box-car” vagrant children. Of interest to the home environment pathway, homes became overcrowded as families had to be evicted due to non-payment of rents, parenting patterns changed with paternal authority in the families declining, and parenting interactions and supports were all targeted towards the present and survival (Elder, 1974).

More recently we have experienced a regional economic crisis in Asia in the late 1990s. The economies in South-East Asia and East Asia started to decline in 1997 with 50 million more unemployed and 200 million more “working poor.” Data indicate that during this period, there was an increased short-term risk of mortality and long term-risk of child health and nutritional decline. Poor families, who in non-crisis situations were spending up to 60% of their income on food, were now forced to spend over 75%. The food insecurity condition manifested itself in undernourishment trends, with countries like Thailand and Indonesia severely affected (Meyers, 2009).

In times of economic crises the poverty conditions get exacerbated, not only for those living below the poverty line but also above. Poor families in particular are most vulnerable to crises because they lack a protective buffer. These families at times of economic stress cannot provide adequate nutrition for children, afford health care and preventative visits, and have less time at home for stimulation and support. Therefore young children’s development is compromised because they have less access to food, greater risk of illness and death, more pressure to help with household income, greater chance of accidents (because they are left alone at home) and face more stress and anxiety in the home. All these conditions, as explained above, lead to poor developmental outcomes.

Recent data from the Young Lives Study, a longitudinal multi-country study of child poverty, provides a daunting projection of food price crises for child development. The study projects two likely impacts on children’s health. In the short-term, this crisis will put pressure on family budgets, as was noted in the Asian crises, and in the long term it will impact child health through stunting (Young Lives, 2008). In addition, the Young Lives study also noted impacts on children’s cognitive and education attainment. In particular, children from families with lower spending power, or structural dysfunction, do less well at school compared to their peers from the same community. Lower spending power and chronic malnutrition are also linked with problems in children’s psychosocial health, in particular lower self-esteem and aspirations. These children also
perceived greater exclusion, which harkens back to the social exclusion and powerlessness definition of poverty. These findings are also linked to the family interactional aspects of the home. Families with lower educational levels are most affected by the crises, since they live in the poorest sections of their communities. It is these families then that spiral into an intergenerational transmission of poverty.

Economic crises will further compromise the structural and interactional aspects of the family by increasing food insecurity, worsening living conditions, increase stress, and lower resources. Therefore, while poverty status cannot be changed during an economic crisis, because of the deflation in the GDP of a country, policies and programs that support to parents and families that will provide a buffer against this adversity must be considered. If we revert back to a 1970s solution, during tenuous political and economic times of Structural Adjustment Programs (SAP), the children will further bear the brunt of the economic crises. In the late 1970s, when countries had to follow the condition of the SAPs in order to reschedule their national debt, they cut public spending on health and education (Messkoub, 1992). The greatest impact was felt by children in the developing world. Countries started charging for social services, as a result the poorest of families were even more disadvantaged. During this time infant mortality rates increased in some countries, school enrollment declined up to 6% and severe malnutrition rose in several developing countries (Ansell, 2005). By implementing policies that cut services for children and families, these measures place a greater burden on poor families who are already struggling to survive. In doing so, they promote a downward spiral of developmental outcomes.

The twin thrusts of understanding poverty pathways and the lessons learned from past crises and responses to those situations suggest that during the current economic downturn policy alternatives that support and buffer poor families from this crises most be considered. Protective and supportive policies will prevent setbacks in reaching the MDGs of mortality reduction and educational achievements.

**Section 4: Recommendations for Policy and Programs**

As expected, during times of crises increased poverty levels are inversely related to spending on social services and programming. Poverty’s negative effects on early childhood can be thwarted by strong family environments. Based on these two sets of assumptions, we provide a set of policy and program recommendations to strengthen the family environment as a buffer to mitigate poverty effects, particularly during the current downturn in the economy. We make the case for prioritizing the limited funding towards an evidentiary base that could stall the downward spiral of human capital. The policy and program recommendations are presented both with respect to currently existing practices and proposed strategies (See Table 1).
Table 1: Summary of Recommendations for Programs & Policies

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<tr>
<th>Program</th>
<th>Directly Addressing Family</th>
<th>Indirectly Addressing Family</th>
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<tr>
<td><strong>Program</strong></td>
<td>Integrated Early Childhood Programming</td>
<td>--Stimulus package finance for caregiver aide training</td>
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<tr>
<td></td>
<td></td>
<td>--Expansion of Nutrition Programs</td>
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<tr>
<td><strong>Policy</strong></td>
<td>Cash Transfer Social Protection (Conditional &amp; Non-Conditional)</td>
<td>--Tax revenues for family programming</td>
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<td></td>
<td></td>
<td>--Child-center Budgets</td>
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<td></td>
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<td>--Benchmarking portion of GDP for ECD</td>
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**Recommendations for Programs**

As discussed earlier, family interactions are a key aspect that mediates the effect of poverty on young children. Recently, primary and meta-analyses strongly advocates for investing in parenting and caregiving programs during times of crises. Harold Alderman and Elizabeth King (2006), in their review of programming around the world have concluded that “integrated programs – nutritional and health interventions, training in parenting skills, cognitive stimulation – although complex to implement may produce the biggest benefits”. They reach this conclusion by carefully reviewing three integrated programs. The Jamaica ECD Study, which included home visits counseling the mothers and care givers on child rearing skills which included playing and interacting with babies as early as they were born, not only helped children to develop their full potential, but also reduced risk of maternal depression. Bolivia’s integrated child development (PIDI) and the Philippines’s center-based interventions also support the findings of Jamaican study. Alderman and King also highlight the importance of starting early as the vital foundation for development – societal and child.

There is also growing interest and consensus in placing comprehensive ECD programs at the center of social protection policies. As it is well articulated in the report of a rapid appraisal of such efforts in South Africa, there is an urgent need to further elaborate the process. As the Report recommended, there is a need to develop an efficient mechanism for funding and regulating such family-focused and community based interventions. National capacities for a range of ECD interventions starting from home-visits to center-based programs need to be improved. Integration and partnership across sectoral programs is an imperative for any successful intervention in the area of ECD. Finally, in order to inform policies there is an urgent need for further research on sufficient quality and intensity of ECD interventions in different social, economic and cultural settings.

**Policy Recommendations**

As a result of growing awareness about the importance of early interventions that lead to sustainable gains in breaking the inter-generational cycle of poverty especially in the area of improved nutrition and school achievements, investing in early childhood development programs is becoming an integral part of public policies and respective interventions. Conditional Cash Transfers (CCT), as being the most widely known model of public
policy, are designed to assist poor families to care for their children, and also improve their livelihood skills.

The use of conditional cash transfers (CCTs) and other incentives for enrolment in early leaning programmes can be extremely effective when targeting disadvantaged groups. In fee based systems, this strategy allows poor (and new poor) to afford fees and tuition. CCTs for children can be used for food, clothes and medicine for kids, not just ECD tuition, but can be linked to parents having their children fully immunized, making regular health clinic visits and enrolling the child in organized groups for school readiness. There are difficulties in identifying who is poor, especially in identifying the new poor who were recently lower middle class and the risk of local elites capturing all benefits. In such a context, universal transfers that target all children in a specific location can also be more effective. While monitoring CCTs is expensive, it is essential for planners to know how the cash transfer is being spent correctly and benefiting children. It is very important, therefore, that a national policy is explicit in these matters and the funds are made available for implementation.

Evidence from Mexico’s Oportunidades Program, as being the pioneer of all CCTs, strongly supports positive developmental outcomes of children through improved access to basic health and nutrition services, as well as improved ability of families to effectively use these services.

In many countries, in direct response to the current economic crisis, stimulus packages have been supported. These packages cover a wide range of loans and provide funds to the financial sector as well as packages of financial support to the social sectors. There are several demonstration models for using these stimulus packages to ensure that services and programs for families are not impacted. We describe these actions, both with respect to short and long term investments. With respect to short-term investments, one of the key areas families require support is in the care provided to their young children. A number of countries in East Asia have used these stimulus funds to increase the number of care giver aides, who are from the community work alongside the care giver at pre-schools and community based care centers. In doing so, a double benefit is noted. First, it improves the child to adult ratio and thereby improves interaction and stimulation for learning and development. In addition, such an initiative also serves to provide direct stimulus to the local economy by increasing employment. A beneficial side-effect to the double dividend, is that the caregiver aides are being trained for multiple types of social programs, including parenting education and outreach. This training and supervision of caregiver aides serves to increase their skills with multiple options for employment while at the same time serving parents though parenting programs and children through community based efforts.

Other short-term investment strategies during the economic crisis in East Asia, have included targeting the nutrition of young children. As explained above, nutrition is a key aspect of holistic development. By addressing children’s diet, these policy directives are serving to improve not only the growth but also the development and learning of children. For example, in countries like Thailand and Mongolia, the economic crisis
served as opportunity for expanding efforts at school nutrition programmes, including support for milk and nutritious snacks to early learning centers. The results of these efforts noted that organized nutritious snacks for young children play an important role in addressing under-nourishment. In addition, this initiative also served to increase enrolment and further investment in additional centers. By doing so, this policy strategy helped slow down the disparities in enrolment rates, which could potentially have risen given the economic decline.

However, lessons learned from these initiatives indicate that implementation of these strategies also requires attention to sustainability. With respect to caregiver aide training, it is important to build in a component of supervision and supportive monitoring to ensure fidelity to implementation of the programs and also sustain capacity building. With respect to early child care and school nutrition programs administration, local involvement and control quality are important because of their direct consequence on services and impact. Based on these lessons, clear attention to governance issues in policies, with local stakeholder inputs into the process and outcomes, is recommended.

What is often ignored in funding social programmes from stimulus packages is the longer term financing requirements and the risks of losing progress and closing centers once the funds run out. Financing can take many different forms – with the most common being user fees for services. This happens at government supported pre-schools, in middle class communities and in slums where parents provide pennies to the neighborhood private pre-school for their children’s future. In times of economic crisis, these finances are highly vulnerable for most sectors of society. Less vulnerable sources of ECD financing are sin taxes, such as those on cigarettes in California and on the National Lottery in the Philippines, which are dedicated to ECD programmes and are generally not affected by the crisis.

UNICEF has been advocating for child-centered budgeting, with a strong emphasis on non-conditional cash transfer and other forms of social protection policies. Social Budgeting for children in Kenya and Social Cash Transfer in Malawi are two major examples in this regard. Both programs focus on creating an “enabling and protective environment” for improved child outcomes by ensuring access to quality basic health, nutrition and early learning services in the community.

Other approaches to consistent funding include a mandated percent of GDP to ECD (such as 20% in Indonesia and 18 % in Philippines for education), or fixed percents of the education budget for early learning and school readiness. Even in times of crisis, these would generally remain fixed. Financing based on income tax is also relatively secure, though more progressive taxation is at greater risk during crisis. The use of property tax to finance education is also relatively safe, although in the recent sub-prime housing debacle, California lost billions in revenue for its state budget when the real estate market crashed.

Other countries in East Asia bold proposals are being put forth to expand child care during the economic crisis, not only to build stronger foundations for future national
development, but in recognition of the need for both parents to support family livelihoods. However some of these development efforts are yet to be realized, as they require expanded resources for training and supervision/inspection, as well as policy to govern private sector engagement especially amongst disadvantaged communities.

In conclusion, while financial loss is an inevitable outcome of the economic crises, lowered child development outcomes can be prevented. A range of options, at program and policy levels, have been implemented or proposed to combat poverty’s effect. Presented above are strategies that directly address parenting and interactions in the home, through the provision of integrated programs or indirectly buffer families through supporting community and school-based early learning and development initiatives. The selection of the programming option though is very much rooted in the political and social infrastructure of the country. With respect to policy options, what appears to have made a mark, are financing strategies. Again, these fall into the category of direct financial transfers to families in need, the consumption of which is often left to family priorities and decisions, or then conditional financial transfers that specify the consumption. Both models are being tested currently. Financial strategies that indirectly impact families are also being implemented. These include allocating a portion of taxes toward ECD or then a more fixed revenue, a portion of the national GDP. While the former is susceptible to the vagaries of fiscal ebbs and flows, the latter is an important tool for benchmarking sustained national commitment to ECD. The benchmark, though would need to be set in accordance with current government spending on ECD, which could be calculated via child-centered budgets, and increased incrementally depending on the GDP increase in a country.
Selected References


