# GSDR 2015 Brief Reducing child poverty: the importance of measurement for getting it right

#### By Keetie Roelen, Institute of Development Studies (IDS), United Kingdom\*

It is widely recognised that the reduction of child poverty is crucial for sustainable economic and social development (UNICEF 2014), and the Open Working Group (OWG) on Sustainable Development Goals (SDGs) recognises that growth and development should particularly benefit children (§4). Child-specific measurement is imperative for addressing poverty and reducing vulnerability (Ben-Arieh 2000) and for the first time newly proposed global goals for poverty reduction make specific reference to children. Sustainable Development Goal (SDG) 1, Target 2 reads: "By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions" (OWG 2014; 7). This explicit mention of children constitutes an important step forward but also gives rise to questions about the use of indicators and measurement of child poverty. This science digest provides an overview of the academic debate regarding the complexity of child poverty and the importance of comprehensive child-focused poverty measurement in supporting adequate and effective poverty reduction policies.

#### Introduction

Investing in children and reducing child poverty is a prerequisite for sustainable economic and social development. (ACPF 2014, Sanfilippo et al. 2012). Living in hardship has long-term, adverse and irreversible consequences, turning poor children into poor adults (Brooks-Gunn and Duncan, 1997) and "can have serious ramifications throughout the rest of a person's life, including the chances of holding onto a job, the uncertainties associated with growing older and the transmission of vulnerability to the next generation" (UNDP 2014; 59) Investing in children has positive rates of return in terms of long-term developmental outcomes, making a strategy of poverty 'avoidance' as opposed to poverty reduction also more cost-effective (Yaqub 2002). Nonetheless, children remain a disadvantaged group with 569

million children below the age of 18 years in low- and middle-income countries living in extreme poverty (UNICEF 2014).

Child poverty is a complex phenomenon: it is multidimensional and highly relational, varies across place, time and culture and changes face across stages of childhood. Getting the measurement right is imperative for gaining insight into the complexity of child poverty, its manifestations and underlying causes. It lays the foundation for effective framing policy efforts towards the reduction of child poverty, tracking progress of such efforts and consequently feeding information back into policy.

## Scientific debate

Research regarding the complexity of child poverty is steadily expanding. It shows that many dimensions are at play, children are highly dependent on others for the provision of their basic needs, differential needs exist across stages of childhood, and that the aspects of 'being' a child at present and 'becoming' adult in the future in relation to breaking the intergenerational transmission of poverty add an important temporal component (Roelen and Gassmann 2014, UNDP 2014, UNICEF 2014, Uprichard 2008).

Combined analysis of child poverty using a range of indicators points toward its multi-faceted nature. There is increasing evidence that single indicators of poverty, including child poverty, are unable to capture its complexity (see Baulch and Masset 2003, Klasen 2000, Roelen et al. 2012). Monetary-based and multidimensional measures of poverty identify different groups of children as being deprived. This mismatch does not only hold at one point in time but is maintained over time (see Box 1for example from Vietnam). A failure to measure child poverty from a combined perspective leaves children with differential vulnerabilities neglected (Roelen et al. 2012, Roelen and Notten 2013).

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#### Box 1 Mismatch child poverty in Vietnam 2004-08

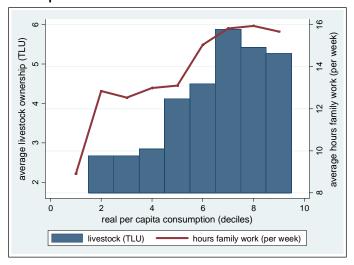
Analysis of cross-sectional data of the Vietnam Household Living Standards Survey (VHLSS) in 2004, 2006 and 2008 (based on the methodology as developed in Roelen et al. 2010, 2012) reveals that rates of child poverty mismatch are persistent over time. Although rates of monetary and multidimensional child poverty decrease over time, the groups of children experiencing either monetary or multidimensional poverty ranges between 16 and 13 per cent.

	2004	2006	2008
N (# children)	12,154	10,696	9,960
monetary poor and			
multidimensionally poor (%)	22	15	14
multidimensionally poor but			
not monetary poor (%)	16	13	13
monetary poor but not			
multidimensionally poor (%)	16	16	13
non-poor (%)	45	56	60
Total (%)	100	100	100

Source: author's calculations based on VHLSS 2004, 2006 and 2008

The complexity of child poverty is further exemplified by the notion that progress with respect to one indicator can offset progress with respect to another. For example, an increase in household wealth may go at the expense of child wellbeing if the accumulation of such wealth is a result of child labour or an increase in land or livestock forces a child to play a substantial role in household production (Camfield 2010) (see Box 2 for example from Ethiopia).

### Box 2 Livestock ownership and family work across consumption deciles for children aged 10-15 in rural Ethiopia



Analysis of the Ethiopian Rural Household Survey (ERHS) 2009 data suggests that there is a trade-off between increases in household income (denoted by real consumption per capita), household wealth (denoted by livestock ownership (Tropical Livestock Unit) and child wellbeing (as expressed by number of hours per week spent on work within the family). Both higher levels of household consumption and livestock ownership are significantly associated with more time spent on productive work within the family by children.

Source: Roelen (2015)

Adding to the complexity of child poverty is its inherent relational component, as children are highly dependent on others for the provision of their basic needs (White et al. 2003). Furthermore, children cannot be considered to a homogenous group as their set of basic needs and those providing for them change across stages of childhood (Lansdown 2005). For example, while new-borns are primarily dependent on their mothers for their nutrition, adolescents rely on teachers and other role models for the accumulation of important life and vocational skills.

Notwithstanding the mounting evidence of child poverty's multiple facets, efforts to track progress towards the reduction of child poverty lack reflection of its complexities. Measurement remains largely unidimensional (either monetary or non-monetary based) and cross-sectional, and is often exclusively based on quantitative methods. Not only does this provide an incomplete picture of the situation at hand, it also limits the study of underlying causes that keep children trapped in poverty. For example, whilst the mismatch between different indicators of child poverty is now firmly established, evidence about factors contributing to this mismatch is limited. Some point towards measurement errors as being the prime reason (Bradshaw and Finch 2003), others flag the lag in reductions of multidimensional poverty compared to monetary poverty (Hulme and Shepherd 2003) as well as the availability and costs of public services and household infrastructure, characteristics and opportunity costs (Dercon 2012, Halleröd et al. 2013). Greater understanding of these factors will be vital for formulating policies that are effective in reducing child poverty in a long-term and sustainable manner.

## Issues for further consideration

The current scientific debate regarding the complexity of child poverty clearly suggest that more detailed insights into the manifestations and causes of child poverty are crucial for improving children's lives. At present, measurement and monitoring efforts fall short of providing such insights, leading to policy efforts being misdirected or providing an inadequate response. Lessons learned from scientific studies do point towards a number of issues that could improve such efforts and deserve further consideration:

- Include a child-specific target under SDG 1 for kickstarting more comprehensive monitoring;
- Use a complementary set of measures for assessing the multi-faceted nature of child poverty;
- Disaggregate poverty indicators by age for gaining insight into the situation of children at stages different stages of childhood;
- Exploit newly available panel data sets for analysing longitudinal patterns of child poverty;
- Combine quantitative and qualitative methods for studying factors contributing to child poverty;
- Ramp up data collection and analysis efforts for better reflecting the complex realities of child poverty, realistic pathways out of poverty and policies that can help supporting those pathways.

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