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CHILD POVERTY AND DEPRIVATION
IN INDUSTRIALIZED COUNTRIES:
RECENT TRENDS AND POLICY OPTIONS*

by

Giovanni Andrea Cornia^{a/}

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*This paper discusses some initial insights and hypotheses which are being more fully developed in the context of a research project on this subject at UNICEF's International Child Development Centre in Florence, Italy.

a/ UNICEF-International Child Development Centre, Florence, Italy. The views expressed in this paper are those of the author and do not necessarily represent the views of UNICEF.

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I. CHILD POVERTY IN HISTORICAL PERSPECTIVE: FROM THE EARLY 1950s TO THE MID 1970s.

Conditions in Industrialized Countries in the Early 1950s

Not long ago, acute poverty, poor health and other forms of deprivation were quite common for the children¹ of most of today's industrialized countries² and possibly more common than in several developing countries today. An examination of trends in Infant Mortality Rate (IMR) - a key indicator of overall child welfare - shows (Table I) that in the early 1950s the IMRs of Southern (79 per thousand) and Eastern Europe (83 per thousand) and of the USSR (73 per thousand), were about thirty percent higher than the rate recorded at the end of the 1980s for Latin America as a whole and broadly equivalent to that of South East Asia or North Africa (United Nations 1989). During 1950-55, most Western European countries and Japan had rates of infant mortality close to 50 per thousand, almost twice as large those observed in China at the end of the 1980s. By 1950-55 only North America, Northern Europe and Australia had attained infant mortality levels below the critical threshold of 30 per thousand (Table I).

Information on the post-war incidence of child poverty is much rarer than on infant mortality. The limited data available confirms the situation highlighted by the analysis of IMR for 1950. For example, census data from the United States show that in 1949 more than forty-five percent of all children in the U.S.A lived in families with incomes insufficient to provide adequate nutrition, housing, transportation, medical care and the like (Table II).

¹The terms "child" and "elderly" refer in this paper respectively to the population of less than 18 or more than 65 of age.

²In this paper the term "industrialized countries" comprises North America, Western and Eastern Europe, the USSR, Japan, Australia and New Zealand.

TABLE I. Infant Mortality Rate, per one thousand live births by Country and Region for Selected Years (five year averages)

	1950-55	1960-65	1970-75	1975-80	1980-85	1985-90
<u>North America</u>						
Canada	36	26	16	12	9	7
United States	28	25	18	14	11	10
<u>Northern Europe</u>	28	21	16	12	10	8
Denmark	28	20	12	9	8	7
Finland	34	19	12	9	6	6
Ireland	41	28	18	15	9	9
Norway	23	17	12	9	8	7
Sweden	20	15	10	8	7	6
United Kingdom	28	22	17	14	11	9
<u>Western Europe</u>	44	26	18	13	10	9
Austria	53	32	24	16	12	11
Belgium	45	27	19	13	11	10
France	45	25	16	11	9	8
Germany	48	28	22	15	11	9
Netherland	24	16	12	10	8	8
Switzerland	29	20	13	10	8	7
<u>Southern Europe</u>	79	52	31	23	18	15
Greece	60	50	34	25	15	17
Italy	60	40	26	18	13	11
Portugal	31	76	45	30	20	15
Spain	62	42	21	16	11	10
Yugoslavia	128	80	45	35	30	25
<u>Eastern Europe</u>	83	44	28	23	19	17
Bulgaria	92	36	26	22	17	16
Czechoslovakia	54	23	21	19	16	15
German Dem Rep	58	31	17	13	11	9
Hungary	71	44	34	27	20	20
Poland	95	51	27	23	20	18
Rumania	101	60	40	31	26	22
<u>USSR</u>	73	32	26	28	26	24
<u>Japan</u>	51	24	12	9	7	5
<u>Australia-New Zealand</u>						
Australia	24	20	17	12	10	8
New Zealand	26	21	16	14	12	11

Source: United Nations (1989) World Population Prospects 1988

TABLE II Poverty rates in the United States for selected census years and population groups (percentages)*.

Age Group	1949	1959	1969	1979
Children (0-14)	47.6	26.1	15.6	17.1
Elderly men (+65)	55.3	33.2	22.2	10.6
Elderly women (+65)	69.4	38.6	32.1	18.0
All persons	39.8	22.1	14.4	13.1

Source: Derived from Smolensky et al (1988).

*The data presented in the Table have been obtained by means of the 1959 fixed poverty line. For the years 1949, 1969 and 1979 the 1959 poverty line has been adjusted to take account of inflation.

Even in 1959 about a quarter of all children in the United States were still living in poverty (Table II), while the situation was probably worse in Europe and Japan which had structurally weaker resource bases and had suffered severe losses during World War II.

Rapid improvement over the 1950-75 period

The quarter-century between 1950 and 1975 is considered by most social scientists as the "golden age" of social development. It witnessed a spectacular decline in the relatively high levels of child poverty, infant mortality and illiteracy which prevailed in the early 1950s. The nutritional status of children improved rapidly in parallel with fast and steady growth in household incomes, control of major infectious diseases and the spectacular effects from the use of antibiotics. Practically all industrialized countries achieved one of the fastest reductions in the rate of infant (and overall) mortality (particularly in post-neonatal mortality) and morbidity ever recorded (Table I).

Such progress was facilitated by the rapid increase in coverage of preventative and curative health services virtually free of charge including, with a few exceptions, hospitalisation made possible by the spread of National Health Insurance Schemes, National Health Services and similar systems.

In the 1950s and 1960s health conditions improved in all industrialized countries, although the rate of improvement varied substantially. Between the early 1950s and early 1970s there was an overall convergence of IMR's. The decline was faster in Japan (75 percent), Poland, Bulgaria, Finland and the USSR, (around 70 percent) than in the United Kingdom and Greece (around 40 percent) and the United States (35 percent) (Table I).

There were similar advances in reducing the number of children living in poverty (as indicated, for instance, in Table I by the sharp drop of the poverty rate which occurred in the United States between 1949 and 1969) and in improving educational access and quality for virtually all children. The "baby boom" of the post-war period affected all industrialized countries (excepting Japan), and increased the size of the child population in the 5-14 age bracket by 43 million between 1950 and 1970. Even with this population increase, secondary school enrollment ratios increased, pupil/teacher ratios declined and physical infrastructure improved. For example, the secondary school enrollment ratio increased in Italy from 35 percent in 1960 to 61 percent in 1970 and in the German Democratic Republic (GDR) from 39 percent in 1960 to 92 percent in 1970 (UNESCO 1987). During the same years, compulsory schooling was extended in most industrialized countries from 5-6 to 9-10 years. Pre-school education started to develop in response to the growing participation of women in the labour force and in order to integrate children living in unsatisfactory socio-economic conditions into the school systems at an earlier age.

Main determinants of improvement in child welfare prior to mid 1970s.

An exhaustive analysis of the causal factors behind the improvement in child welfare prior to 1975 is beyond the scope of this paper. Nevertheless it is useful to review briefly the role of some of the main structural determinants over the period 1950-75, particularly as changes in the trends of such determinants over the subsequent period (mid 1970s-end 1980s) may underlie the surge in child problems observed in some industrialized countries during the later period (see Part II).

a) Rapid and widespread growth in household incomes. The quarter of a century from the late forties to the early seventies was brilliant: output, productivity,

investment and employment all grew and, central to our analysis, growth in household incomes surpassed any recorded historical experience. The rhythm of development was virtually uninterrupted by recession. High rates of growth of Gross Domestic Product (GDP) and Net Material Product (NMP) per capita (Table III) ensured that average household incomes broadly tripled in Japan and Eastern Europe between 1950 and 1970 and doubled in North America. Even in countries with relatively less exuberant growth, household incomes increased substantially. Between 1949 and 1973 for instance, the median family income (at 1967 prices) in the United States rose from about US\$ 4300 to close to US\$ 9000 (Danziger and Gottschalk 1989).

TABLE III Annual economic growth, 1950-86 (percentages)

	GDP or NMP per Capita				
	1955-60	1960-70	1970-75	1975-80	1980-86
North America	2.2	3.1	1.7	2.4	2.0
Western Europe	3.9	3.8	2.9	2.4	1.6
Eastern Europe	6.9	4.5	7.4	3.0	2.2
USSR	9.3	4.8	5.3	3.3	3.6
Japan	7.7	9.1	2.3	3.1	3.1
Australia-New Zealand	2.1	3.9	2.3	0.5	1.5

Source: IMF (1983 and 1989); U.N. Economic Commission for Europe (1989) United Nations (1988a); UNCTAD (1987).

Government economic intervention was a major reason for the postwar acceleration of growth. Equally crucial were labour market policies which certainly contributed to the achievement of virtual "full employment" in the late 1950s and early 1960s. Between 1960-67 the average rate of unemployment was 1.3 percent in Japan, 2.7 percent in Western Europe, 1.9 percent in Australia, 4.9 percent in North America and less than one percent in the socialist bloc, where a different organization of production institutionally guaranteed full absorption of available labour.

Full employment, higher real wages and the social security schemes introduced to varying degrees by all industrialized countries after the war led to improvements in most countries in pre-tax, pre-transfer, income distribution

and, even more so, in the post-tax, post-transfer one. A comprehensive review of income distribution data for the postwar period in industrialized market economies concludes that "broadly, it would appear that through the 1950s there has been some movement towards greater equality almost everywhere. In the 1960s and early 1970s, the same remained true for France, Italy, Japan and the Netherlands. The picture is unclear in Germany and in the United Kingdom..... In North America, there seems to have been a marginal move away from equality" (Sawyer 1976, p. 26). The same report indicates that in the late 1960s and early 1970s net income transfers (generally to the bottom two or three deciles of the population) accounted for 4-5 percent of national income in most industrial market economies and for no less than 15 percent in Sweden in 1972.

b) The birth of the Welfare State. World War II proved to be an important turning point in the history of social security. Social security programs had already developed in the early part of the twentieth century but their coverage was often limited and the benefits meager, while eligibility varied from one program to another. Moreover, under the strain of the Great Depression of the 1930s, several existing schemes, including unemployment insurance, were abandoned or replaced by relief assistance.

Inspired by pioneering analyses such as the famous "Beveridge Report" or Alva and Gunnar Myrdal's "Crisis in the Population Question", comprehensive social security systems were developed after the War by introducing new schemes and consolidating or extending the coverage of previous ones. Patterns varied substantially from country to country but the newly established social security system generally included:

- pensions (old age, invalidity and survivor),
- health benefits (against sickness and work injury),
- unemployment benefits,
- family allowances (maternity leave, child benefits and others), and
- public assistance.

In addition, virtually free health care and education were increasingly provided by national health and education services with the exception of a few countries including the United States.

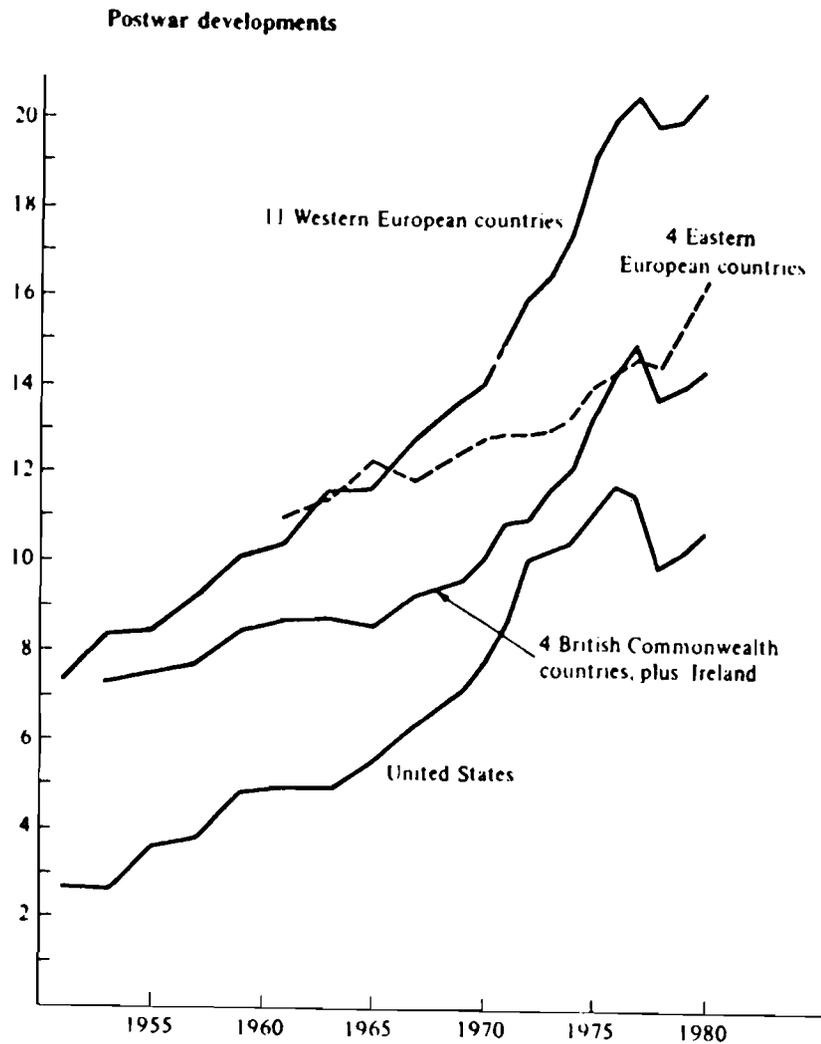
Social security expenditure grew rapidly over the 1950-75 period, reflecting rapid extension of coverage, demographic factors (such as ageing of the population) or improved real benefits per capita. Figure 1 shows that the average percentage of social security expenditure on GDP increased between 1950 and 1975 by 7 points in the United States, 13 in continental Western Europe and about 8 in the Commonwealth countries. At 11 percent of NMP average social security expenditure in Eastern Europe (including the USSR) was in 1960 somewhat higher than elsewhere. During the 1960-75 period, however, it rose more slowly than in most other industrialized countries. Expenditure on pensions and on health benefits grew fastest of the components listed above. The contribution of social security expenditure to reducing the incidence of poverty - particularly among the elderly was remarkable, as for instance in the case of the United States (Table II).

c) Changes in family characteristics. The family exerts a main influence on child wellbeing, as a basic unit of society, natural environment for the growth of children and main place where decisions in the areas of health, education, consumption and leisure are taken. Changes over the 1950-75 period in the size, stability and "quality" of families in industrialized countries contributed considerably to the observed reduction in child poverty, mortality and inadequate schooling. Or, at least, the changes in family structure over the 1950-75 period did not exert a negative influence on child wellbeing, as they did during the subsequent period.

To start with, parental education, a proxy of "quality" of the family and one of the main predictors of child survival, school performance and other child welfare indicators in both industrial and developing countries, improved steadily throughout the period under examination (UNESCO 1982 and 1987).

Second, with the exception of the USSR (where fertility declined by only marginally over the last forty years) and of Southern Europe (where the sharpest decline occurred after 1975), most of the sizeable decline in fertility observed in industrialized countries since World War II took place during 1950-75, most often from the early 1960s onward. In the United States total fertility per woman declined from 3.58 around 1950 to 1.95 around 1975, while large declines

FIGURE 1 - Average expenditure on social security as a percentage of Gross Domestic Product (GDP) or Net Material Product (NMP) for selected countries or groups of countries³



Source: from Gordon M., "Social Security Policies in Industrial Countries: a Comparative Analysis; Cambridge University Press, 1988; Cambridge, United Kingdom.

³The 11 Western European countries included are Austria, Belgium, Denmark, Finland, France, Germany (Fed. Rep.), Italy, the Netherlands, Norway, Sweden and Switzerland. The four Commonwealth countries are Australia, Canada, New Zealand and the United Kingdom, while the four Eastern European countries are Czechoslovakia, Hungary, Poland and the URSS.

were observed also in Australia and New Zealand and in Japan. In Northern, Western and Eastern Europe fertility respectively declined over the same period from 2.3 to 1.9, from 2.4 to 1.8 and from 2.9 to 2.2 (United Nations 1989). Large fertility declines have probably contributed to the rapid decline in IMR between 1950 and 1975 (Table I) as some of the births avoided were high-risk ones, generally with relatively high parity and at close intervals. The decline in the average number of children per family may have increased parental time available for supervision and interaction.

The third change affecting child wellbeing relates to family structure and stability. A large number of investigations show that the risks of falling into poverty, early death, school failure and accident are affected by the stability of the union the child grows up in. There have been several important changes in family structure since the end of World War II. First, the trend towards the nuclearisation of the family, which had started several decades earlier, intensified. Second, the stability of families has been affected by the rise in divorce and separation rates (Table IV) and by a decline in remarriage rates. And last births to single mothers seem to have increased; the effect is clear in dimension and gravity in some countries like the United States but more uncertain in its meaning in others. The rise in births to single mothers was not very pronounced up to 1970 as, the largest increase occurred in the subsequent 15-20 years. Data in Table IV show that crude divorce rates steadily increased until 1980 and have tended to slow down or to stabilize ever since. With the exception of the USSR, the increase in crude divorce rates has been much larger over the 1970s than over the 1960s (Table IV and figure 2).

It is tempting to conclude, therefore, that the changes in the structure and stability of the family between the early 1950s and early 1970s, while not particularly favourable, have not been as significant as those of the subsequent 15-20 years.

Unresolved children's problems by the early mid 1970s

By the early 1970s there was widespread conviction that children's problems in advanced societies were broadly solved. Two factors contributed to this belief. First there had been more than two decades of fast and steady

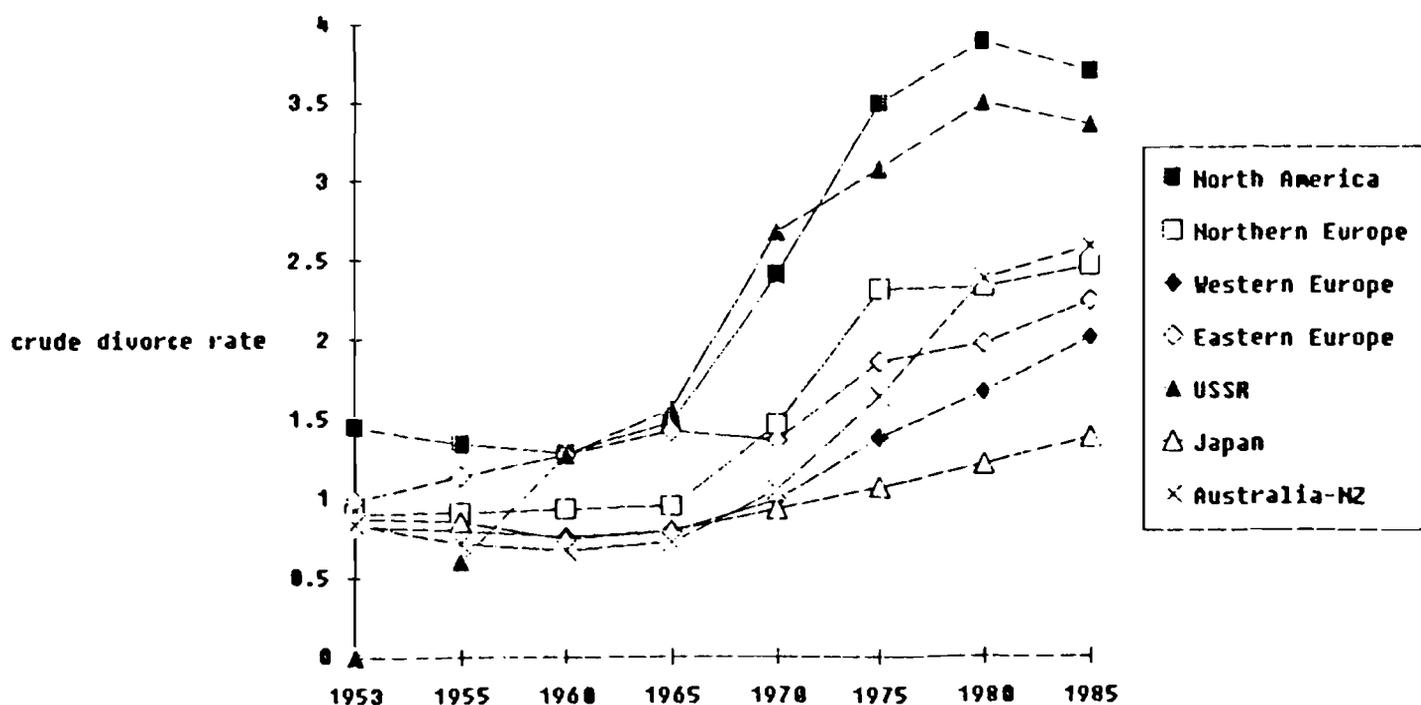
TABLE IV. Crude Divorce Rate⁴ in selected countries and average change per year 1960-85

	CRUDE DIVORCE RATE					AVERAGE CHANGE PER YEAR		
	1953	1960	1970	1980	1985	1960-70	1970-80	1980-85
<u>North America</u>	1.44	1.28	2.41	3.89	3.70	0.11	0.15	-0.04
<u>Northern Europe</u>	0.90	0.93	1.46	2.33	2.46	0.05	0.09	0.03
<u>Western Europe</u>	0.82	0.76	0.99	1.67	2.01	0.02	0.07	0.07
<u>Eastern Europe</u>	0.98	1.27	1.36	1.97	2.24	0.01	0.06	0.05
<u>USSR</u>	..	1.27	2.68	3.50	3.36	0.14	0.08	-0.03
<u>Japan</u>	0.87	0.74	0.93	1.21	1.38	0.01	0.02	0.03
<u>Australia-N.Z.</u>	0.83	0.67	1.05	2.38	2.59	0.04	0.13	0.04

Source: United Nations, (1968, 1976, 1982 and 1986)

⁴The crude divorce rate is the annual number of divorces per 1000 mid-year population. The regional averages are the unweighted average of national figures.

FIGURE 2 Divorce Rates in Industrialized Countries



progress in reducing the incidence of child poverty as well as of most of its more visible manifestations, such as a relatively high infant mortality in several countries or unequal access to education and child care in most of them. Second, there was the development of an ever more comprehensive state family support system. These positive factors were reinforced by an optimistic economic outlook, the end of the "baby boom" and the prospect of a decline in the number of children and adolescents, and by growing concerns with the ageing of the population.

In spite of the remarkable progress recorded, a number of problems remained unresolved, principally:

a) the persistence of a substantial number of children in pockets of "traditional poverty". Estimates of the European Community indicate that while the overall poverty ratio had declined to 12.8 percent by 1975 for the 12 Member Community, it was about twice as large in Portugal and Greece (O'Higgins and Jenkins 1989). In Portugal, a different assessment places the incidence of poverty in rural areas in 1973-74 at 45 percent of the rural population (da Costa et al 1985). The same analysis suggests that the incidence of poverty was even higher (above 50 percent) for the child population of certain socio-economic groups like agricultural labourers and marginal farmers. Over thirty percent of such children were born without any medical assistance, while a large proportion of them would grow up without running water (53 percent), electricity (20 percent) or a bathroom (33 percent). About half them would not complete four years of elementary education, while only one or two percent of them would complete secondary or higher education. Many would start working in their early teens, while a good number of them would be affected by "hidden monoparentality" as fathers migrated abroad in search of employment. Rural Portugal was not a unique case. There were similar situations in the mid 1970s in large pockets of underdevelopment throughout Southern and Eastern Europe and in "inner city" ghettos of the United States and some Western European countries. Hence, even traditional poverty - that linked to material deprivation - had not disappeared.

b) The unequal distribution of the improvements in child welfare among social classes. Recent studies indicate, for instance, that the differences in

perinatal, infant and child mortality rates did not narrow between 1950 and the early 1970s, suggesting, on the contrary, a great stability of social differences in mortality. A few examples illustrate this phenomenon.

Infant mortality rates declined considerably in France for all social groups between 1950 and 1970. However, the differential between unskilled workers and professional classes moved only from 2.76 in 1950 to 2.49 in 1970 (United Nations 1982). In the United States, the non-white to white infant mortality ratio rose markedly from 1950 (1.66) to 1966 (1.88) to decline to 1.70 in 1975 (Children's Defense Fund 1989). Similarly the ratio of the percentage of non-white to white infants born at low birth weight steadily increased from 1.44 in 1950 to 1.94 in 1975 (*ibidem*). There are some indications that even in countries with lower income inequality and less discrimination in access to basic services such as the Scandinavian and Eastern European countries, inequalities in health for children have persisted or even widened. In Denmark the overall neonatal mortality rate declined between 1970 and 1974 from 11 to 8 per thousand but the differential in neonatal mortality of children born to unskilled workers compared to those born to self-employed increased from 2.6 to 3.3 (Townsend and Davidson 1982). Similar results were found for Poland. Finally, a comprehensive review of the literature (Antonovsky and Bernstein 1977), discussing 26 different trend studies on social class and infant mortality for Europe and the U.S.A. concluded that by the mid 1970s strong class differentials persisted with respect to infant mortality and its two components, neonatal and post-neonatal mortality. By 1975, therefore, a newborn in an unskilled worker's family in Europe and the U.S.A. still was, on average, two to three times as likely to die during the first year of life as was a newborn from a professional family (*ibidem*).

c) the surfacing of new problems - often referred to as the "new poverty" - and not necessarily associated with material deprivation. These new problems became much more acute in the subsequent fifteen years and were largely the result of the pattern of social and economic development adopted during the previous three decades. To start with, the proportion of the population living in cities in industrialized countries had risen sharply to 60-80 per cent by 1975. Social contacts and feelings of community solidarity weakened. The lack of public spaces for playing, meeting and services (which are typical of most new peripheries) led to growing problems in the area of early child socialisation

and care, to loneliness, social marginalisation and dependence on TV.

The amount and quality of adult-child and child-child interaction has probably declined and perhaps hampered adolescent psychosocial development. In the Soviet Union public authorities have talked of "social orphans" following the changes in family structure towards nuclearisation, monoparentality and growth of one-child families. The problem of early child socialisation was aggravated by the rapid increase in female labour force participation in countries still lacking in early child care facilities, and having a traditional division of child rearing responsibilities among parents. Female labour force-participation was estimated in 1975 at about 51 percent in USSR, 45 percent in Eastern Europe and between 32 and 38 percent in North America and Southern and Western Europe (United Nations 1980). Finally, the rapid migration to several countries of Western and Northern Europe by citizens from other industrialized or developing countries led in some instances to problems of cultural and social marginalisation, as well as problems of school attendance and academic achievement for the children of the migrants.

II. THE 1975-89 PERIOD: SLOW-DOWN AND POLARISATION IN CHILD WELFARE?

Broad tendencies

In many respects, trends in child welfare over the 1975-89 period differed substantially from those observed between 1950 and 1975. There were three reasons for this. To start with, progress in child welfare has slackened during the last fifteen years in a number of countries. In some of them, such as the Soviet Union and the United States, the slow-down in improvement in child welfare was pronounced. Second, the differential improvement among countries widened. For instance, while Japan and Sweden were largely unaffected, several Western and Eastern European countries experienced the negative effects of the social changes and economic dislocations of the second part of the seventies and eighties. And last, the "new poverties" which started to surface in the late sixties intensified, including relatively new and more subtle forms of deprivation affecting children such as single-parenthood, marginalisation, homelessness and drug addiction.

The dynamics of these phenomena are complex and possibly diverge between countries. However four factors contributed to these tendencies and will be discussed in detail in view of their centrality in these processes. They are:

- the slow-down in economic growth;
- the relative neglect of social policy towards children;
- the further erosion of the traditional family and the acceleration in the growth of monoparental families;
- and a possible erosion of social cohesion in many communities.

These factors will be discussed in greater detail hereafter.

Causes of slow-down in welfare

a) Slow growth, rising unemployment and worsening income distribution. Economic growth has slowed down considerably since the early to mid-1970s in all industrialized countries. In market economies growth in GDP per capita fell sharply from an average of 4 and 5 percent in 1950s and 1960s to a meager 1 to 2 percent over 1980-87 (Table III). In a number of years, particularly in 1974-5 and 1980-83, growth in GDP per capita actually turned negative in several countries including Italy, the United Kingdom and the Federal Republic of Germany. Only Japan, Norway and Finland were relatively less affected.

The 1970s and 1980s were marked also by a gradual but steady slow-down in growth in the centrally planned economies of Eastern Europe and the USSR. Growth in Net Material Product (NMP) per capita was reduced from 6.9 percent in Eastern Europe and 9.3 percent in USSR in the 1950s, to 2.2 in Eastern Europe and 3.6 percent in USSR over the 1980-86 period (Table III). Poland, Hungary and Czechoslovakia were the countries where the decline was most pronounced, with actual drops in NMP per capita in several years. The slowdown in growth in market economies was associated with marked increases in inflation and unemployment, two factors significant in the rise in poverty discussed later in this paper. Inflation (as measured by the Consumer Price Index) had remained broadly constant (at 2-3 percent) during the 1950s and 1960s but accelerated sharply to 10 percent on average for the OECD countries in the 1977-79 period. In the 1980s, it declined gradually owing to stringent monetarist policies

intended to control it. Although successful in combatting inflation, these policies contributed to the strangulation of growth in 1974-5 and 1981-2 which, together with the decline in labour intensity of production in Western Europe, swelled the ranks of the unemployed. By 1985 the number of unemployed in industrial market economies exceeded 30 million, close to 9 percent of the labour force, while the average duration of unemployment increased significantly. Women, the young, unskilled workers and ethnic minorities were, and still are, disproportionately represented among the unemployed. Due to the social security systems put in place in the 1950s and 1960s and especially unemployment insurance schemes (the coverage and duration of which were extended in many countries during the 1970s), the number of unemployed falling into poverty was less than the total increase in unemployment. As unemployment benefits have limited duration and are not shared equally by all segments of the labour force such as the young (who have been unable to build up entitlements) or part-time workers, unemployment remained a major cause of income loss, of growing insecurity and, for some, of poverty. Only a limited number of countries were moderately affected by the explosion of unemployment, among them Japan where the unemployment rate increased to a modest 2.4 percent over 1980-85. Conversely, the situation was most acute in Western Europe where unemployment had reached the staggering level of 11 percent by 1985.

It is significant that the 1975-1989 period saw an increase in the number of part-time and low-pay jobs, partly the result of the industrial restructuring undertaken in these years and partly a response to the spread of the low productivity service sector. While the growth of low-pay jobs has offered additional employment and earning opportunities - particularly for women and the young - it also was a main cause of the rise in poverty in those households earning only one income (because of illness, monoparentality, adults living alone, long-term unemployment or other). In some countries low pay has resulted from an actual compression of the wage rate, particularly at the bottom of the wage ladder. In the United States, for instance, in 1979, earnings from full-time, year-round work at the minimum hourly wage of 3.35 US\$ were sufficient to lift a family of three above the poverty line. By 1988, the minimum wage - which was never adjusted for inflation - had lost about thirty percent of its purchasing power (Children's Defense Fund 1989).

These trends in unemployment, insecure and poorly paid employment and the compression in minimum wages seem to have outweighed the effect of an overall increase in the number of income earners in a number of industrialised economies. There is some evidence that during the last fifteen years median household incomes in real terms have tended to decline. In the United States, for instance, the real median family income declined from about 29.000 US\$ a year in 1979 to 27.700 in 1985, a level equivalent to that in 1969 (Danziger and Gottschalk 1989, p. 176). Similar evidence is available for France where average wages lost 2 percent of their purchasing power between 1982 and 1988 (Documentation Française 1989), Australia (Edgar et al 1989) and other countries. In contrast, mean household expenditure rose in Japan by 53 percent over the 1975-85 period (Preston and Kono 1988).

In marked contrast to the trends over the 1950s and 1960s, the relative income distribution seems to have worsened in several industrial market economies (Table V). No thorough compilation has yet been made available but there is some prima facie evidence that income concentration increased in countries as different as the United Kingdom, France, Australia and the United States.

TABLE V Relative income shares of bottom 40 percent and top 20 percent of the population in selected countries around 1979/80 and 1985/87

	Year	Australia	United Kingdom	United States	Canada
Share of	1979/80	43.4	36.0	39.1	42.0*
top 20%	1985/87	45.4	42.0	41.7	43.2
Share of	1979/80	14.6	22.0	19.2	3.8
bottom 40%	1985/87	14.2	17.3	17.2	4.7

* refers to 1977

Source: Australia: Edgar et al., (1989); United Kingdom: Central Statistical Office: Economic Trends (various issues); USA: Danziger and Gottschalk (1989); Canada Statistics Canada (1987).

Slower economic growth in the late 1970s and 1980s affected the centrally planned economies of Eastern Europe and the Soviet Union in a different way. Loss of employment was not an issue and a large proportion of private needs are

provided publicly. However, with growth slackening - and efforts unchanged in the areas of capital accumulation and defense - the level of funds set aside for a variety of social purposes has drifted downward. Most affected were those waiting to benefit from extensions or upgrading of particular public services and social benefits. The burden has fallen disproportionately on those waiting for housing (in the Soviet Union, for instance the number of new apartments built declined in the 1980s). It fell also on those in remote and rural areas lagging behind national norms, and on other special groups such as families headed by women. In the centrally planned economies, the distribution of income has probably changed more among regions and for particular groups of households, than for income levels. With stable administered prices, open inflation was not much of an issue until the late 1980s. The growth in "suppressed inflation" associated with slow growth in material production is reflected in an increasing shortage of basic goods affecting some people and areas more than others. As queueing has taken more time, those with no access to privileged distribution networks or with little time have been hardest hit. Married women and single mothers with full-time jobs as well as household and child care responsibilities have had to put in much longer work-days which exceeded their own previous levels as well as those of most men.

b) Erosion of the traditional family and the rise in monoparental families

Changes in family structure have been underway since the 1950s if not earlier but they appear to have accelerated sharply since the early-mid seventies in many of the countries under consideration.

On the one hand, the tendency towards nuclearisation of the family has continued. On the other, there has been an increase in consensual unions (informal marriages), particularly in Northern Europe. In Sweden, the country where this phenomenon is most accentuated, the proportion of women in the 20-24 age bracket living in consensual unions increased from 29 to 44 percent in only six years (United Nations 1988a). The growth of consensual unions has been as pronounced in Norway and Denmark but more moderate in France and the Federal Republic of Germany and rather modest in the United States and in Southern and Eastern Europe. The rise in consensual unions has led to a major increase in the number of "out of wedlock" births, representing, in 1980, 42 percent of all births in Sweden, 38 percent in Denmark and over 20 percent in the German

Democratic Republic (Wynnyczuk 1986). In the large majority of these cases, however, the child is not likely to suffer any material or psychological deprivation for the lack of the formal marriage, particularly where family legislation has been adapted to this new social reality.

In contrast, the phenomenon which has caused serious concerns among policy makers, for its potentially adverse effect, is the continuous rise of monoparentality.

The incidence of monoparentality depends upon trends in official and unofficial marriages, divorces/separations, remarriages and risk of widowhood. Rates of marriage (i.e. the average number of marriages per 1000 inhabitants) have been on the decline, particularly since the early 1970s, in practically all industrialized countries, more pronouncedly so where consensual unions have risen even only marginally. For instance, the average rate of marriage declined between 1970 and 1983 from 7.7 to 6.0 in Western Europe and from 8.6 to 8.0 in Eastern Europe (Wynnyczuk 1986).

As already discussed in Part I, divorce rates, after peaking immediately after World War II, had been decreasing or increasing only moderately until the early 1970s. During the 1970s, however, they accelerated sharply (Table IV). Re-marriage rates also declined and the risk of widowhood dropped sharply due to the improvements in adult health conditions of the last twenty years.

The net result of these four trends has been a substantial rise in single-parent families. Table VI documents precisely the sources of the staggering increase in the number of children living in single parent families in the United States. In 1988, their proportion had reached 24.3 percent, more than double the 1970 level of 11.9 percent.

TABLE VI Children under age 18 living With One Parent Only in the United States for selected years.

	1970	1982	1985	1986	Percentage change 1970-86

Child lives with mother					
Who is	Number in millions				
Divorced	2.3	5.1	5.3	5.4	+135
Separated	2.3	3.1	3.0	2.9	+ 26
Never married	0.5	2.8	3.5	3.6	+620
Widowed	1.4	1.1	0.9	0.9	- 36
Total children living with mother only*	7.5	12.5	13.1	13.2	+ 76
Child lives with father					
Who is	Number in thousands				
Divorced	177	658	750	796	+350
Separated	152	255	329	289	+ 90
Never married	30	114	260	318	+960
Widowed	254	144	162	145	- 43
Total children living with father only*	748	1,189	1,554	1,579	+111

Source: Cherlin (1988).

* Includes children in "married, spouse absent" families, not separately shown.

It is clear from the table that while the main reason for living with only one parent is still divorce, the fastest growing group of children living in this conditions belongs to families where the mother was always single - never married or living in a consensual union.

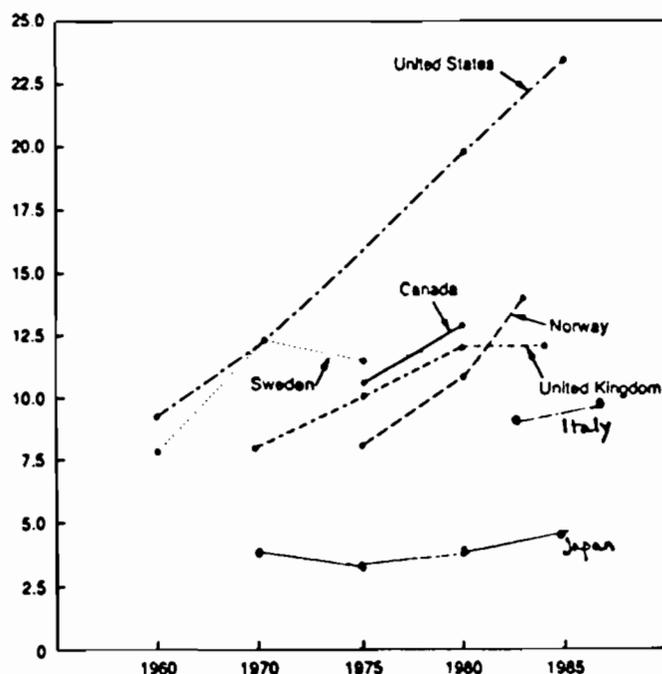
In no other industrialized country is the incidence of monoparental families as pronounced as in the United States. Causes of monoparentality vary markedly from country to country. In Italy, never-married and divorced or separated female heads of families accounted for only 20 percent of all

monoparental families in 1983, although their incidence is greater among younger women (Saraceno 1989). Preliminary search of sources gives a very broad base for comparison although figures are not strictly comparable. Using this information from around 1985, the following broad percentages of children were living in single parent households:

Japan	4.8	Belgium	} over 10.0	Sweden	12.0
Czechoslovakia	8.9	Ireland		Canada	12.5
Australia	9.0	Netherlands		Germany R.F.	13.0
Italy	9.6	Poland	11.0	Norway	19.0
France	10.0	United Kingdom	12.0	United States	26.0

Figure 3 illustrates trends over time in the proportion of children in single-parent families. Also in this case, these trends are to be seen as descriptive of broad tendencies and not as the base for a precise comparison among countries.

FIGURE 3 - Trends in the percentage of children (less than 18) living in single-parent families for selected countries, 1960-1985.



Source: for Italy: Saraceno (1989); for Japan: Preston and Kono (1988); for all other countries: Jencks and Boyle Torrey (1988).

This relatively extensive analysis of the levels and dynamics of monoparentality is justified in view of the severe material and psychosocial deprivation the child can suffer. Three separate risks can be identified (Garfinkel and Mc Lanahan 1986):

- i) fall into poverty, with all the attendant implications in terms of inadequate nutrition, homelessness and other material deprivations. Monoparental families (overwhelmingly headed by women) are at much greater risk of falling into poverty because: the discrimination of women in the labour market renders the earning power of the primary breadwinner (the mother) both relatively low and lower than that of men; the contribution of other family members - the non-custodial father, in particular - is low; and in most countries, public transfers to women who head such families, with the exception of widows, are still quite meager;
- ii) inadequate parental guidance, supervision and parent-child interaction during early childhood, childhood and adolescence, with all attendant implications in terms of risk of injury, insufficient stimulation and reduced educational achievement. Research on cognitive ability, for instance, shows that children in one-parent families scored lower than children in two-parent families, while having substantially higher chances of dropping out of school. Research has shown that single-parent children have lower incomes in adulthood and a greater chance to be poor;
- iii) emotional and psychological maladaptation due to identity problems caused by the absence of a parent. A panel study of children born out of wedlock in Czechoslovakia shows the greater need of these children for emotional and social support (Dunovsky, quoted in Wynnyczuk 1986). In addition, research on the effect of family formation behaviour shows that daughters who grow up in single-parent families are more likely to become heads of such families themselves.

c) The relative neglect of social policy towards children and adolescents

Over the last fifteen years, social security systems were strengthened in both industrial market economies and centrally planned economies through more widespread pension coverage and improvements, consolidation and, in some cases, trimming of other existing programmes. Overall social expenditure as a proportion of GDP continued to expand in many industrial market economies until 1980/1 when major efforts to contain public expenditure and budget deficits were undertaken as part of the new monetarist approach to macroeconomic management which sees the growth of public expenditure as inflationary and an obstacle to growth. While government consumption expenditure (which includes outlays on health and education) was stabilized or even reduced, social security transfers continued to grow, in part for reasons beyond the control of governments (such as the ageing of the population or the persistence of high rates of unemployment). As major exceptions to this trend, most Scandinavian countries started to reduce the proportion of social security transfers, although from extremely high levels (20-25 percent of GDP).

Few countries had developed social policy towards the family to the extent of a comprehensive support system. Parents or children still had to bear additional costs, forego income flows or face particular needs in the face of a number of events. The main elements of existing family policies include:

- maternity (or paternity) leave, now of an average duration of six months (with a minimum of sixteen weeks in the USSR and Romania and a maximum of one and a half years in Sweden) and with cash benefits typically at around 80-100 percent of the mother's salary (or, exceptionally, of the father's, if he is the one taking leave). In the United States, however, guaranteed maternity leave exists only in a few states, while its duration is generally reduced to about twelve weeks. In all countries of Eastern Europe and the USSR, an ad-hoc child birth grant (between a quarter and a half of an average monthly salary) is granted.
- child care leave, generally granted in most Eastern European countries to mothers of children up to three years at a fraction (around 50%) of the mother's salary and child sick leave (generally up to sixty days a year at about 50-90 percent salary)

- a public, universal, child benefit, aimed at (partially) equalizing the family burden, although in some countries it was conceived as an instrument of selective wage-supplementation or of pro-natalist policy. With the exception of the United States and Japan, all industrialized countries have some type of child allowance. Amounts vary enormously, from close to zero in Spain, to about three percent of the average manufacturing wage (for a family with two children) in Canada and Ireland, to around 10 percent in Austria, Belgium and Sweden and to 23 percent for Czechoslovakia. In the United States, the Aid to Families with Dependent Children (AFDC) provides means-tested cash payments for caretakers of needy children, if children have been deprived of parental support.
- a guaranteed child support (alimony) payment is also being introduced in some Western and Eastern European countries (such as all of Scandinavia, France, Poland and few others). This benefit is advanced to the custodial parent by a government agency when child support payments owed by the absent parent are not paid, paid irregularly, or are too low. The same agency assumes responsibility for the collection of child support from the absent parent.
- the universal provision of free or highly subsidized pre-school education, health care and education for all children.

Although most countries - with the exception of the United States, Japan and Australia - share the same broad approach to family policy, the actual value of the amounts transferred varies considerably. It has been estimated, that in the early 1980s the overall value of cash transfers represented, 95 percent of the earned income of an employed single-mother in Sweden, 60 percent in France, about 30 percent in the United Kingdom and Federal Republic of Germany and 20 percent in Pennsylvania (United States) (Kahn and Kamerman 1983). Although comparable data are not readily available for Eastern Europe, the value of the overall transfer is high in countries with an explicit and comprehensive family policy such as Czechoslovakia and Hungary (Gordon 1988).

Social security policies can be assessed in terms of their ability to remove children from poverty. This is done for instance in Table VII which

assesses the incidence of poverty in families before taxes and income transfers and after taxes and income transfers. Table VII shows that the incidence of poverty is being reduced in all countries. The impact of public transfers appears to be highest in Sweden and Norway (which rely more on universal benefits) and lowest in Australia and the United States (where means-tested programmes are more common). It appears also that, with the exception once again of Sweden and Norway, the impact of public transfers in reducing the incidence of poverty is somewhat lower among single-parent families which, even after transfers, continue experiencing poverty rates much higher than average.

Table VII highlights also one of the main drawbacks of social policy in industrial market economies, i.e. the relative neglect of children as compared to the elderly. Poverty reduction rates (last column of Table VII) are in fact much higher for the elderly than for families with children or single-parent families in almost all cases. This is due to the relative backwardness of social policies for the family. Indeed with the possible exception of a few countries in Northern and Eastern Europe, most family allowances are:

- i) lagging behind in financial terms;
- ii) rarely universal in nature; and
- iii) have only slowly and incompletely adjusted to the emergence of profound changes in the social fabric - such as rising divorce, single parenthood and labour force participation of women or the rise in the number of children with specific needs such as the children of migrants.

Child benefits, often low to start with, are indexed to inflation in only about one fourth of industrialized countries. There are many examples of declines, if at times temporary, in the real value of some child benefits in countries as different as Italy (Artoni and Ranci 1989), the USSR (Likhanov 1987), Portugal (da Costa 1985) and the United States (Palmer et al, 1988) while in others the decline in the value of child benefits has been relative to the value of transfers to other social groups (such as the elderly). Table VIII illustrates this point by examining trends over time in the ratio of per capita social security expenditure on family benefits to per capita social security expenditure on old-age pensions.

TABLE VII Role of Public Transfers in Removing Various Type of Families from Poverty; Selected Countries, around 1980/1

Family Type and country	<u>Percentage of poor families</u>		Overall poverty reduction rate
	Pretax/ pretransfer	Posttax/ posttransfer	

Families with children			
Australia	17.6	15.0	14.8
Canada	13.6	8.6	36.8
Germany, F.R.	7.9	6.9	12.7
Norway	12.1	6.4	47.1
Sweden	10.4	4.4	57.7
Switzerland	4.4	4.1	6.8
United Kingdom	14.1	8.5	39.7
United States	16.6	13.8	16.9
Single-parent families			
Australia	67.6	61.4	9.2
Canada	48.0	35.3	26.5
Germany, F.R.	37.2	31.9	14.2
Norway	35.2	17.6	50.0
Sweden	33.1	7.5	77.3
Switzerland	14.5	11.9	17.9
United Kingdom	53.1	36.8	30.7
United States	49.3	42.9	13.0
Elderly families			
Australia	72.2	23.8	67.0
Canada	56.8	5.9	89.6
Germany, F.R.	80.6	17.1	78.8
Norway	76.6	19.6	74.4
Sweden	87.9	2.6	97.0
Switzerland	59.8	7.3	87.8
United Kingdom	77.6	40.9	47.3
United States	59.0	18.7	68.3

Source: Adapted from Smeeding et al (1988), Table 5.11.

TABLE VIII Relative per capita spending on old-age family benefits, selected countries and years, 1960-84

	Per capita family benefits as a percentage of per capita old-age benefits				
	1960	1970	1975	1980	1984
Australia	8.5	5.6	3.7	7.9	10.3
Canada	11.3	6.0	10.1	5.7	5.0
France	28.0	16.2	15.4	14.4	13.5
Germany, F.R.	1.4	2.3	7.4	8.1	6.4
Italy	18.1	9.3	8.7	5.3	4.5
Japan	0.0	21.6	17.7	13.9	11.9
Netherlands	9.8	10.7	8.7	9.7	10.3
Sweden	15.8	13.4	14.8	12.2	10.1
United Kingdom	7.8	9.8	7.3	18.0	21.1
United States	1.4	3.2	3.6	3.3	3.0

Source: Varley (1986)

The needs of children and the elderly are very different as are their sources of livelihood (with the elderly relying much more on transfer incomes). It does not make much sense therefore to compare the ratios of Table VIII at any particular point in time. More interesting are, in contrast, trends over time. They reveal that the ratio remained broadly constant in 3 cases (the Netherlands, Australia and in the United States, at a very low level) while declining in 5 cases and increasing moderately in the Federal Republic of Germany and, substantially, in the United Kingdom.

All this means that while a broadly adequate policy to protect the elderly from poverty has been developed over the last few decades, the formulation and resources for a comprehensive family policy are still lagging behind.

d) Erosion of community linkages. The erosion of a sense of community and solidarity among the members of the same neighbourhood or group is another factor which may have negatively influenced welfare over the last fifteen-twenty years, particularly in the field of socialisation and protection of children and adolescents. Some of these linkages inevitably weaken with mass urbanisation. Loneliness, social marginalisation, lack of purpose, and social deviance have

become more severe where traditional communities and informal structures (such as various types of youth associations, the parishes, the boy-scouts, sport associations and others) have disappeared without new replacements.

Evidence about child poverty and deprivation over the last fifteen years

a) Overall poverty and child poverty. With the exception of the United States, data on the incidence of poverty have never been abundant. Over the last ten-fifteen years, however, much more information has become available on the extent and dynamics of poverty. In addition, international comparability has improved considerably. This allows a tentative picture to be drawn of overall and child poverty around 1985 and of its changes over the last 10-15 years. But at the outset problems of data availability (particularly from Eastern Europe) and comparability temper the validity of the conclusions.

Despite these caveats, the picture seems to be that overall poverty increased in most countries of Western and Southern Europe, the United States, Hungary and probably Poland and Australia. In contrast, in Japan, Sweden, Belgium, possibly Czechoslovakia and, most likely Norway, poverty has continued dropping; lack of information on the USSR, several of the Eastern European countries and New Zealand does not allow any specific conclusions.

In 1989 the Commission of the European Communities estimated the incidence of poverty for the 12 Member Community for the 1975-85 period (O'Higgins and Jenkins 1989). People were considered to be in poverty if they lived in households with an adjusted disposable income of less than fifty percent of the average adjusted disposable income. The study reckoned that the number of people in poverty rose from about 38 million (or about 12.8 percent of the total Community population) to about 44 million (or about 14 percent of the total). Most of the increase occurred between 1980 and 1985 and concerned all countries in the community with the exception of Luxembourg and Greece, where the extent of poverty remained stable and of Belgium and France, where poverty declined. The largest increase was in the United Kingdom.

The composition of the poor population changed markedly over the 1975 - 85 period, with similar trends in several of the 12 countries of the Community. The number of elderly in poverty declined sharply while poverty increased rapidly among the unemployed, those employed in precarious jobs, migrants and single parents. Independent studies using comparable methodologies came to similar conclusions about the levels and composition of poverty for Germany (Hauser and Semerau, 1989), Italy (Commissione di Studio istituita presso la Presidenza del Consiglio dei Ministri 1985) Ireland (Callan et al 1989) and the United Kingdom (Bradshaw 1989).

Poverty estimates for the United States, Canada and Japan were obtained by means of a poverty line which is kept constant over time in real terms. Underlying this measure is an absolute rather than a relative concept of poverty. In Japan, the percentage of persons living in households with a monthly expenditure of less than 100.000 Yen declined from 25 percent in 1975 to 12 percent in 1980 and to 9.5 percent in 1985 (Preston and Kono 1988). In the United States, in contrast, the overall poverty ratio which had continuously declined until 1979, rose sharply until 1983 while declining only marginally over the next few years (Smolensky et al 1988). In Canada, poverty declined substantially between 1973 and 1981 but rose modestly between 1981 and 1986 (Wolfson 1989). In the U.S.A and Canada the overall change in poverty levels has been accompanied by a shift in the composition of the poor similar to that illustrated above.

Comprehensive poverty data for the countries of Eastern Europe and the USSR could not be identified. However, data for Czechoslovakia show that the proportion of families with children living below a minimum social level of consumption declined between 1975 and 1985 from 11.4 to 8.2 percent of the total (Kovarik 1988). Survey data from Poland, in contrast, show that the proportion of families below the poverty line increased from 19 to 23 per cent between 1979 and 1987, particularly during the martial law period characterized by a severe shortage of goods (Kurzinowsky 1990). In Hungary, the incidence of poverty increased between 1977 and 1987 from 11.7 to 12.7 percent of the population (Szalai 1989).

After more than two decades of steady progress involving all industrialized countries poverty started to rise again in the mid-1970s, in about two thirds of the countries for which data are available - although with different characteristics and among different social groups. In the other third of the countries, poverty appears to have continued to decline although at a slower rate than before as illustrated by the experience of Japan.

How have children been affected? As one would expect, the rise of poverty - or its slower decline - in several industrialized countries has not spared young children and adolescents. Just the contrary. Because of the changes illustrated in the previous section, poverty has increased disproportionately among children. Preliminary quantitative information on the incidence of child poverty over time is compiled below in Table IX. Data, while offering robust estimates of child poverty within each country, are not strictly comparable as different poverty lines were adopted in the country study surveyed.

TABLE IX Incidence of poverty among children for selected countries and years (percentages)

	Around 1970	Around 1975	Around 1980	Around 1985
Canada	18.0	16.9	15.9	17.0
Czechoslovakia	..	11.4	9.3	8.2
Germany, F.R.	14.0	7.4	8.7	8.9
Hungary	..	17.1	..	20.0
Ireland	..	15.7	18.5	26.0
Japan	..	25.3	12.8	10.9
Sweden	7.5	..	6.8	..
United Kingdom	9.0	18.1
United States	15.0	17.0	17.9	20.1

Sources: Canada: Wolfson (1989); Czechoslovakia: Kovarik (1988); Germany F.R.: Hauser and Semerau (1989); Hungary: derived from Szalai (1989) Ireland: Callan et al. (1989); Japan: Preston and Kono (1988); Sweden: Erikson and Fritzell (1988); United Kingdom: adapted from Bradshaw (1989).

Data of Table IX indicate that by the mid 1980s, roughly between 8 and 26 percent of children in the countries listed in the table lived in poverty. Data for 1980 for countries not included in the table, suggest (Palmer et al 1988) lower percentage rates for Norway (4.8) and Switzerland (7.8), and within the above range for Australia (15.9). Indirect estimates based upon the incidence of poverty among the overall population suggest a rate of about 14 for Italy (Commissione di Studio istituita presso la Presidenza del Consiglio dei Ministri 1985) and higher -between 25 and 30 for Spain (Equipo de Investigacion Sociologica 1984), Portugal (da Costa et al 1985; Silva et al 1989) and Poland. No estimates could be obtained for the other countries of Eastern Europe and the USSR.

More interesting are the data showing that child poverty increased in six out of the nine countries included in Table IX, i.e. Canada, Germany R.F., Hungary, Ireland, the United Kingdom and the United States. More recent data for the Federal Republic of Germany show that the incidence of poverty has intensified over the 1983-86 period. The increase has been most pronounced in Ireland and the United Kingdom. In all countries except the Federal Republic of Germany the increase has been the fastest during the 1980-85 period. The data of Table IX suggest also that the decline in child poverty observed in Japan and Czechoslovakia slowed down markedly over the same period, particularly in Japan. In Sweden, child poverty declined moderately from an already very low level.

However incomplete and preliminary, the data tends to point to a situation in which child poverty is rising - at times dramatically - or declining more slowly. A more detailed analysis would show that poverty increasingly affects the children of the long-term unemployed, of those adults in precarious or low-paid jobs, the children of established and new migrants (as clearly shown, for instance, by the data on the Federal Republic of Germany), children in single women-headed households or in unstable unions and unemployed youth.

Before concluding this section, it is worth emphasising one of the most pronounced phenomena of the last fifteen years, i.e. the divergent paths of

poverty rates for the elderly (lighter line) improved in all countries. Poverty rates for children (darker line), in contrast, increased in four of the countries. In addition, even in the countries where there has been a decline in child poverty (Sweden and Japan), the decline has been faster for the elderly than for children (Figure 4).

Initial evidence on child welfare trends

The above discussion has centered almost exclusively upon the evolution of child poverty. The emphasis on lack of financial resources is certainly justified, but it should not obscure trends in other indicators of child welfare.

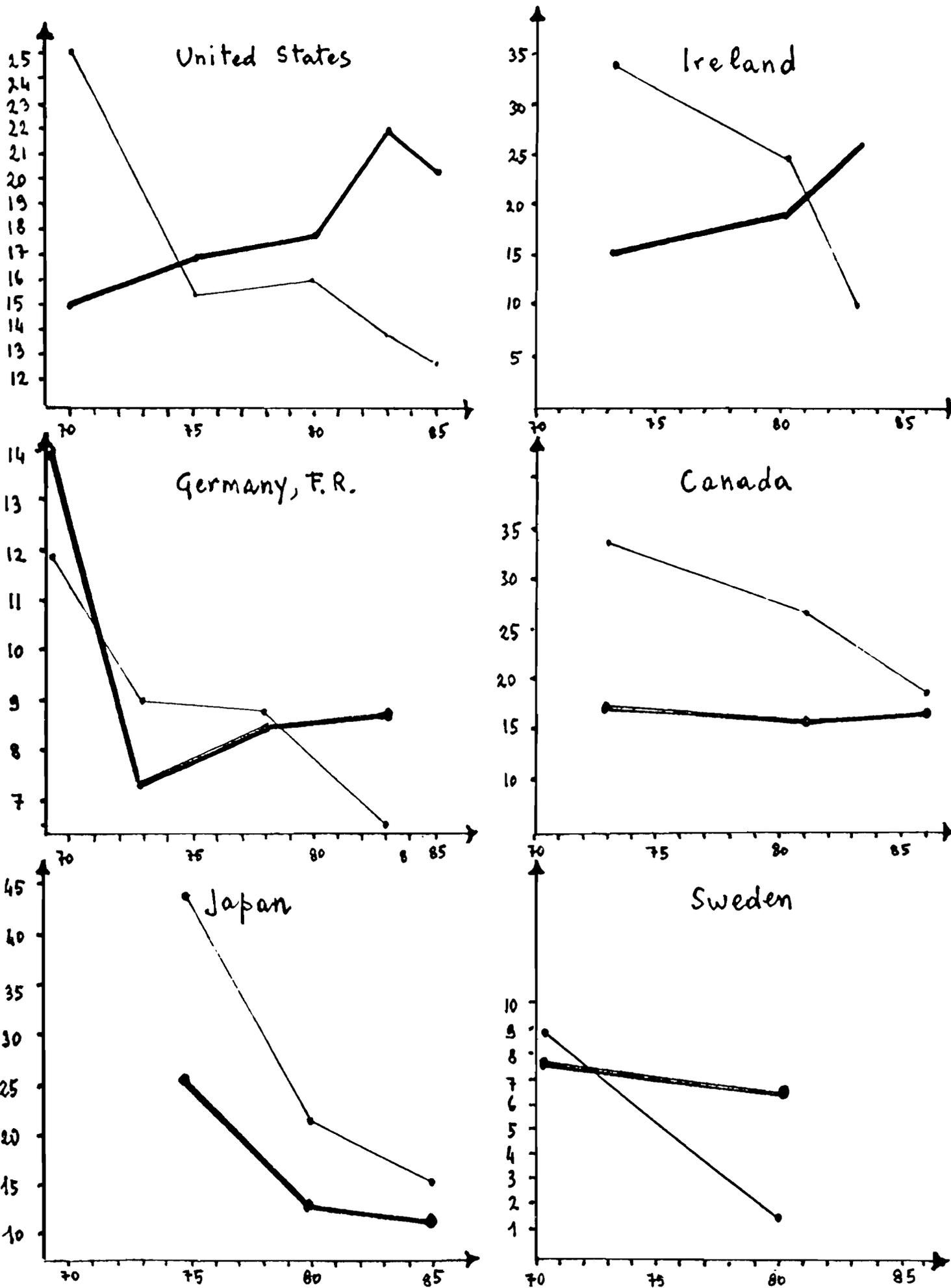
For instance, when financial poverty has increased, has the health status or cognitive development of children worsened? Do children feel in the early 1990s more a part of a cohesive society than in the late 1970s? Is social maladaptation less or more common than before? While investigation into these issues continues, it might be useful to list the evidence so far.

a) Health status: IMR trends. In most countries, infant mortality rates over the 1975-90 period continued the rapid decline initiated twenty-five years ago (Table I). Such progress must be qualified on four counts.

First, with few exceptions, quinquennial percentage gains over the last fifteen years have been smaller than during the previous period. The slow-down, however, is not too surprising in view of the low level of mortality of most countries.

Second, differential performance among countries has widened. Progress over the last few years has been disappointing in Greece, Bulgaria, Hungary and, in particular, the USSR (Table I). In the first three countries, progress stopped during the last five years. In the Soviet Union, IMR stagnated at around 25 per thousand for the last fifteen years, a sharp contrast with the extremely rapid progress recorded from the early 1950s to the early 1970s. No satisfactory explanation has been offered but some authors have suggested that the massive

FIGURE 4 - Poverty rates (percentages) for children (darker line) and the elderly (lighter line) in selected countries and years.



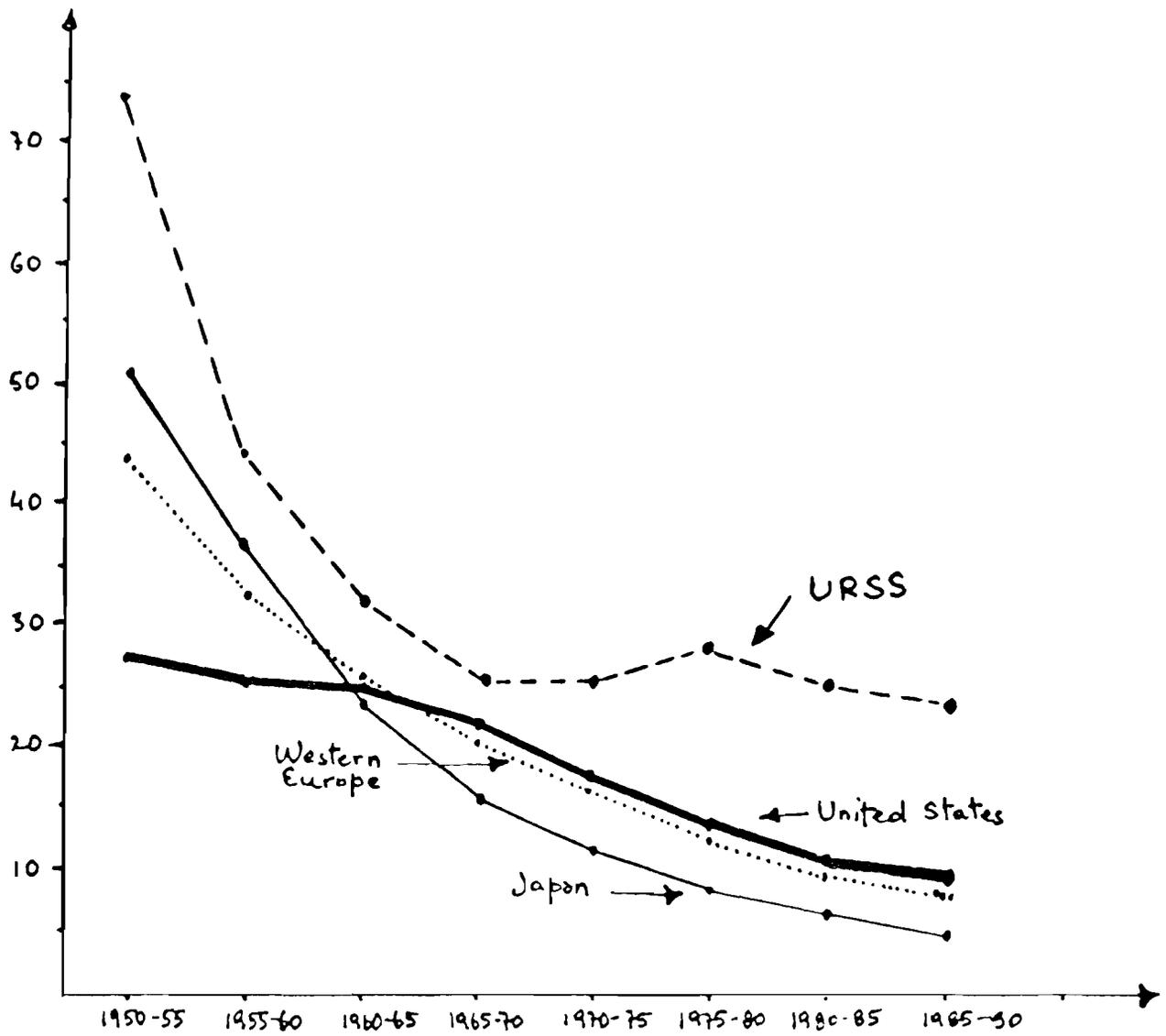
rise in alcohol consumption occurring during the 1960s, 1970s and early 1980s and a stagnant or deteriorating health infrastructure, particularly in peripheral areas, might have contributed to the flattening of the IMR curve. Figure 5 provides a graphic illustration of the differential performance of selected countries.

Third, while it is unclear whether infant mortality differentials (among social classes, urban and rural areas and developed and backward areas) have tended to narrow or not over the last fifteen years, in many cases they are still quite large. In the United States, the ratio of non-white to white infants born at low birthweight has further increased from 1975, while the IMR differential for the same two groups of population remained constant (Children's Defense Fund 1989). In the early 1980s in Australia the post-neonatal mortality rate for children of unskilled labourers was four to five times greater than that for children of professionals (Edgar et al 1989). Even in countries with explicit egalitarian policies like Sweden, there is still a close link between social class and risk of death among children, boys in particular (Olsson and Spant 1989). Regional disparities persist. In the USSR, for instance, in 1988, IMR varied from a low of 11 per thousand in Lettonia and Lithuania to a high of 53 in Turkmenistan and 49 in Tagikistan, with a ratio close to 1 to 5 (various authors, 1989).

Fourth, considerable "excess infant mortality" still exists in most industrialized countries with the exception of Scandinavia and Japan. Considerable improvements in medical technology have lowered the "biological minimum" to about 5 per thousand live births. This has been largely due to the improved chance of survival of low birth-weight infants and to a reduction in mortality from other endogenous causes. In addition, medical advances allow identification of high-risk pregnancies and their termination. If a rate of 5 per thousand were to be reached, about 184 thousand infant deaths could be avoided every year in the industrial world.

b) Health status: the new morbidity. The incidence of communicable diseases, acute respiratory infections and diseases of the digestive tract has fallen

FIGURE 5 - Infant mortality rates for selected countries and regions
1950-55 to 1985-90



Source: United Nations (1989) World Population Prospects 1988

radically in all countries as evidenced by the sharp reduction in post-neonatal and child mortality. But a new child morbidity has emerged mainly from two factors: one ecological and the other psychological. Concerning the first, food poisoning is on the increase together with food intolerance and allergies. There has been for instance, a sharp increase in the number of cases of asthma. In the United States the number of children hospitalized for asthma has increased by 225 percent between 1970 and 1987 (Newsweek 22 May 1989). The poor quality of the air affects children particularly in industrial and mining areas such as the Polish coal district of Silesia, where to preserve their health, children have to be taken regularly to summer camps.

Second, there are indications that the emotional wellbeing and mental health of children and adolescents have deteriorated over the past two decades in a number of industrialized countries. First, the suicide rate among adolescents has increased in the United States, Norway, Canada, the United Kingdom and Sweden (both until the late 1970s). No consistent trend is detectable in West Germany while in Japan, Italy and Czechoslovakia there was a decline (Cherlin 1988, Kovarik 1989, Palmer et al 1989, Consiglio Nazionale del Minore 1989). Second, survey data on young people's use of mental health services show that the number of consultations for emotional, mental or behavioural problems has significantly increased since the late 1960s. In the United States, where the change over time in the receipt of psychological help by adolescents was analyzed, the increase was found to have occurred primarily for children of broken families. Although the growing availability of facilities and personnel to provide psychological support may have facilitated the increase in consultations, it is believed that such an increase can rather be traced to changing family patterns, the breakdown of traditionally stabilizing institutions, loneliness, the loss of a sense of purpose and sense of community and -in several countries - the growing pressure of competing for limited educational opportunities (Cherlin 1988).

c) Social protection and social deviance. The issue of physical and sexual abuse of children has come to the fore in the 1980s and it is difficult to say to what extent this is due to the greater awareness of an existing problem or

compensated for the economic dislocations suffered during the 1970s and 1980s. In Japan, the level of public support for social welfare is relatively small by Western standards. Instead, a more egalitarian income distribution, faster economic growth and greater family and social cohesion have ensured progress in child welfare during the last fifteen years.

Third, there might be growing problems - if only partially documented and understood - in the areas of environment related child morbidity, of child abuse, emotional disturbances and psychosocial dysadaptation, and of social deviance.

As mentioned throughout the paper, the risks of poverty and other deprivation faced by children are growing faster, or declining more slowly, than those of other vulnerable groups such as the elderly. The risks are higher for children in single-parent and socially unstable families, for children of the long-term unemployed, of the employed in precarious and low-pay jobs, and the migrants. The risk of poverty and deprivation is also very high for children in backward areas and for the youth.

Prospects for the future are potentially positive , in spite of this composite picture. If the ongoing process of disarmament continues it could release important resources for children. Advances in technology and heightened public awareness of the new problems facing children and adolescents may facilitate the search for new solutions. Economic growth, remarkably improved over the last two years, is expected to continue at a moderate but steady pace. In addition, the economic and social reforms underway in many countries of Eastern Europe may also contribute in the long-term to improve child welfare. Nevertheless, in the short-term there are reasons to worry about child welfare in Eastern European countries. The reforms are unanimously seen as beneficial over the long-term but their introduction - particularly if hastened and not thought out in terms of their social implications - could cause important reversals in child welfare as already indicated by preliminary reports on the deteriorating situation of children in Poland and Hungary. The Ministry of Finance in Poland estimates that the economic measures introduced on January 1, 1990, will bring in the first year a 25 percent drop in real incomes, at least

400.000 thousand unemployed and the doubling or tripling of the prices of food, coal, energy and transport. Other observers put the expected number of unemployed by the end of the year at 1.8 million. Similar preoccupations have been manifested by several economists in the USSR where it is believed that uncontrolled liberalisation could lead to a rapid impoverishment of 30 percent or more of the population.

In this sense, an unregulated transition to the market economy could be very harmful for children, more so in these countries where the social security and unemployment compensation system, and the resources to fund it, are still inadequate.

Outline of possible policy recommendations

It would be absurd to offer generally applicable proposals for all countries given the enormous variability of situations in industrialized countries. The following are simply preliminary points to guide reflection on policy-making in such countries:

- a) Monitoring of the conditions of children. There is a need to monitor child welfare regularly and closely both in terms of its traditional indicators and by a more systematic collection and analysis of information on the "new deprivations" affecting children. Data on child abuse, homelessness, poverty, mental wellbeing, and social marginalisation are scanty and difficult to interpret, even in the most advanced countries and in spite of important progress in the 1980s.

The case for close monitoring of child welfare is particularly strong in "societies in transition", such as the Eastern European economies, or Western nations affected by changes in family structure, the effects of which are far from understood.

- b) Labour market policies. Much of the child poverty of the late 1970s and 1980s is a result of rising unemployment particularly long-term unemployment, and low pay jobs. For these people and their dependents,

poverty is not simply a problem of social welfare and income transfers. The case for legislation increasing the minimum wage has recently been made in a number of countries. In other countries such as France, there has long been an active policy to adjust periodically the minimum salary. Similarly, skill-augmenting policies for the long-term unemployed, for encouraging employment in the private sector, for the creation of jobs in cooperatives and other public-private enterprises could be encouraged. In both cases, however, an active labour market policy is required.

- c) Strengthening the social security system. Remarkable progress has been accomplished in the areas of old-age pensions and unemployment. Trends in the relative incidence of poverty between children, the elderly and other groups at risk underscore gaps in the formulation and implementation of family policy in many market economies. Life cycle events like divorce, birth or illness of a child, spatial relocation and others are still associated in many countries with a high risk of falling into poverty. Benefits guarding against these risks, such as paid maternity leave, child allowance, ensured advance child support and free health care for all children are either non-existent or means-tested, or grossly insufficient in their amounts.

Action is required in many countries for the formulation of a comprehensive social security policy focussed on the child and the family. The necessary resources can to a large extent be obtained from a reordering of public spending priorities.

- d) Free or quasi-free public services in health, education and other areas have long been available in practically all market and centrally planned economies. Specific services for young children and working mothers, such as day care centres for young children, are still unevenly developed both within and among countries. Their strengthening would contribute in a major way to the implementation of a child and family-focussed social policy.

- e) Reinvigorating local level communities through legislative work and financial support. A large part of the social pathology and emotional problems of adolescents are preventable with more stable, cohesive and responsive communities and families.

- f) Targeted support for children and adolescent in highly deprived situations
Policies a) to e) are universal in nature and cover all children. Even if they were all implemented, some children would still experience acute deprivation. Specific interventions would be necessary in this, hopefully small number of cases.

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International Child Development Centre

Piazza S.S. Annunziata, 12

50122 Florence, Italy

Tel. 3955-234-5258 - Fax 3955-244817

Telex 572297 UNICEF I