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Subjective Impact of the Economic Crisis on Households with Children in 17 European Countries

Yekaterina Chzhen

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Correspondence should be addressed to:

UNICEF Office of Research - Innocenti
Piazza SS. Annunziata, 12
50122 Florence, Italy
Tel: (+39) 055 20 330
Fax: (+39) 055 2033 220
florence@unicef.org
www.unicef-irc.org

SUBJECTIVE IMPACT OF THE ECONOMIC CRISIS ON HOUSEHOLDS WITH CHILDREN IN 17 EUROPEAN COUNTRIES

Yekaterina Chzhen*

*UNICEF Office of Research
ychzhen@unicef.org

Abstract. This paper investigates differences in the perceived impact of the economic crisis between adults in households with and without children in 17 European countries, using data from the Life in Transition Survey 2010. It also explores the channels through which the crisis affected adults in households with children and the ways in which they coped with the decline in income or economic activity. Overall, adults in households with children were more likely to report an impact of the crisis, with larger differences in countries with higher rates of monetary child poverty. Everything else being equal, perceptions of the crisis were more widespread in countries with higher rates of child poverty, lower economic growth and lower GDP per capita. Adults in households with children had been affected in a greater number of ways and adopted a greater variety of coping strategies than those in households without children. There is evidence that adults in households with children prioritised expenditure on basic necessities, while cutting back on luxuries and holidays, but many still reported reduced consumption of staple foods as a result of economic difficulties.

Keywords: economic crisis, children, subjective impact

JEL classification: J13, I31, I32

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1. INTRODUCTION

More than five years since the outbreak of the global financial crisis, a flurry of evidence is emerging on the effects of the ensuing economic downturn on unemployment and poverty rates in rich countries (OECD, 2014; Social Protection Committee, 2014; Natali et al., 2014). Less is known about cross-country differences in subjective assessments of the crisis and whether adults in households with children were affected to a greater extent. To address these gaps, this paper analyses variations in the perceived impact of the economic crisis across 17 countries that belong either to the European Union (EU) or the Organisation for Economic Co-operation and Development (OECD), using data from the Life in Transition Survey 2010 (LiTS II).[1] First, the paper establishes if perceptions of the crisis correlate with several subjective and objective measures of economic hardship across countries. Second, differences between adults in households with children and the rest are analysed controlling for both household-level socio-demographic characteristics and country-level economic indicators. Third, differences in the crisis transmission channels and coping mechanisms between adults in households with children and the rest are explored. Economic disruptions within households can harm children's development, often with severe long term consequences (see Lundberg & Wuermli, 2012). Therefore, safeguarding children from the worse impacts of the crisis is critical.

The LiTS II is the only cross-country comparative and nationally representative survey to date that directly asks about the degree to which the crisis affected households and the ways in which it touched them, while also collecting rich socio-demographic information.[2] It was carried out in 29 transition countries in the Europe and Central Asia (ECA) region and in five 'comparator' Western European countries (France, Germany, Italy, Sweden and the United Kingdom) in 2010. Using data from the survey, the European Bank for Reconstruction and Development (EBRD) (2011) modelled differences in the subjective impact of the crisis by household characteristics but left out the presence of children as a predictor. Similarly, in a World Bank study that analysed the subjective impact of the crisis using data from the LiTS II, Bidani et al. (2012) did not analyse any differences by family type. The current study addresses this research gap by focusing on the differences between adults in households with at least one child under 18 and the rest. This paper uses data from the LiTS II for 17 OECD and/or EU countries: 12 from the ECA region and five 'comparator' countries.

2. LITERATURE REVIEW AND HYPOTHESES

Evidence from international opinion polls indicates that the global economic crisis has affected subjective assessments of both personal and national well-being, particularly in countries that suffered most. Using data for 41 OECD and/or EU countries from the Gallup World Poll for the period 2007/08-2013, Holmqvist and Natali (2014) recorded a steeper decline in a variety of subjective measures of material circumstances, health, life satisfaction, and perceptions of children's opportunities in countries more exposed to the crisis in terms of changes in their GPD per capita. In an earlier study using Gallup data, Helliwell et al (2013) found that subjective well-being decreased between 2008 and 2011 in the EU countries that were badly hit by the crisis (Greece, Ireland, Italy, Portugal, and Spain) as well as in the New Zealand and United States. Data

[1] http://www.ebrd.com/pages/research/publications/special/transitionII.shtml.
[2] The European Social Survey covers more of the EU member states than the LiTS II and has richer socio-demographic information but it does not include questions about the effects of the crisis.

from six waves of the Flash Eurobarometer surveys conducted across the EU in 2009-2011 pointed to increases in the perceptions of national poverty rates (especially in Greece, France, Portugal and Spain), widespread self-reported financial difficulties, and rising levels of negative assessments of the personal financial situation (TNS Political & Social, 2012). Lusardi et al. (2011) detailed widespread financial problems in the United States in 2009, finding substantially higher levels of financial fragility[3] among American families with children, even after accounting for other relevant respondent characteristics. As these results indicate that subjective assessments of financial difficulties were affected by the economic downturn across countries, it is expected that the share of adults reporting an impact of the crisis on their household would correlate highly with these other subjective measures.

Economic crises can harm children through both private and public channels: falling household incomes (e.g. due to job losses) resulting in lower spending and investment in children, as well as tightening government budgets leading to reduced provision of cash benefits and services (Mendoza, 2009; Friedman & Sturdy, 2011). Indeed, both the OECD (2014) and the EU Social Protection Committee (2014) documented rising joblessness and falling household incomes in many OECD/EU countries since the outbreak of the crisis, just as government capacity to act was constrained by fiscal consolidation. Against this backdrop, efforts to protect children from the impact of the crisis across the EU have largely been considered inadequate by independent experts (Marlier & Frazer, 2014). Overall, it is posited here that perceptions of the crisis among adults with children are higher in countries with higher child poverty and unemployment but lower in countries with greater economic growth, higher GDP per capita and more generous social safety nets.

Emerging evidence on the impact of the Great Recession in rich countries indicates that children have been affected disproportionately. Indeed, children were consistently found to be at a greater risk of poverty than the population as a whole in the majority of EU countries even before the crisis struck (Atkinson & Marlier, 2010; Bradshaw et al., 2012). Recent statistics for OECD countries show that the crisis hit children and young people particularly hard (OECD, 2014). Across the EU (plus Iceland, Norway and Switzerland), child poverty[4] increased between 2008 and 2012 in 18 out of 31 countries, while in all but three countries poverty increased faster or fell more slowly among children than among the elderly (Chzhen, 2014). The largest absolute increases in child poverty were in Greece, Iceland and Latvia, while the share of severely deprived children[5] increased the most in Bulgaria, Hungary and Romania. Overall, countries that experienced slower (or more negative) economic growth during this period saw larger increases in both child poverty and deprivation. Thus it is predicted that adults with children in the household were more likely to report an impact of the crisis in 2010, particularly in countries suffering from a more severe economic downturn.

Sudden falls in income may necessitate a number of coping strategies, including but not limited to cutting back on regular spending, selling assets and using up savings, applying for loans or public funds, and taking up extra work or increasing working hours. However, reducing expenditure

[3] Financial fragility is defined as not being able to raise $2,000 in 30 days (Lusardi et al., 2011).
[4] Estimated using the same poverty line in both years (60% of the median equivalized disposable household income in 2008, uprated for inflation in 2012).
[5] The share of children living in households reporting inability to afford at least four out of nine items:1) to face unexpected expenses; 2) to afford a one week annual holiday away from home; 3) to pay for arrears; 4) to have a meal with meat, chicken or fish every second day; 5) to keep the home adequately warm; 6) to have a washing machine; 7) to have a colour TV; 8) to have a telephone; 9) to have a personal car.

appears to be the dominant strategy as qualitative research on experiences of poverty suggets that forgoing items that others take for granted is a fact of life on a low icome (Pemberton et al., 2013). Using data from the 2009 wave of the EU Statistics on Income and Living Conditions (EU-SILC), Guio and Pomati (forthcoming) showed that European households were most likely to start coping with falling incomes by forgoing annual holidays and using up their savings, then subsequently not being able to afford new furniture, pocket money, leisure and social activities, and finally being unable to afford meals, heating their house and paying the bills. This pattern was quite similar across countries and there were few variations by household type within countries. However, analysis of adult-level and child-level deprivation in households with children based on data from the EU-SILC 2009 suggests that parents tend to prioritise children's needs ahead of their own, although under-reporting of child deprivation by adults cannot be ruled out (Gabos et al., 2011). Thus, it is of interest if the coping strategies reported in the LiTS II would differ substantially between adults with and without children.

The structure of the paper is as follows. The next section describes the data sources, variables and methods used in the study. The ensuing section presents the results. The final section summarises the main findings and concludes.

3. DATA, MEASUREMENT AND METHODS

The paper uses micro data from the LiTS II conducted in autumn 2010 by the EBRD and the World Bank. The survey is based on nationally representative samples of approximately 1,000 households per country. Interviews were conducted face-to-face with one randomly selected respondent aged 18 or older from each of the sampled households.[6] The LiTS II is well suited to international comparison of the subjective impact of the recent crisis because it includes a module that asks about perceptions of the crisis, the shocks experienced by the household and the coping strategies used to deal with them. The survey uses the same questionnaire in all the participating countries, producing a harmonised dataset.

Although the LiTS II includes 34 countries from Europe and Central Asia, this paper uses data for 17 countries that are members of the EU and/or the OECD: Bulgaria, Croatia, Czech Republic, Estonia, France, Germany, Hungary, Italy, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia, Sweden, Turkey and the United Kingdom.

Perceptions of the crisis in the LiTS II are measured using the question: "As you know, an economic crisis is affecting the whole world and our country. How much, if at all, has this crisis affected your household in the past two years? A great deal, a fair amount, just a little, or not at all." Hence this item refers to the period 2008-2010. Although this does not necessarily capture the peak of the economic crisis, which may differ across countries, or fiscal austerity introduced in many of the countries studied here since 2010 (Martorano, 2014), the survey is well suited to the analysis of the early effects of the global economic crisis on subjective economic well-being in Europe.

[6] See EBRD (2011) for a detailed description of the LiTS II survey methodology.

The transmission channels through which the crisis affected households are analysed using the following multiple response items in the LiTS II: "How has this economic crisis affected you (or other household members) in the past two years? Please tell me all that apply." There are 11 potential responses, referring to, *inter alia*: job loss, reduced wages, reduced working hours, as well as increased working hours or taking up additional work. Only those who responded that their household had been affected to at least some degree (a great deal, a fair amount, or just a little) were asked about the transmission channels. This precludes any comparisons with those who said they had not been affected at all. Insofar as the same unobserved characteristics (e.g. pessimism) may affect responses to both the subjective crisis impact question and the transmission channels question, there may be self-selection bias, so the results of the analysis of this item need to be interpreted with caution.

All LiTS II respondents, i.e. not just those who said they had been affected by the crisis, were asked about the coping mechanisms adopted by their households: "In the past two years, have you or anyone else in your household had to take any of the following measures as the result of a decline in income or other economic difficulty?" There are 19 potential responses, including passive strategies, such as cutting expenditure on various goods and services, and more active strategies, such as selling an asset. Respondents were also asked if in the past two years they or anyone in their household had tried to borrow money or applied for state benefits.

To check if perceptions of the crisis vary with subjective measures of economic hardship from other concurrent international surveys based on similarly sized nationally representative samples of adults, this paper uses data from the Flash Eurobarometer 311 and from the Gallup World Poll. Although there are no corresponding questions about perceptions of the crisis in other surveys, there are questions about self-reported financial difficulties. The Flash Eurobarometer asks respondents (aged 15 or over) to report how well their households are able to keep up with all bills and credit commitments at the time of the survey using a five-point scale ranging from "keeping up without any difficulties" to "having real financial problems and have fallen behind with many bills and credit commitments" (TNS Political & Social, 2011). Here this item is recoded into a binary variable where (1) denotes keeping up but constantly struggling to do so or falling behind on at least some bills or financial commitments and zero (0) denotes struggling occasionally or keeping up without any difficulties. Meanwhile, the Gallup World Poll asks about feelings regarding the present income: "Which one of these phrases comes closest to your own feelings about your household income these days? Living comfortably; getting by; finding it difficult; finding it very difficult."[7] The proportion citing the latter two responses is combined into an indicator of negative feelings about one's household income.

To study differences in the subjective impact of the crisis between adults in households with and without children, controlling for both individual and country level characteristics, multilevel models are used here (see Snijders & Bosker, 2012). Multilevel analysis accounts for the hierarchical structure of the dataset, i.e. individuals being nested within countries. Country-level residuals are modelled here as normally distributed 'random' effects, rather than fixed parameters estimated separately, because the population of all countries in the analysis is of interest here, rather than each specific country; the number of countries is sufficiently large; and country level variables can

[7] Data are downloaded from Gallup Analytics via a paid institutional subscription.

be controlled for. Since individuals within the same country are subject to the same set of policies and the overall economic conditions, it is important to account for relevant country level predictors. The following macro-level indicators are used, all measured in 2010: the child poverty rate,[8] the GDP per capita ($PPP), GDP growth, the working age (25-64) unemployment rate, and the generosity of minimum income protection schemes (see Table A1 in the Annex).[9] Only the variables that exhibit a significant correlation with perceptions of the crisis on the country level are included in the multilevel regression.

4. RESULTS

4.1 Cross-country variation in the perceived impact of the crisis

Subjective measures indicate a substantial impact of the crisis, especially for households with children. Nearly two-fifths (38%) of adults across 17 countries[10] reported that the crisis had affected their household "a fair amount" or "a great deal" over the past two years (2008-2010).[11] Perceived impact was greater on average for respondents with children in the household (48%) than for those without children (34%). In 10 out of 17 countries, the presence of at least one child under 18 significantly increased the probability of reporting an impact of the crisis (Figure 1).

On the whole, larger differences between adults with and without children were in countries where the perceived impact of the crisis was greater on average. There were two notable exceptions. Although the biggest overall impact was reported in Bulgaria (75%), there were no significant differences between respondents with and without children, suggesting a ubiquitous toll of the economic downturn. In contrast, despite a lower average impact of the crisis (31%), the UK saw the largest disparity between adults with and without children across all 17 countries. This may be due to the fact that many of the austerity measures announced in 2010 concerned predominantly households with children, particularly those on lower incomes (Browne, 2012). In a survey conducted in 2014 by the Children's Society, over one-third (36%) of 14-year-old school children in England said that the crisis had affected their families a fair amount or a great deal, suggesting that children are fully aware of their families' worsening circumstances (Bradshaw & Main, 2014).

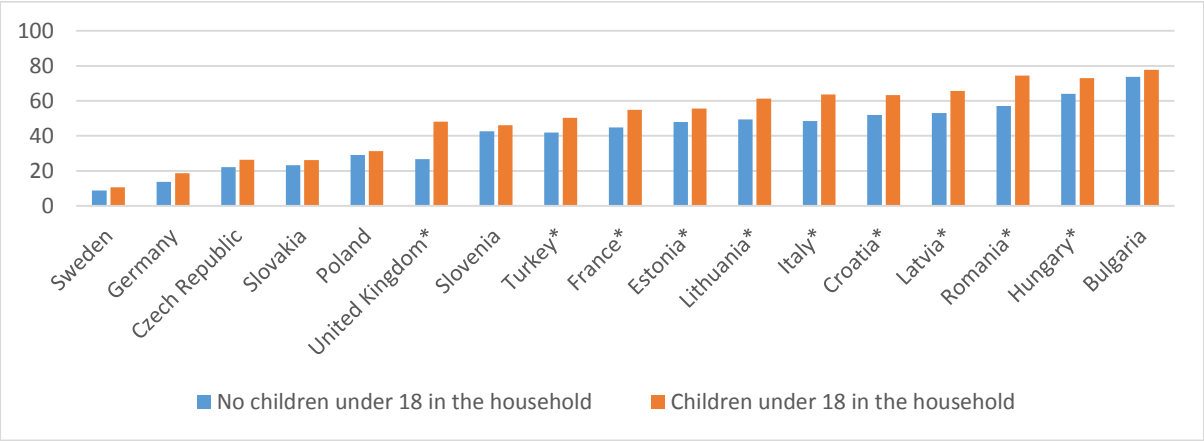
[8] The child poverty rate in 2010 is the proportion of children living in households with equivalent disposable income (after taxes and transfers but before housing costs) below 60% of the 2008 national median uprated for consumer price inflation in the intervening years. This 'anchored' measure of poverty is suitable for the analysis of child poverty during the economic crisis because it avoids the problem of artificially reduced poverty rates due to the fall in median incomes.

[9] The value of the minimum income protection package available to "typical" families (averaged over the amounts for the lone parent family type case and the couple family type case), using data from the *Social Assistance and Minimum Income Protection Interim Dataset* (SaMip 2.6) compiled by Nelson (2007; 2010).

[10] For consistency with the EBRD (2011, p.115), "democratic weights" adjusting for population size are used to estimate the combined sample average, i.e. rather than equal "federal" weights.

[11] The percentage of non-valid responses ("Don't know" or "Refused") was under 5% in all the countries except Croatia (5%) and Poland (13%). In Poland, respondents were more likely to withhold a valid answer if they lived in: female-headed households, those headed by an over-65-year-old, households without children, and those with the main sources of income coming from pensions.

Figure 1 Subjective impact of the crisis, by presence of children (% of respondents reporting their household was affected by the crisis a fair amount or a great deal)



Source: LiTS II (2010). Population weights used.
* statistically significant difference at p<0.05.

Across countries, perceptions of the crisis closely trail the subjective indicators of financial difficulties from two other international surveys conducted in 2010 (Figure 2). There is a high correlation of 0.77 (p<0.001) between the share of the LiTS II respondents reporting having been affected by the crisis a fair amount or a great deal and the share of the Eurobarometer respondents saying they were constantly struggling to keep up or falling behind on at least some bills or financial commitments across the 15 EU countries[12] included in both surveys.[13] However, levels of perceived impact of the crisis were higher than the rates of self-reported financial difficulties in every country except the Czech Republic, with the mean[14] rate of subjective impact of the crisis (44%) far above that for self-reported current financial difficulties (25%) (Table A1 in the Annex). This suggests that the crisis affected households in more diverse ways than through its impact on their capacity to cope with their existing financial commitments.

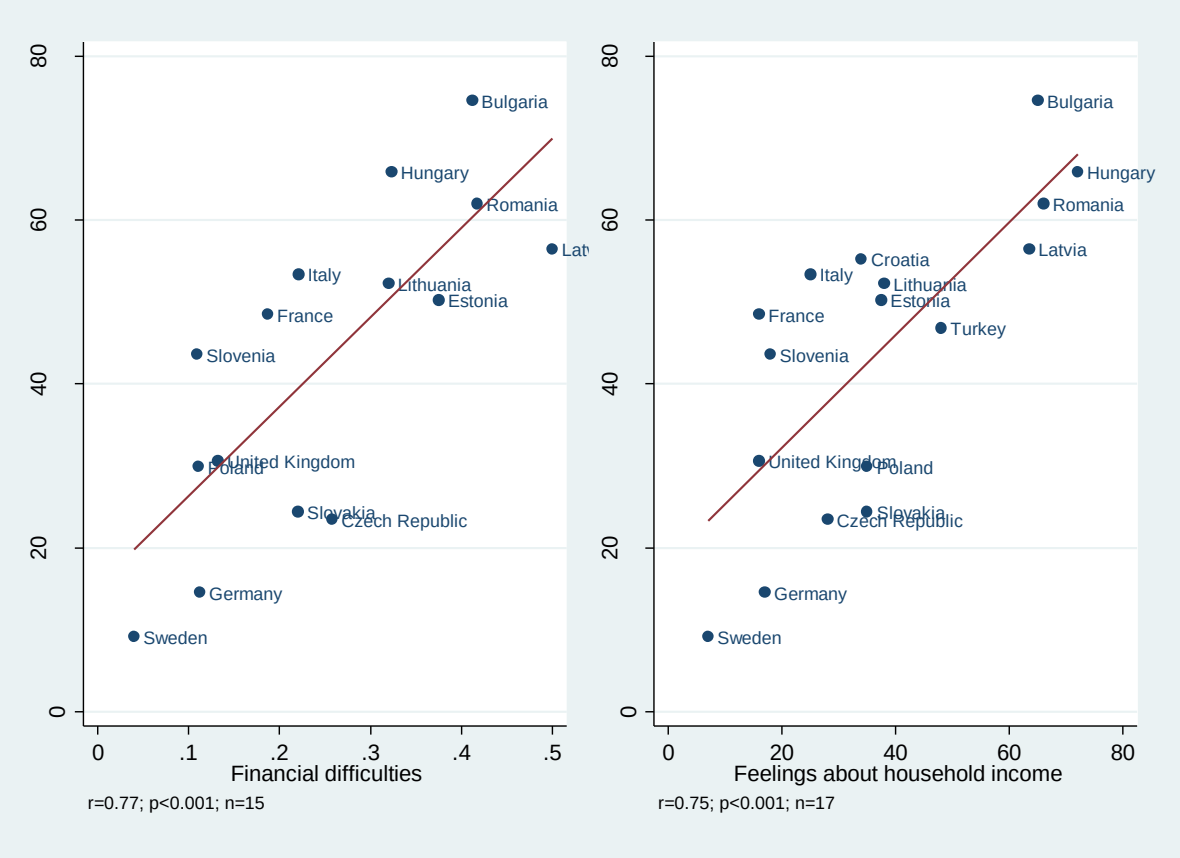
Similarly, across 17 countries that are included in both the LiTS II and the Gallup World Poll (GWP)[15] in 2010, there is a high correlation of 0.75 (p<0.001) between the share of the LiTS II respondents reporting having been affected by the crisis a fair amount or a great deal and the share of the GWP respondents saying they were finding it difficult or very difficult to live on their present income. Thus, in a sample of 15-17 European countries, the LiTS II measure of the subjective impact of the crisis varies together with the financial insecurity measures from two other surveys, suggesting that falling incomes is one of the major ways in which the economic downturn affected households. However, to disentangle the relationship between perceptions of the crisis and financial difficulties it would be necessary to have both measures in the same survey at several points in time.

Predictably, there is a very high correlation of 0.85 (p<0.001) between the two financial difficulties measures across 15 countries that are present in both the Eurobarometer and the GWP, although

[12] There is no data for Croatia and Turkey in the Flash Eurobarometer 311 (2010).
[13] If the estimates are based on respondents with children in the household (under 18 in the LiTS II and under 15 in the Flash Eurobarometer 311), the correlation is roughly the same (r=0.75).
[14] Produced by averaging the rates across 15 countries.
[15] Because Estonia and Latvia were not present in the 2010 World Gallup Poll survey, the average of the rates for 2009 and 2011 were used for these two countries instead.

the rates of reporting negative feelings about one's household income tend to be higher. Overall, the highest rates of financial difficulty were reported in Bulgaria, Hungary, Latvia and Romania, the four countries with the highest rates of reported impact of the crisis.

Figure 2 Subjective perceptions of the crisis and perceived financial difficulties/feelings about household income



Source: LiTS II (2010); Flash Eurobarometer 311 (2010); Gallup World Poll (2010).

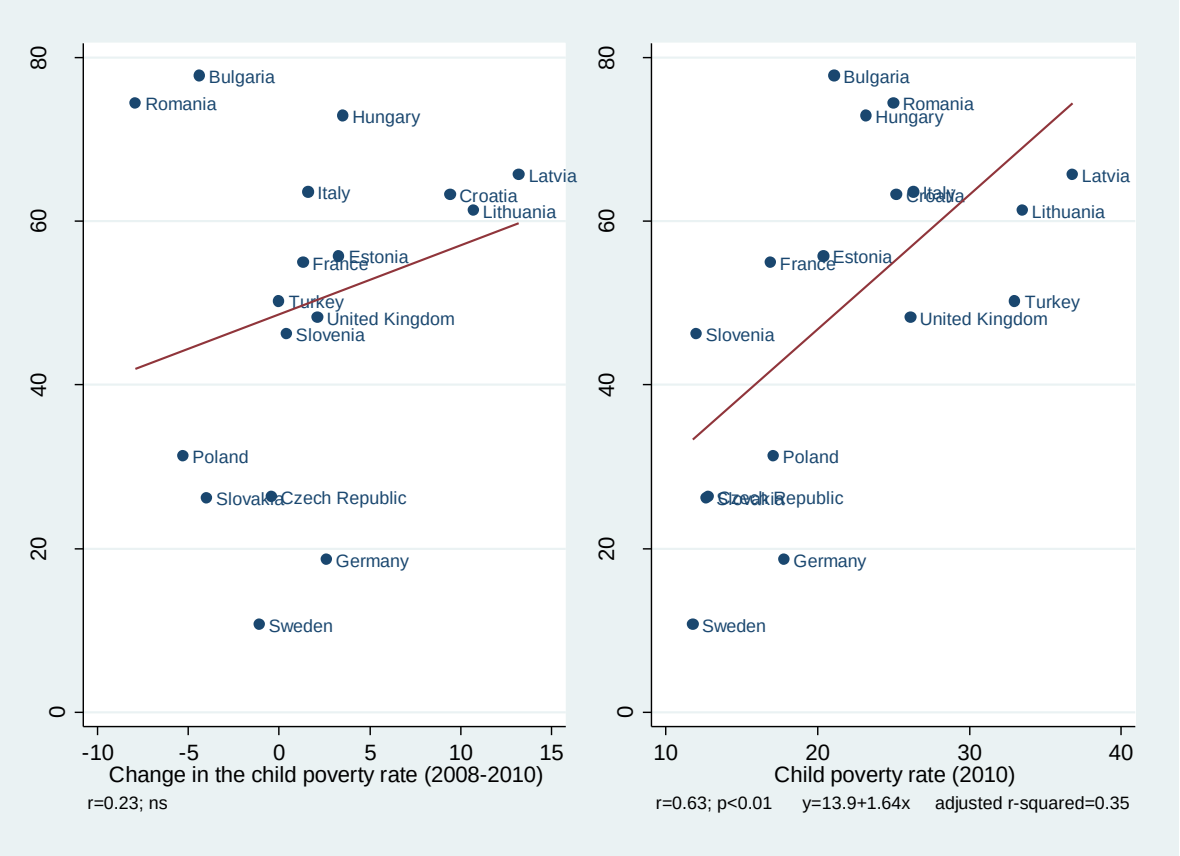
As regards the relationship between subjective perceptions of the crisis and its more objective indicators on the country level, the impact of the crisis reported by adults with children was often higher in countries where the increase in child poverty between 2008 and 2010 was greater (Figure 3). In Croatia,[16] Latvia and Lithuania, increases in child poverty went hand in hand with widespread reports of impact of the crisis by adults with children. Meanwhile, Poland, Slovakia and Sweden, where child poverty actually decreased since 2008, recorded some of the lowest perceived effects of the crisis in the comparison. However, two countries defied this pattern, resulting in the lack of a statistically significant correlation across 17 countries. In spite of significant decreases in child poverty between 2008 and 2010, the vast majority of adults with children in Bulgaria (78%) and Romania (74%) reported having been affected by the crisis a fair amount or a great deal. In fact,

[16] The child poverty (0-17) estimates for Croatia need to be interpreted with extreme caution because the 2008 poverty rate (and the poverty threshold) is based on the Household Budget Survey, while the 2011 estimate is based on the EU-SILC. The two surveys have different fieldwork and income reference periods, sample designs and income definitions. There is no data for Croatia in the EU-SILC user database until 2011. Eurostat does not currently report anchored poverty rates for Croatia.

excluding these two countries produces a moderately strong correlation of 0.64 (p<0.05) between the subjective impact of the crisis and the absolute change in the anchored child poverty rate.

In contrast, there is a stronger association of r=0.63 (p<0.01) between perceptions of the crisis among adults with children and the level of child poverty in 2010, with no obvious outliers. A sizeable 35% of the variation[17] in the subjective impact of the crisis is explained by the level of child poverty at the time of the survey. A one percentage point difference in the child poverty rate is associated with 1.6 percentage points higher share of adults with children who said their households had been affected by the crisis a fair amount or a great deal. Although the small cross-country sample warrants caution in interpreting the results, these findings suggest that, among the countries studied, the prevailing level of child poverty is more important than the change in the child poverty rate since the start of the crisis in influencing people's perceptions of its impact.

Figure 3 Subjective impact of the crisis among adults with children and child poverty



Sources: micro-data for respondents with children under 18 from the LiTS II (2010); child poverty estimates from Eurostat (update 16.06.2014); child poverty (0-19) estimates for Turkey from the Income and Living Conditions Survey 2008 and 2010. Child poverty estimates for Croatia from the Household Budget Survey 2008 (reported by Eurostat) and the EU Statistics on Income and Living Conditions 2011.

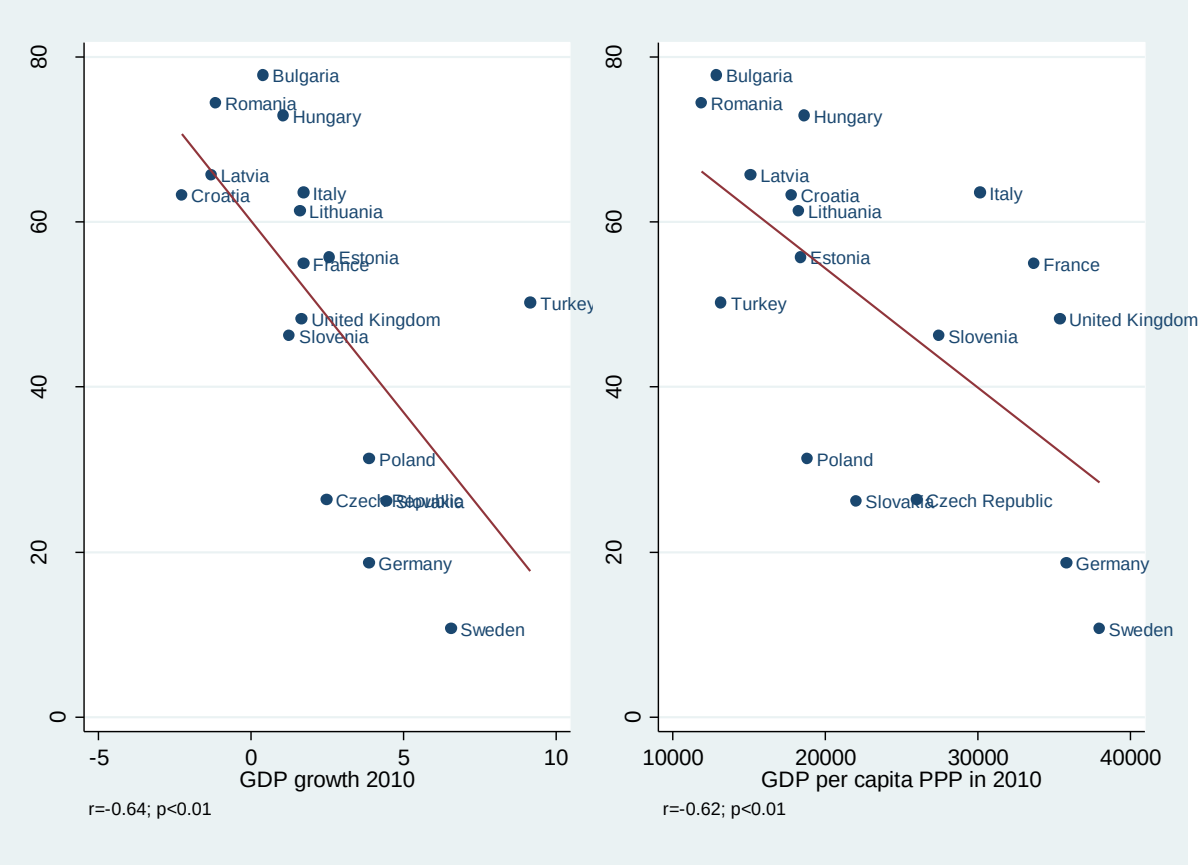
Unsurprisingly, the perceived impact of the crisis tends to be greater in countries with worse economic performance. Figure 4 shows that the share of adults with children reporting an impact

[17] A linear regression of the subjective impact of the crisis indicator on the child poverty rate has the adjusted R-squared of 0.35. The adjusted R-squared accounts for the number of predictors relative to the number of cases in the model. Thus, it is lower than the correlation coefficient squared (0.63^2=0.40).

of the crisis was on the whole larger in countries with slower or more negative real economic growth in 2010. Sweden – a country with one of the highest growth rates in 2010 – had the lowest rate of perceived impact of the crisis, while the three countries where the economy contracted in 2010, i.e. Croatia, Latvia and Romania, showed some of the largest levels of subjective impact. However, in a notable departure from this pattern, Turkey recorded a much higher subjective impact of the crisis than would have been expected given that it boasted the highest rate of economic growth in the comparison.[18] This suggests that for countries like Turkey, fast economic growth may not be sufficient on its own to subdue people's negative perceptions of the crisis.

Indeed, perceptions of the crisis among adults with children appear to be related to the size of the economy as measured by the GDP per capita ($PPP) at the time of the survey (Figure 4). Although this linear relationship is not as strong as the one between subjective perceptions and GDP growth if Turkey were excluded, this time there are no obvious outliers. Since the level of the GDP per capita adjusted for purchasing power differences is often used as a proxy for country wealth or an average standard of living, these results suggest that the crisis was perceived to have a greater effect among adults with children in poorer countries, even if, like Turkey, they enjoyed extraordinary economic growth.

Figure 4 Subjective impact of the crisis among adults with children and economic output

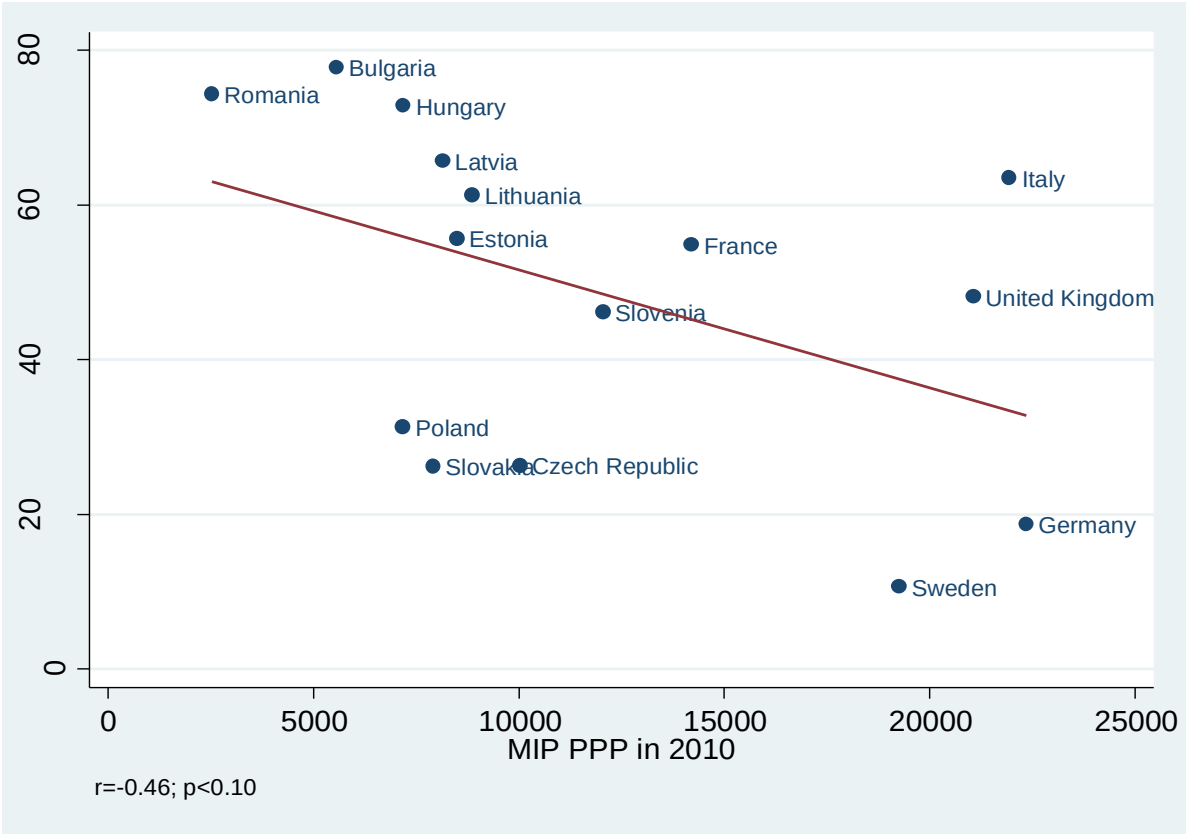


Sources: micro-data for respondents with children under 18 from the LiTS II (2010); GDP per cent change (constant prices) and GDP per capita (PPP) from the IMF World Economic Outlook Database (April 2014).

[18] Excluding Turkey produces a very high correlation of -0.83 (p<0.001) between the impact of the crisis reported by adults with children and real GDP growth in 2010.

The perceived impact of the crisis tends to be lower in countries with more generous (non-contributory) minimum income protection (MIP) schemes, expressed in purchasing power parities to account for differences in living standards (Figure 5). This would suggest that social safety nets may have protected families in times of hardship. However, once this measure is converted into the share of the GDP per capita in order to allow for the fact that MIP schemes tend to be more generous in richer countries, there is no longer any significant association with the subjective impact of the crisis.[19] For instance, although the value of a typical MIP package is much lower in Latvia than in Sweden, and the subjective impact of the crisis is far greater in Latvia, the two MIP packages constitute similar shares of the GDP per capita in the two countries. Similarly, there is no association between the perceptions of the crisis among adults with children and either expenditure on family benefits as a share of the GDP in 2008 or 2010 or the change in spending between the two years.[20] Thus, holding the level of country wealth constant, social transfers and MIP schemes do not appear to have an independent effect on the share of adults with children reporting an impact of the crisis across 17 countries studied here. This is not to say that social transfers are not important, but only that it is difficult to estimate their net effects in a relatively small sample of countries at one point in time.

Figure 5 Subjective impact of the crisis among adults with children and economic output



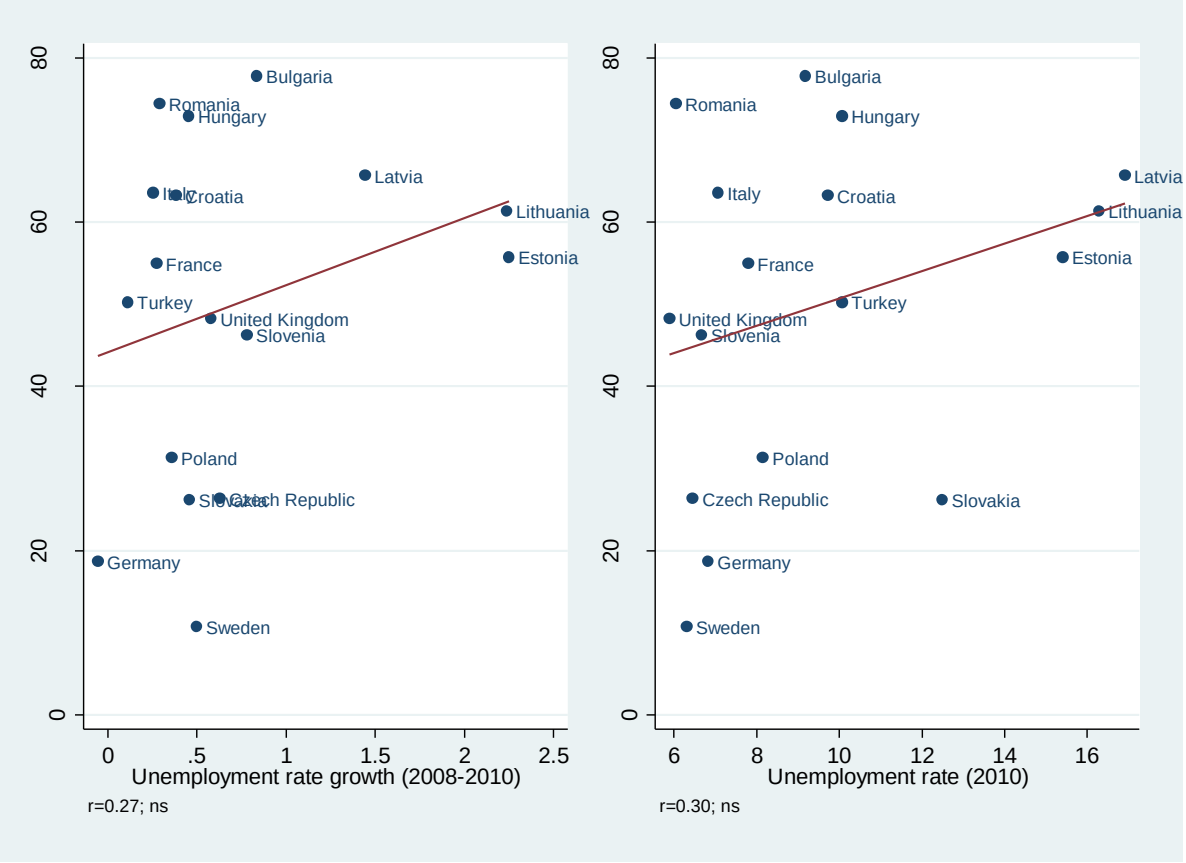
Sources: micro-data for respondents with children under 18 from the LiTS II (2010); MIP indicator from SaMip 2.6 compiled by Nelson (2007; 2010); GDP per capita (PPP) from the IMF World Economic Outlook Database (April 2014).

[19] This finding also holds if, instead of dividing the MIP indicator by the GDP per capita, the two variables are entered in a linear regression simultaneously: there is no significant linear effect of the MIP indicator on the subjective impact of the crisis, holding the GDP per capita constant.

[20] Notably, all of the countries in the analysis except the Czech Republic increased their spending on families and children during this period, according to data from Eurostat (last update 03.07.2014). No data for Turkey.

There is limited evidence that perceptions of the crisis among adults with children were more widespread in countries with higher growth in the working-age unemployment rate between 2008 and 2010 and higher levels of unemployment in 2010 (Figure 6). The three Baltic countries endured the fastest increases in unemployment since 2008, with some of the highest rates in the comparison in 2010. They also recorded some of the highest levels of subjective impact of the crisis. Meanwhile, Germany and Sweden boasted both the lowest levels of unemployment and the least prevalent perceptions of the crisis. However, a number of countries with relatively low working-age (25-64) unemployment maintained some of the highest rates of subjective impact of the crisis: Bulgaria, Croatia, Hungary, Italy, and Romania. Thus, across 17 countries the linear association between perceptions of the crisis and unemployment is rather weak and not statistically significant.

Figure 6 Subjective impact of the crisis among adults with children and unemployment rate



Sources: micro-data for respondents with children under 18 from the LiTS II (2010); Working age (25-64) unemployment rate from OECD.Stat (extracted on 10.07.2014).

To recapitulate, perceptions of the crisis were more widespread in countries with higher levels of child poverty, slower or more negative economic growth and lower GDP per capita. To avoid detecting spurious relationships, they are all included in the same linear regression model. Table 1 reports the net effects of these variables, holding the rest constant. In spite of the small sample size, each of the factors has a significant effect on perceptions of the crisis. Together they explain 66% of the variation in the subjective impact of the crisis across the countries studied. Economic growth has the largest independent effect: a 1ppt difference in the real GDP growth in 2010 is associated with a 3.4ppt lower proportion of adults with children saying they have been affected by the crisis a fair amount or a great deal. A 1ppt difference in the child poverty rate is associated

with a 0.9ppt higher proportion reporting an impact of the crisis. A difference of US$1,000 in PPP is associated with 0.7ppt lower share reporting an impact of the crisis.

Table 1 Perceptions of the crisis and child poverty rate, GDP growth and GDP per capita across 17 European countries (2010)

	Coefficient	Standard error	Standardized coefficient
Child poverty rate (anchored in 2008)	0.94*	0.44	0.36
GDP growth	-3.43**	1.10	-0.47
GDP per capita ($1,000 PPP)	-0.74*	0.40	-0.32
Intercept	54.07	16.46	
Adjusted R-squared	0.66		

Sources: micro-data for respondents with children under 18 from the LiTS II (2010); child poverty estimates from Eurostat (update 16.06.2014); child poverty (0-19) estimates for Turkey from the Income and Living Conditions Survey 2008 and 2010. Child poverty estimates for Croatia from the Household Budget Survey 2008 (reported by Eurostat) and the EU Statistics on Income and Living Conditions 2011. GDP per cent change (constant prices) and GDP per capita (PPP) from the IMF World Economic Outlook Database (April 2014).
*p<0.10; **p<0.01.

4.2 Perceived impact of the crisis among adults with and without children: household characteristics and country-level variables

To analyse variations in the reported impact of the crisis across 17 countries, as well as differences between adults in households with and without children in particular, while accounting for various important household characteristics and macroeconomic indicators, multilevel random intercept models are employed here (Table 2). As before, the dependent variable is whether the respondent's household has been affected by the crisis a great deal or a fair amount rather than just a little or not at all. Model 1 reports the results for all adults, while Model 2 shows the estimates for adults with children under 18. Table 2 reports the estimated coefficients, i.e. the effects of each variable on the log odds of reporting an impact of the crisis, everything else being equal. To calculate the corresponding effects on the odds of doing so, the estimated coefficients need to be exponentiated (anti-logged).

Adults in households with children were significantly more likely to report an impact of the crisis: *ceteris paribus*, those with one child in the household were 24% more likely to do so than those in households without children, while adults with three or more children were 34% more likely to say they were affected by the crisis. However, among adults with children, whether there are two or more children in the household rather than just one does not make a significant difference.

In both models, respondents were significantly more likely to report an impact of the crisis if they were under 65, had lower levels of education and lived in households with the main source of income from state benefits.21 In the full-sample model, adults in rural areas were less likely to report an impact of the crisis, but there were no significant differences by area type among adults

[21] EBRD (2011) and Bidani et al. (2012) also control for the household consumption level (terciles of the national equivalised household consumption distribution) and asset ownership (i.e. car, secondary residence, mobile phone, bank account). As these variables are measured contemporaneously with the subjective perceptions of the crisis, their effects on the crisis perceptions are likely to be endogenous. They are, therefore, excluded for the current analysis.

with children. The most notable difference between the two models is the role of the number of adults in the household. In the full sample, living in a household with two or more other adults substantially increases the probability of reporting an impact of the crisis. This might be due to the fact that the more adults there are in the household, the higher the chance that at least one of them experienced the crisis directly (e.g. lost their job). In contrast, among adults with children, the only significant difference is between single adults with children and those who have at least one other adult in the household. The former (i.e. lone carers) are 31% more likely22 to report an impact of the crisis, everything else being equal, suggesting that the crisis affected them disproportionately.

Both models in Table 2 include the country level characteristics that were found to be significantly related to the share of adults with children reporting an impact of the crisis in Table 1. The anchored child poverty rate measured during the year of the survey is significantly related to the individual-level probability of an adult living with children reporting an impact of the crisis (Model 2). Everything else being equal, a difference of 10ppt in the child poverty rate (e.g. between 12% in Slovenia and 23% in Hungary) is associated with a 50% increase in the odds of an adult with children reporting an impact of the crisis.23 Meanwhile, the effect of the child poverty rate does not reach statistical significance in the full-sample model (Model 1).

However, there is a significant interaction between the presence of at least one child under 18 in the household and the prevailing child poverty rate: differences between adults with and without children are larger in countries with greater levels of child poverty.24 Figure 6 shows that, holding all other variables at their mean values in the sample, the difference in the predicted probability of reporting an impact of the crisis between respondents living with at least one child and the rest is higher at greater levels of the child poverty rate. This suggests that, where child poverty was more prevalent, households with children were particularly likely to feel the impact of the crisis. There are no significant interaction effects between the number of children in the household and the child poverty rate (results available on request), suggesting that it is the presence of at least one child that matters. At the same time, the negative effect of economic growth on the subjective impact of the crisis is statistically significant and substantively non-trivial: in both models in Table 2, all else being equal, a one point difference in the GDP growth in 2010 (e.g. between 1.3% in Slovenia and 0.4% in Bulgaria) is associated with 17% higher odds25 of an individual (with or without children) reporting an adverse impact of the crisis on their household.

Respondents in richer countries are less likely to report an impact of the crisis, even after controlling for the child poverty rate and economic growth. In both models, a difference of $10,000 PPP in the GDP per capita (e.g. between $22,033 in Slovakia and $11,860 in Romania) is associated with 50% higher odds26 of an adult (with or without children) saying the crisis had affected their household a fair amount or a great deal. There were no significant interaction effects between the presence of children in the household and either economic growth or the GDP per capita.

To sum up, even after controlling for differences in the socio-demographic composition across 17 countries, perceptions of the crisis among adults with children were significantly more prevalent in

[22] Exp(0.27)=1.31.
[23] Exp(10*0.04)=1.49.
[24] Full regression estimates available on request from the author.
[25] Exp(0.16)=1.17.
[26] Exp(10*0.04)=1.49.

countries with higher levels of child poverty, slower or more negative economic growth and lower GDP per capita. All else being equal, adults with children in the household were more likely to report an impact of the crisis than those without children, especially in countries with higher rates of child poverty.

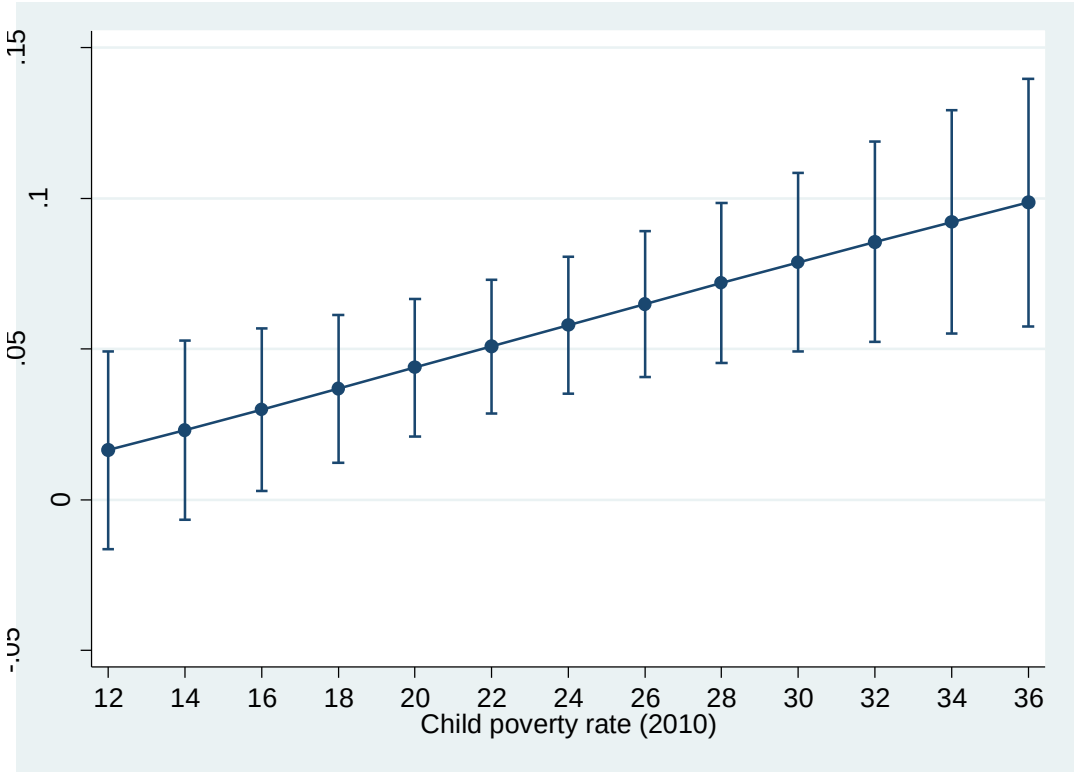
Table 2 Multilevel logistic regression of adverse subjective impact of the economic crisis

	Model 1: All adults		Model 2: Adults with children	
	Coefficient	SE	Coefficient	SE
One or more children under 18 in the household	*Ref: none*		*Ref: one*	
One	0.21***	0.05		
Two	0.19**	0.06	-0.01	0.07
Three or more	0.29**	0.10	0.09	0.10
Age of respondent (ref: 18-24)				
25-34	0.12	0.07	0.10	0.13
35-44	0.23**	0.07	0.16	0.12
45-54	0.39***	0.07	0.27*	0.13
55-64	0.15*	0.07	0.20	0.19
65+	-0.44***	0.08	-0.48*	0.22
Female respondent (ref: male)	0.05	0.03	-0.01	0.06
Main source of household income (ref: salary or wages in cash or kind)				
Income from self-employment	0.13	0.06	-0.04	0.10
Sales or bartering of farm products	0.04	0.16	-0.20	0.26
Pensions	0.02	0.05	0.09	0.14
Benefits from the state	0.68***	0.09	0.82***	0.16
Help from relatives or friends	0.24	0.14	0.25	0.30
Other	-0.01	0.16	-0.26	0.29
Respondent's education (ref: none/primary only)				
Secondary	-0.20***	0.05	-0.31**	0.10
Post-secondary non-tertiary	-0.29***	0.07	-0.28*	0.13
Tertiary	-0.55***	0.06	-0.68***	0.12
Number of adults in the household (ref: one)				
Two	0.01	0.04	-0.27*	0.11
Three	0.22***	0.06	-0.02	0.13
Four	0.25**	0.08	-0.07	0.16
Five or more	0.60***	0.13	0.14	0.23
Type of settlement (ref: urban)				
Rural	-0.10*	0.04	-0.01	0.07
Metropolitan	-0.04	0.05	-0.09	0.10
Child poverty rate (2010)	0.03	0.02	0.04*	0.02
GDP growth (2010)	-0.16***	0.04	-0.16***	0.04
GDP per capita '000$PPS (2010)	-0.04**	0.02	-0.04*	0.02
Intercept	0.47	0.67	0.71	0.67
Standard deviation (intercept)	0.48	0.08	0.45	0.08
ICC	0.06	0.02	0.06	0.02
'Empty' model ICC	0.18	0.05	0.20	0.06
BIC	21,692		6,644	
N (respondents)	17,689		5,188	
N (countries)	17		17	

Sources: see notes to Table 1.

***p<0.001; **p<0.01; *p<0.05. Estimated with 15 integration points.

Figure 7 Difference (ppt) in the predicted probability of reporting an impact of the crisis by presence of one or more children under 18 in the household



Sources: see notes to Table 1.
Predicted probability from the "fixed" part of the model estimated at the means of the predictors in Table 2 Model 1 (full results available on request).

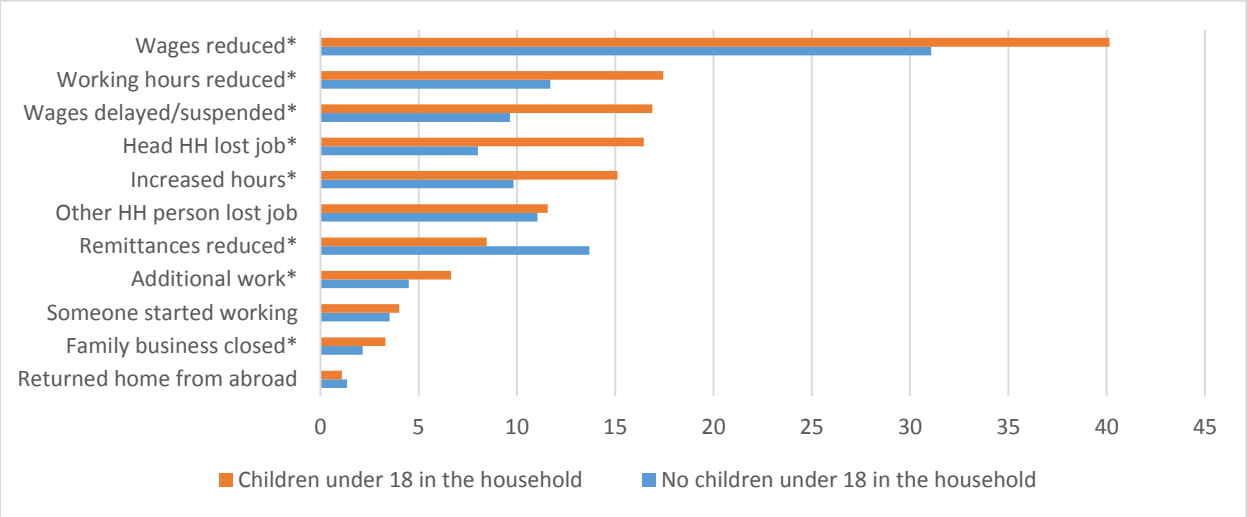
4.3 Main transmission channels of the crisis

Respondents who reported having been affected by the crisis just a little, a fair amount, or a great deal were also asked about the various ways in which the crisis has had an impact. Any number (or none) of the 11 listed crisis transmission channels could be selected so the total across all respondents could exceed 100 per cent (Figure 8). Similarly to the findings for the full LiTS II sample reported by the EBRD (2011), the crisis affected households mainly through the labour market.[27] Across the 17 countries studied here, reduced wages was by far the most frequently reported transmission channel: one-third (34%) of respondents said that they or someone in their household had their wages cut as a result of the crisis. Adults with children (40%) were substantially more likely to cite reduced wages than adults without children (31%). Those in households with children were also significantly more likely to report reduced working hours, delayed or suspended wages, job loss by the household head, increased working hours by someone in the household, taking up additional work, and closing of family business. In contrast, adults without children were more likely to cite reduced remittances. In fact, this is a transmission channel most likely to be mentioned by respondents aged 65 or over, who are the least likely to live in a household with children under 18. Overall, adults in households with children were more likely to cite at least one

[27] However, this is not surprising, since the majority of the listed options referred to the labour market in one way or another.

transmission channel, and the mean number of channels mentioned was significantly higher among adults with children.

Figure 8 Main crisis transmission channels (%)

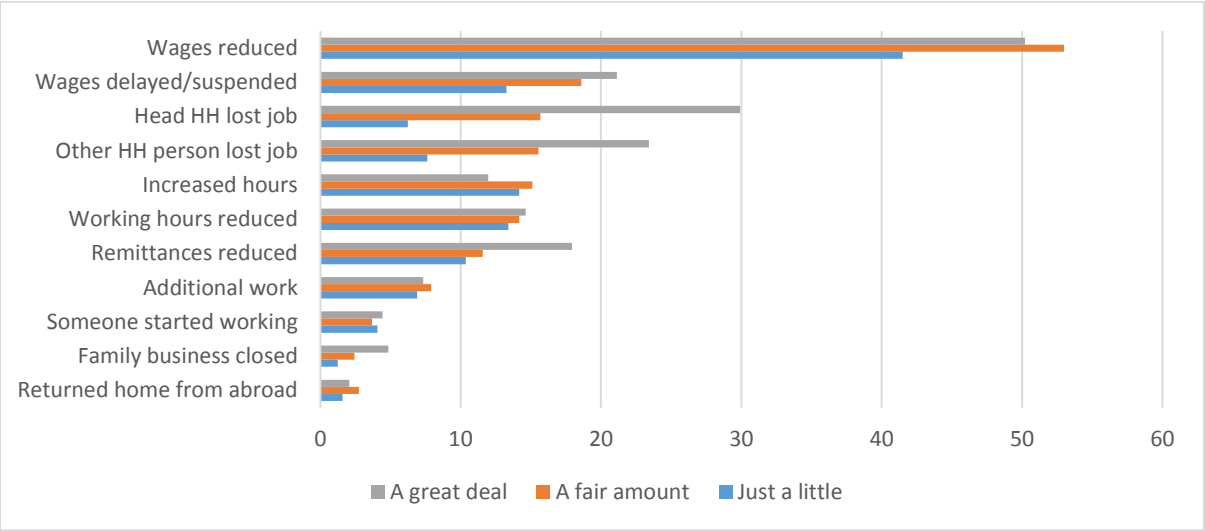


Source: LiTS II (2010). Population weights used. Multiple response categories.
*p<0.05.

Reduced wages is the transmission channel cited most frequently by adults with children in nearly every country (see Table A2 in the Annex). The only exceptions were Germany, Italy and Sweden, where reduced working hours were cited more often, and Hungary, where reduced remittances were more frequently reported. As for the top five most commonly cited transmission channels across all countries, reduced wages were most likely to be cited in Latvia (76%) and Lithuania (76%); reduced working hours in Germany (33%) and Italy (35%); delayed or suspended wages in Turkey (33%) and Romania (33%); job loss by the household head in Turkey (33%); and increased working hours in Slovenia (26%).

The intensity of perceived impact of the crisis corresponded well with its more objectively reported effects, particularly for those who mentioned the loss of a job by the household head (Figure 9). Thus, 30% of adults with children who said that their household had been affected a great deal said that the household head lost their job as a result of the crisis, compared with 16% and 6% of those who said they had been affected a fair amount or just a little, respectively. In an exception to this pattern, a larger share of those who were reportedly affected by the crisis a fair amount (53%) reported reduced wages than those who said they were affected by the crisis a great deal (50%), but it is still those who were affected just a little (42%) who were the least likely to mention a wage cut.

Figure 9 Main crisis transmission channels by the extent of subjective impact (%) (adults with children)



Source: LiTS II (2010). Population weights used. Multiple response categories.

Overall, the vast majority of adults with children who reported having been affected by the crisis cited one or more transmission channels: 83% of those who were affected just a little, 89% of those who were affected a fair amount and 94% of those who were affected a great deal. Of those who ticked at least one of the transmission options, those who were affected a great deal reported the greatest number of different channels, on average: 1.9 compared with 1.6 and 1.4 for those who were affected a fair amount or just a little, respectively.

4.4 Household coping strategies

All respondents were asked about various measures that anyone in their household had to take over the past two years "as a result of a decline in income or other economic activity." These fell in four broad categories: active strategies (i.e. enrolling in further education, selling an asset, or moving to a new location), passive strategies (i.e. reduced consumption of goods and services), private safety nets (i.e. applying for loans from individuals or institutions) and public safety nets (i.e. applying for state benefits).[28] In the pooled sample of 17 countries, adults with children were significantly more likely to adopt any of the four broad coping strategies.[29]

As expected, passive strategies of reducing expenditure were the most prevalent coping mechanism, adopted by 62% of all respondents and 73% of those living with children. Among adults who reported having been affected by the crisis a fair amount or a great deal, this amounts to 84% of those living without children and 89% of those living with at least one child under 18 (Figure 10). Even among those who said they had been affected by the crisis just a little or not at all, 45% and 59%, respectively, said they reduced some of their spending.

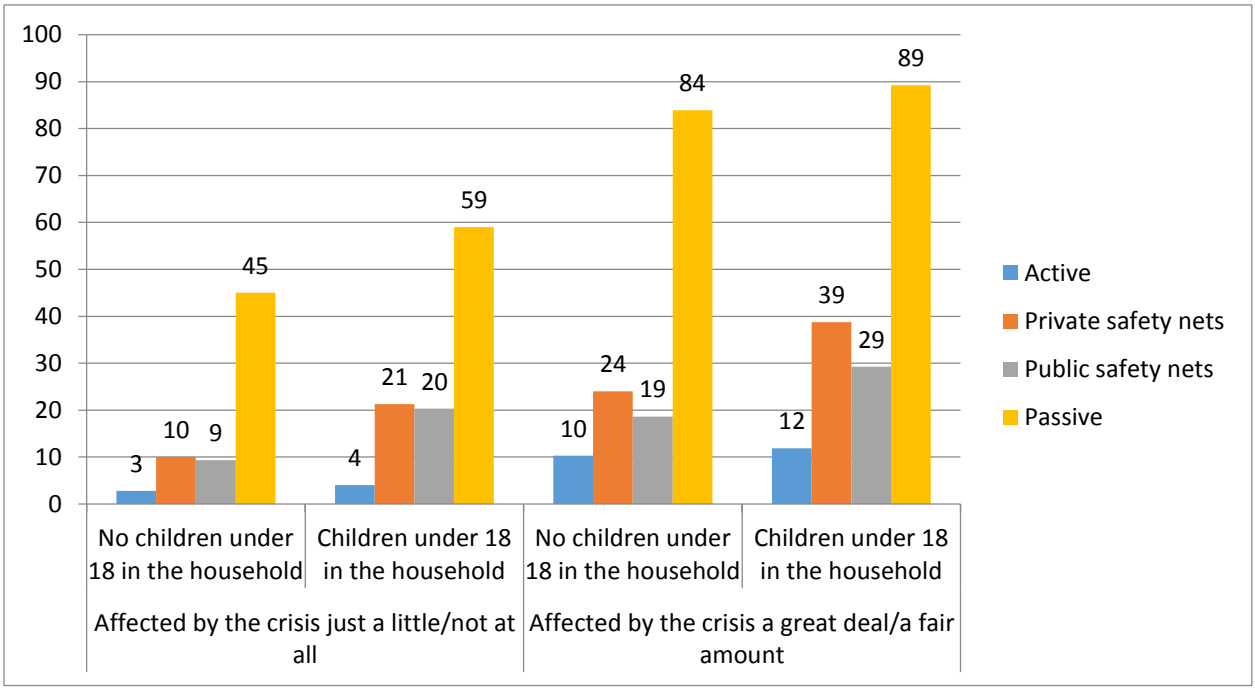
Applying for loans (i.e. resorting to private safety nets) was the second most frequently cited coping mechanism. Among those who said they had been affected by the crisis a fair amount or a

[28] The questionnaire does not specify the reasons these benefits were applied for: "In the past 12 months has anyone in your household applied for any of the following benefits? Unemployment benefit, housing benefit, child support, Targeted Social Assistance/Guaranteed Minimum Income."
[29] However, there were no significant differences between adults with children and the rest in the probability of reporting an active coping strategy among those who said they had been affected by the crisis a fair amount or a great deal.

great deal, nearly two-thirds (39%) of adults with children and one-quarter (24%) of those without children, said that in the past two years they or another household member had tried to borrow money. This strategy was vastly more prevalent than applying for state benefits among adults with children who said they had been affected by the crisis a fair amount or a great deal.

Individuals in households with children were significantly more likely to say that they or someone in their household applied for any of the four types of cash benefit (child related, unemployment, housing and targeted social assistance) than the rest (Figure A1 in the Annex). There was substantial cross-country variation in the share of adults with children who reported having applied for various benefits over the past 12 months (Figure A2). Unfortunately, the survey does not specify whether benefit applications were made as a result of financial difficulties during the economic crisis or for any other reason, such as previous eligibility.

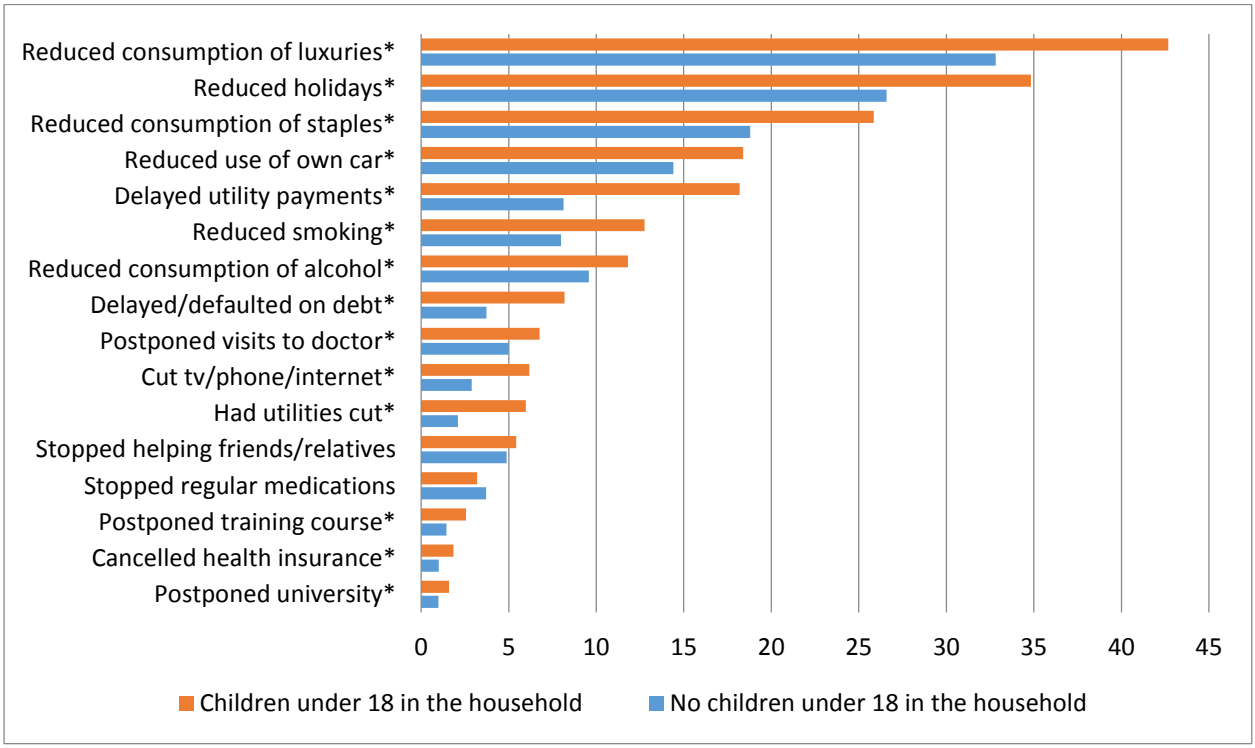
Figure 10 Household coping strategies (%)



Source: LiTS II (2010). Population weights used. Multiple response categories.

As regards different types of passive coping strategies, reducing expenditure on luxuries and holidays were the items most often cited across the board, each reported by around one-third of the respondents (Figure 11). Adults living with children were significantly more likely to report each of the passive coping strategies in the study except forgoing regular medications or helping relatives or friends. A similar pattern is observed among respondents who reported having been affected by the crisis a fair amount or a great deal (Figure A3), but there were fewer significant differences between adults with and without children.

Figure 11 Passive coping strategies (%)

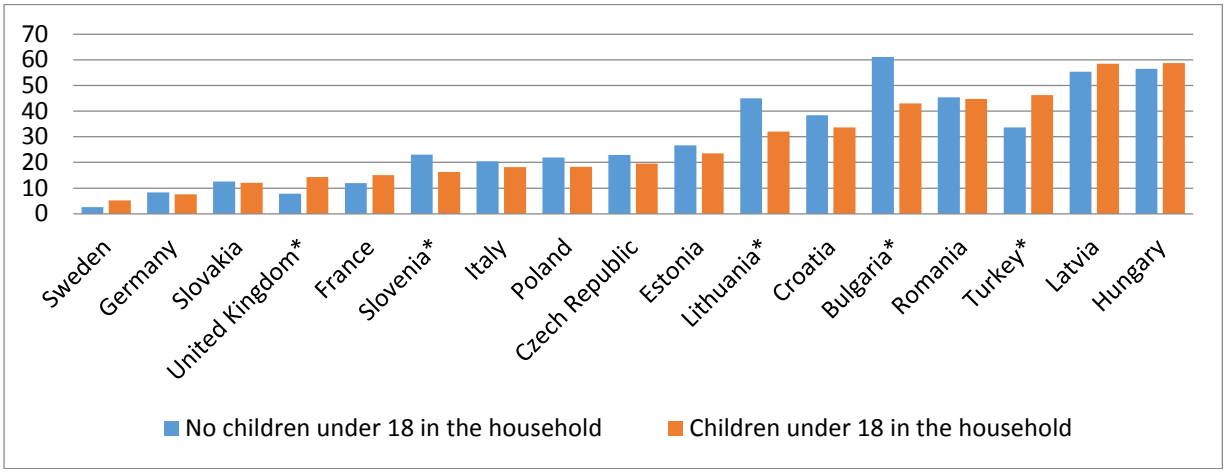


Source: LiTS II (2010). Population weights used. Multiple response categories. * significant differences by the presence of children in the household at p<0.05.

Across the board, the third most prevalent expenditure cut was on staple food (such as milk, fruit, vegetables, and bread). Although the findings suggest that households may have been prioritising expenditure on basic necessities by cutting back on luxuries and holidays, as many as one-quarter (26%) of respondents in households with children[30] said they reduced consumption of staple foods as a result of economic difficulties. This is worrying because inadequate nutrition may have damaging long-term consequences for children's health and well-being (World Health Organization, 2014). Across countries, this proportion ranged from 5 per cent of adults with children in Sweden to 59 per cent in Hungary (Figure 12). In Bulgaria, Lithuania and Slovenia, adults without children were significantly less likely to report reduced expenditure on staple foods. In contrast, in the UK and Turkey adults with children were more likely to do so.

[30] 40% among adults with children who reported having been affected by the crisis a fair amount or a great deal.

Figure 12 Reduced consumption of staples, by country and presence of children



Source: LiTS II (2010). Population weights used. Multiple response categories. * significant differences by the presence of children in the household at p<0.05.

Households' initial ability to cope with economic shocks may influence their perceptions of the crisis (Bidani et al., 2012). However, since the respondents were asked about their coping strategies almost immediately after their subjective evaluations of the crisis, there may be simultaneity bias, i.e. the two survey responses would influence each other at the same time. The cross-sectional structure of the LiTS II does not permit disentangling such relationships. For this reason the reported coping mechanisms of the households were not included in the model of crisis perceptions in Table 2.

5. CONCLUSION

More than five years since the outbreak of the global financial crisis, evidence is emerging on the effects of the ensuing economic downturn on unemployment and poverty rates in rich countries (OECD, 2014; Social Protection Committee, 2014; Natali et al., 2014). Less is known about cross-country variations in subjective assessments of the economic crisis and whether they differed between adults in households with and without children. However, recent evidence on the impact of the economic crisis on income poverty and material deprivation in rich countries indicates that children have often been affected disproportionately (Chzhen, 2014).

This paper investigates differences in the perceived impact of the crisis between households with and without children in 17 European countries, using data from the 2010 Life in Transition Survey. First the study analyses the relationship between perceptions of the crisis and several subjective and objective measures of economic hardship across countries. Then it models differences between adults in households with children and the rest, controlling for both household-level characteristics and country-level economic indicators. Lastly, it investigates the extent to which crisis transmission channels and coping mechanisms varied between adults in households with and without children.

Across countries, the proportion of respondents saying that the crisis had affected their household a fair amount or a great deal varied together with the financial insecurity measures based on two other surveys collected during the same year, suggesting that falling incomes is one of the major ways in which the economic downturn affected households. As regards more objective measures of the impact of the crisis, there was a higher correlation across 17 countries between crisis

assessments among adults with children and the level of monetary child poverty in 2010 than with the absolute change in child poverty between 2008 and 2010. This suggests that the prevailing poverty rate is important to the way individuals perceive the impact of the crisis. However, micro data on both perceptions of the crisis and household income both before and after the crisis would be necessary to investigate this further.

Overall, respondents in households with at least one child under 18 were more likely to report an impact of the crisis than the rest, even after controlling for other relevant household and country-level characteristics. On average, these differences were more pronounced in countries with higher rates of monetary child poverty, suggesting that adults living with children felt particularly affected by the crisis in countries where large shares of children lived below the poverty line.

All else being equal, respondents were significantly more likely to report an effect of the crisis if they were under 65, had lower levels of education and lived in households with the main source of income from state benefits as well as in larger households (i.e. with more adults). The same risk factors were observed for the sub-sample of adults in households with children, except that living in larger households did not increase the likelihood of reporting an impact of the crisis. In contrast, it is single adults in households with children (i.e. lone carers) who were most likely to report an impact of the crisis. This is consistent with the finding of a greater impact of the economic crisis, measured as the change in income poverty between 2008 and 2012, on children in lone parent families in the EU (Chzhen, 2014).

Among adults in households with children, perceptions of the crisis were significantly more prevalent in countries with higher levels of child poverty, slower or more negative economic growth and lower GDP per capita, everything else being equal. In contrast, having controlled for the size of the economy, the effects of the generosity of minimum income protection schemes were not statistically significant in a relatively small sample of 17 countries. However, richer countries tend to be better equipped to protect individuals from the effects of economic downturns. Using the EU tax-benefit micro-simulation model EUROMOD for five countries (Belgium, Italy, Lithuania, Spain and the UK), Figari et al. (2010) found that social protection systems helped alleviate the impact of job loss on household income to varying degrees, depending on their design and generosity.

Presence of children was also associated with a greater number of ways in which the household had been affected and with a greater variety of coping strategies adopted. There is some evidence that households with children prioritised expenditure on basic necessities at the expense of spending on non-essentials, but, disturbingly, many still reported reduced consumption of staple foods as a result of economic difficulties. There is also evidence that adults with children were more likely to attempt to borrow money than apply for state benefits.

However, it is a limitation of this study that more of the EU countries were not included in the LiTS II survey, especially Southern European countries such as Greece and Spain, whose economies have suffered extensively since 2008. Thus, according to data from the Eurobarometer 311 collected in October 2010, the proportion of adults (in households with children) who reported difficulties keeping up with their financial commitments across the EU-27 was highest in Greece (59%). According to data from the GWP, 62% of respondents in Greece said in 2010 that they

found it difficult or very difficult to manage on present income. This proportion rose to 76% by 2013.

Several other limitations of the analysis need to be acknowledged. First, only one wave of the LiTS asks about subjective perceptions of the crisis. As the data were collected in 2010, the study focuses solely on the early impact of the economic crisis. Furthermore, since the LiTS is not panel survey, changes in the living conditions of the same households before and after the crisis cannot be investigated. Nevertheless, the cross-country comparative structure of the survey has been exploited here to analyse the degree to which perceptions of the effects of the crisis depend on the economic context of the country. Second, an international comparison of subjective assessments may suffer from systematic reporting biases due to, for example, cultural differences in acknowledging the severity of economic hardship (Bidani et al., 2012). Most international opinion surveys are subject to this caveat, but this paper focuses on EU member states (plus Turkey) rather than the more culturally heterogeneous full LiTS II sample of European and Central Asian countries. Third, perceptions of the crisis reported by adult household members do not necessarily reflect children's own experiences. Cross-country comparative evidence of children's own assessments of changes in their households' well-being since the start of the crisis is notably lacking. Yet, it remains worthwhile to study adults' evaluations of the crisis impact because "economic shocks can influence children's outcomes indirectly by shaping family practices, processes, and relationships" (Lundberg & Wuermli, 2012, p.16).

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ANNEX

Table A1 Summary statistics – macroeconomic indicators

	Subjective impact of the crisis indicator, respondents with children (LiTS II)	Subjective impact of the crisis indicator, all respondents (LiTS II)	Child poverty rate, anchored in 2008, (2010)	GDP per capita $PPP, 2010	GDP growth, 2010	Feelings about household income indicator, 2010 (GWP)	Financial difficulties indicator, 2010 (Eurobarometer 311)
Bulgaria	77.8	74.5	21.1	12852	0.4	65.0	41.2
Croatia	63.2	55.2	*25.2*	17785	-2.3	34.0	
Czech Republic	26.3	23.5	12.8	25987	2.5	28.0	25.8
Estonia	55.7	50.2	20.4	18374	2.6	37.5	37.5
France	54.9	48.5	16.9	33683	1.7	16.0	18.7
Germany	18.7	14.6	17.8	35797	3.9	17.0	11.2
Hungary	72.9	65.9	23.2	18611	1.1	72.0	32.3
Italy	63.6	53.4	26.3	30131	1.7	25.0	22.1
Latvia	65.7	56.4	36.8	15109	-1.3	63.5	50.0
Lithuania	61.3	52.3	33.5	18259	1.6	38.0	32.0
Poland	31.3	29.9	17.1	18796	3.9	35.0	11.1
Romania	74.4	62.0	25.0	11860	-1.1	66.0	41.7
Slovakia	26.2	24.4	12.7	22034	4.4	35.0	22.0
Slovenia	46.2	43.6	12.0	27452	1.3	18.0	10.9
Sweden	10.7	9.2	11.8	37943	6.6	7.0	4.0
Turkey	50.2	46.8	*33.0*	13178	9.2	48.0	
United Kingdom	48.2	30.6	26.1	35349	1.7	16.0	13.2
Mean	49.8	43.6	21.9	23129.4	2.2	36.5	24.9

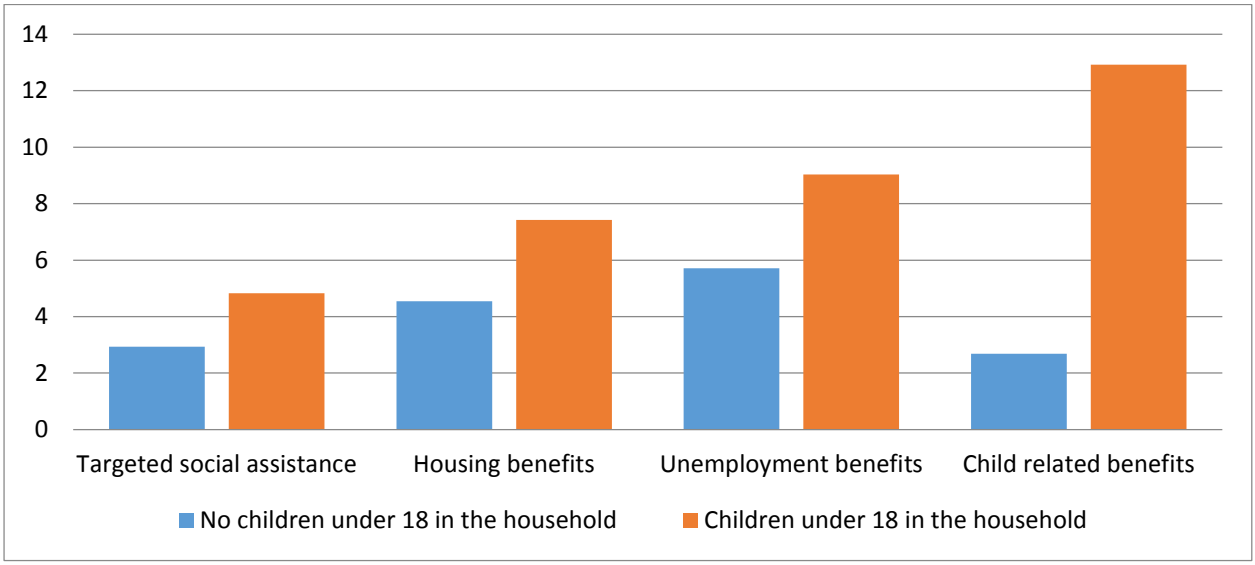
Sources: see notes to Figures 2-4.

Table A2 Main crisis transmission channels (% adults with children reporting various ways in which the crisis affected their household, of those that said that they were affected by the crisis just a little, a fair amount, or a great deal)

	Head HH lost job	Other HH person lost job	Family business closed	Working hours reduced	Wages delayed/susp ended	Wages reduced	Remittances reduced	Returned home from abroad	Additional work	Increased hours	Someone started working
Bulgaria	13.7	17.1	3.9	7.3	25.4	**43.4**	8.8	4.4	4.9	12.7	2.9
Croatia	12.8	17.4	2.3	10.1	14.6	**71.7**	9.6	1.4	3.2	11.4	3.7
Czech Republic	8.6	11.2	3.0	7.7	10.7	**49.4**	1.3	1.7	11.2	21.0	4.7
Estonia	18.5	17.8	0.8	18.2	15.8	**53.3**	13.1	2.3	13.5	8.5	6.2
France	9.9	8.0	1.6	13.4	2.9	**27.1**	4.5	0.3	4.5	19.8	3.5
Germany	13.8	8.1	2.3	**33.3**	11.5	14.9	21.8	0.0	9.2	6.9	9.2
Hungary	20.2	15.9	1.9	7.7	6.3	32.2	**63.9**	1.0	11.5	8.2	3.4
Italy	5.8	12.3	0.7	**34.6**	12.7	32.9	0.7	0.3	5.8	16.4	3.8
Latvia	25.7	28.8	1.2	11.3	15.6	**76.3**	8.6	5.8	8.2	10.1	5.1
Lithuania	20.5	13.4	2.9	8.4	27.2	**76.2**	43.5	3.4	4.6	11.3	2.5
Poland	7.6	13.3	2.5	10.5	14.6	**38.4**	1.6	4.4	6.0	13.3	1.9
Romania	12.4	20.4	5.2	13.6	33.2	**68.4**	16.8	4.8	2.8	16.8	2.4
Slovakia	13.8	13.8	1.2	15.9	20.3	**37.0**	15.5	1.6	9.4	5.7	1.6
Slovenia	11.3	13.1	0.9	9.5	24.9	**62.0**	1.4	1.8	10.4	26.2	7.7
Sweden	8.6	7.6	0.0	**15.2**	1.0	13.3	3.8	1.0	6.7	11.4	2.9
Turkey	32.6	12.1	7.3	10.6	32.8	**59.1**	9.1	0.8	8.8	13.9	4.3
United Kingdom	15.4	10.9	1.8	17.5	6.3	**24.9**	7.0	0.4	6.0	16.1	4.9

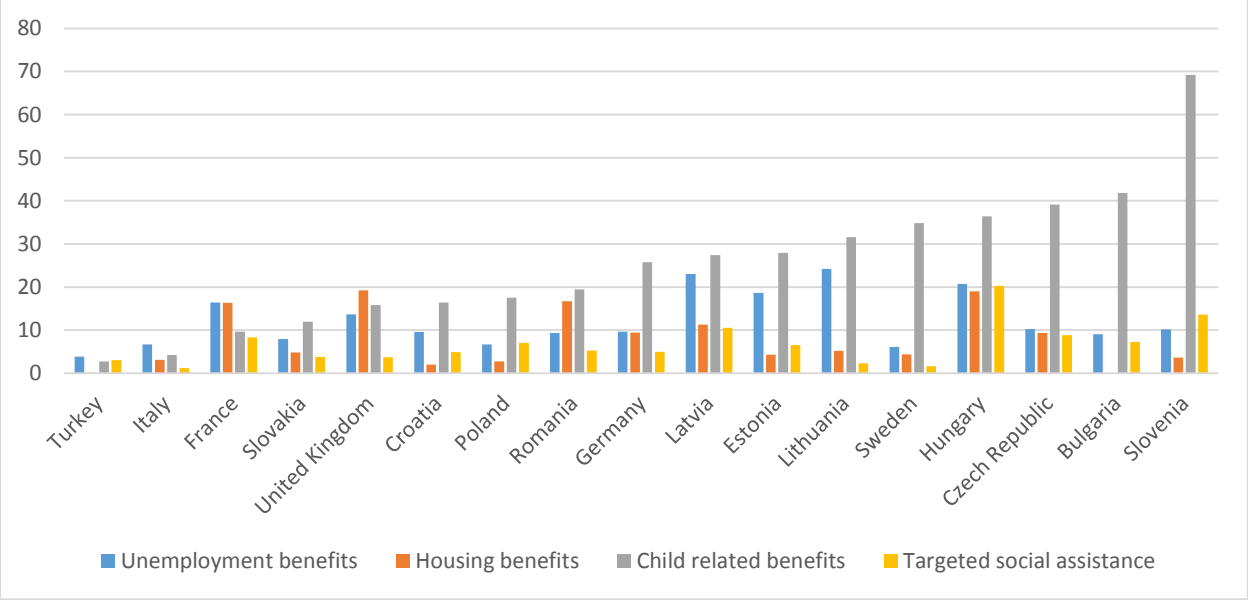
Source: LiTS II (2010). Population weights used. Multiple response categories. Most prevalent channel in bold.
Base: adults with children under 18 in the household.

Figure A1 Coping strategies: public safety nets (%)



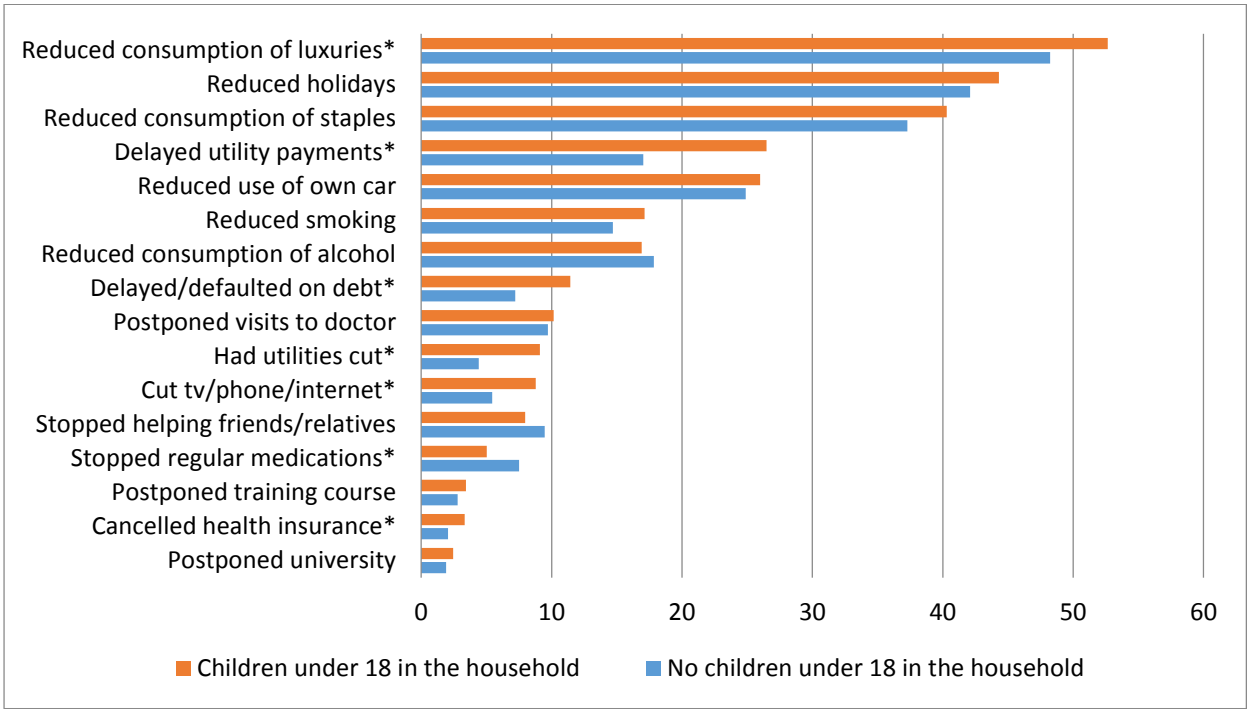
Source: LiTS II (2010). Population weights used. Multiple response categories. All differences by the presence of children in the household significant at p<0.001.

Figure A2 Public safety nets (adults with children), by country (%)



Source: LiTS II (2010). Population weights used.

Figure A3 Passive coping strategies (respondents who reported having been affected by the crisis a fair amount or a great deal)



Source: LiTS II (2010). Population weights used. Multiple response categories. * significant differences by the presence of children in the household at p<0.05.