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Quantifying child poverty : From methodological debates to social policy stakes

What do international comparisons teach us ?

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International comparisons of poverty are usually built on absolute monetary poverty indicators. The World Bank has promoted the most known and used indicator throughout the world, one of the target indicators in the Millenium Development Goals (MDGs), based on a poverty line estimated at 1,90\$/day in pps. This approach bears the advantage of simplicity, but has numerous limitations (short term vision, totally monetarised economy...). Some countries therefore prefer, including for international comparisons, developing their own poverty threshold, more contextualised. Multidimensional indicators are also in use (HDI, MPI) to go beyond an exclusively monetary approach of poverty. A reflexion on finer indicators representing the poverty found within households and for specific categories of population, with specific needs, such as older persons or children, is little developed.

In order to challenge the way social policies address child poverty,

- we briefly describe how countries and international organisations have dealt with the issue of measuring child poverty
- we identify, through three very different case studies (Uganda, Russia, France), the main limitations of international comparisons

Child poverty indicators and international organisations (World Bank, UNDP, Unicef)

1. 20% of the world's children would be living in monetary poverty, in developing countries as well as in Europe?

According to a study by the World Bank and Unicef (2016), around **20 % of children in developing countries live in households with less than 1,90 US\$ per day and per person** (criteria of extreme monetary poverty for the World Bank), that is about 385 million children.

Yet the UNICEF *State of the World's Children 2016* states that **in European countries, 21% of children live in poor households**, defined according to the national poverty threshold (relative monetary poverty, below 60% of the median revenue). Eurostat data actually confirm that since 2010, more than 25% of children aged from 6 to 10 years old are at risk of poverty or social exclusion in Europe (Figure 1).

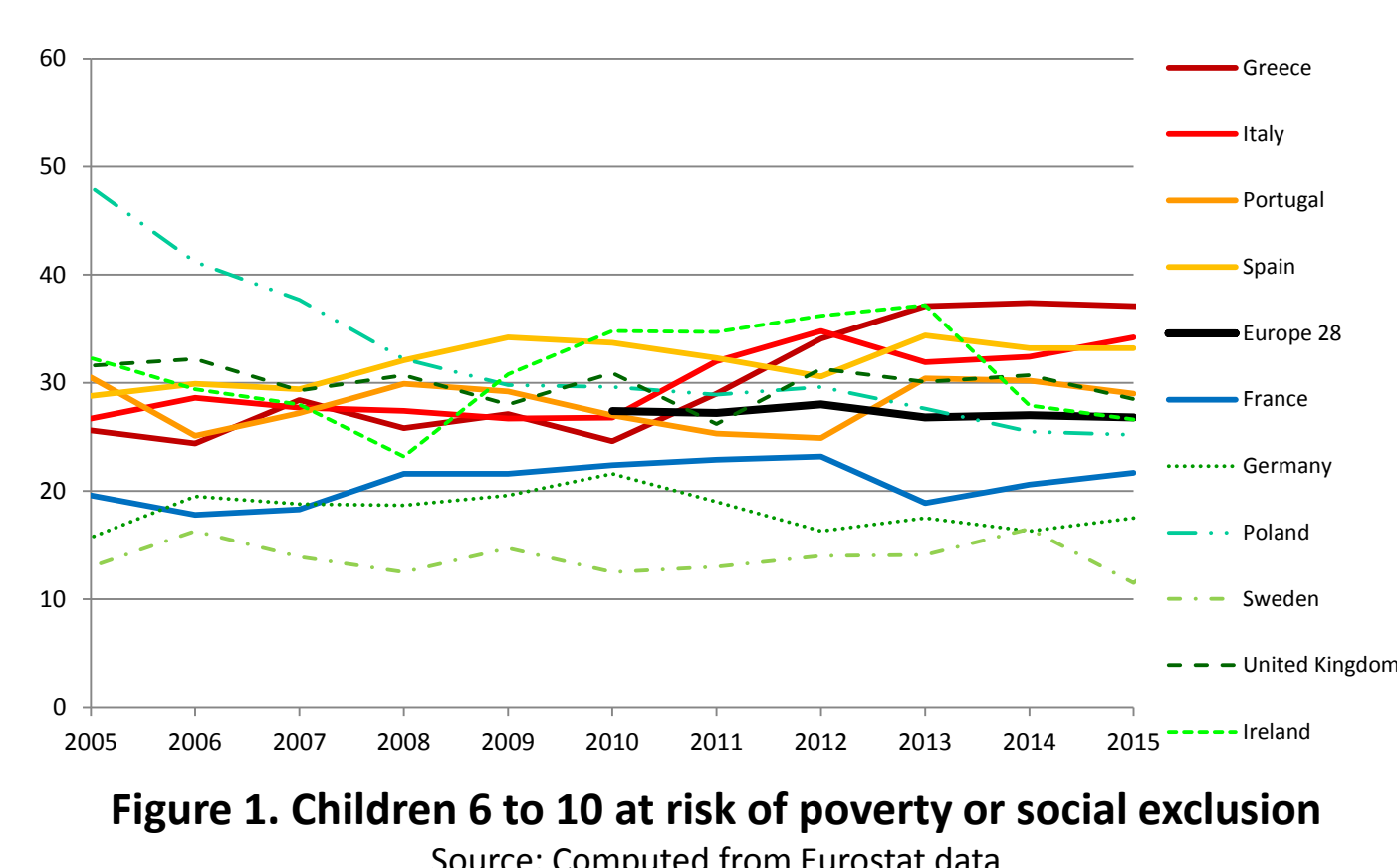


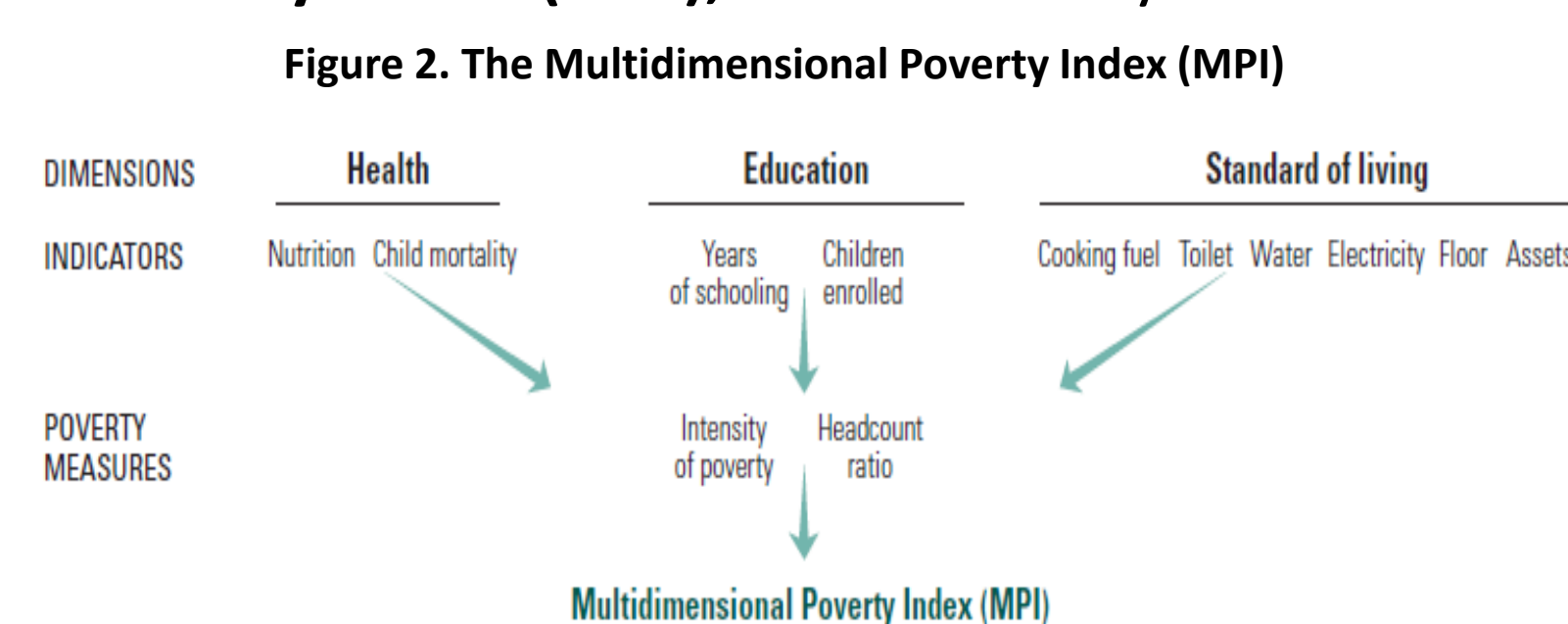
Figure 1. Children 6 to 10 at risk of poverty or social exclusion
Source: Computed from Eurostat data

=> **Even when using monetary poverty estimates, international comparisons are hampered by the varying definition of poverty thresholds across continents or countries (however comparable the results might look).**

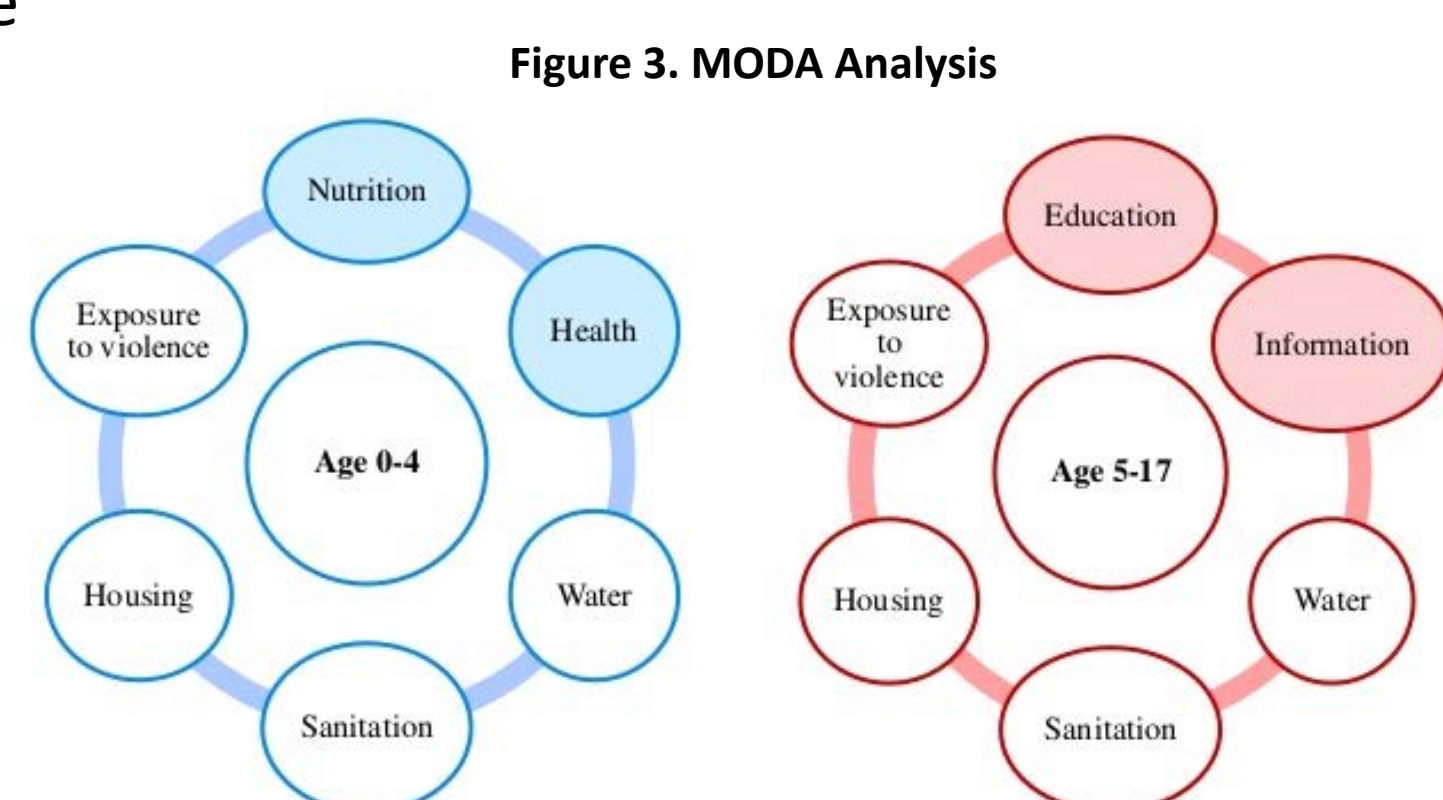
2. A need for multidimensional indicators, specific to children

Poverty is not only monetary. Multidimensional indicators, taking into account access to clean water, health services, education and other possible fields of deprivation, are today preferred to a solely monetary poverty line.

A- One of them is the Multidimensional Poverty Index (MPI), calculated by UNDP since 2010. It covers three dimensions: health, education and material deprivation, measured by 10 indicators (figure 2). It is usually calculated at household level and considered valid for all household members, children as well as adults.



B- Specific statistics and indexes dedicated to measuring child poverty remain rare. Unicef (2012) suggests a **Multiple Overlapping Deprivation Analysis (MODA)** that places the child at the core of the analysis, concentrating on the child's well-being and overlapping inequalities, on the basis of children's rights at different stages of the life cycle (Figure 3). This new methodology provides a better assessment of child poverty and its specificities, but remains difficult to calculate and compare. Deprivations are quantified using DHS and MICS data in developing countries, and on SILC data in the European Union.



=> **Child-centred multidimensional analyses are based on indicators derived from available surveys and as those differ, and some deprivation indexes are missing, they are difficult to compare.**

Measuring child poverty in Uganda

In Uganda, the latest study of child poverty (MoGLS, Unicef and EPRC, 2014) shows that **55% of children 0-4 (resp. 38% of children 6-17) live in multidimensional poverty and 24% (resp. 18%) live in extreme poverty**. Child poverty is defined as children deprived in 2 or more dimensions, and extreme child poverty as children extremely deprived in two or more dimensions. These dimensions are: (i) Nutrition; (ii) Water; (iii) Sanitation; (iv) Health; (v) Shelter; (vi) Education; and (vii) Information. The calculations are based on DHS data.

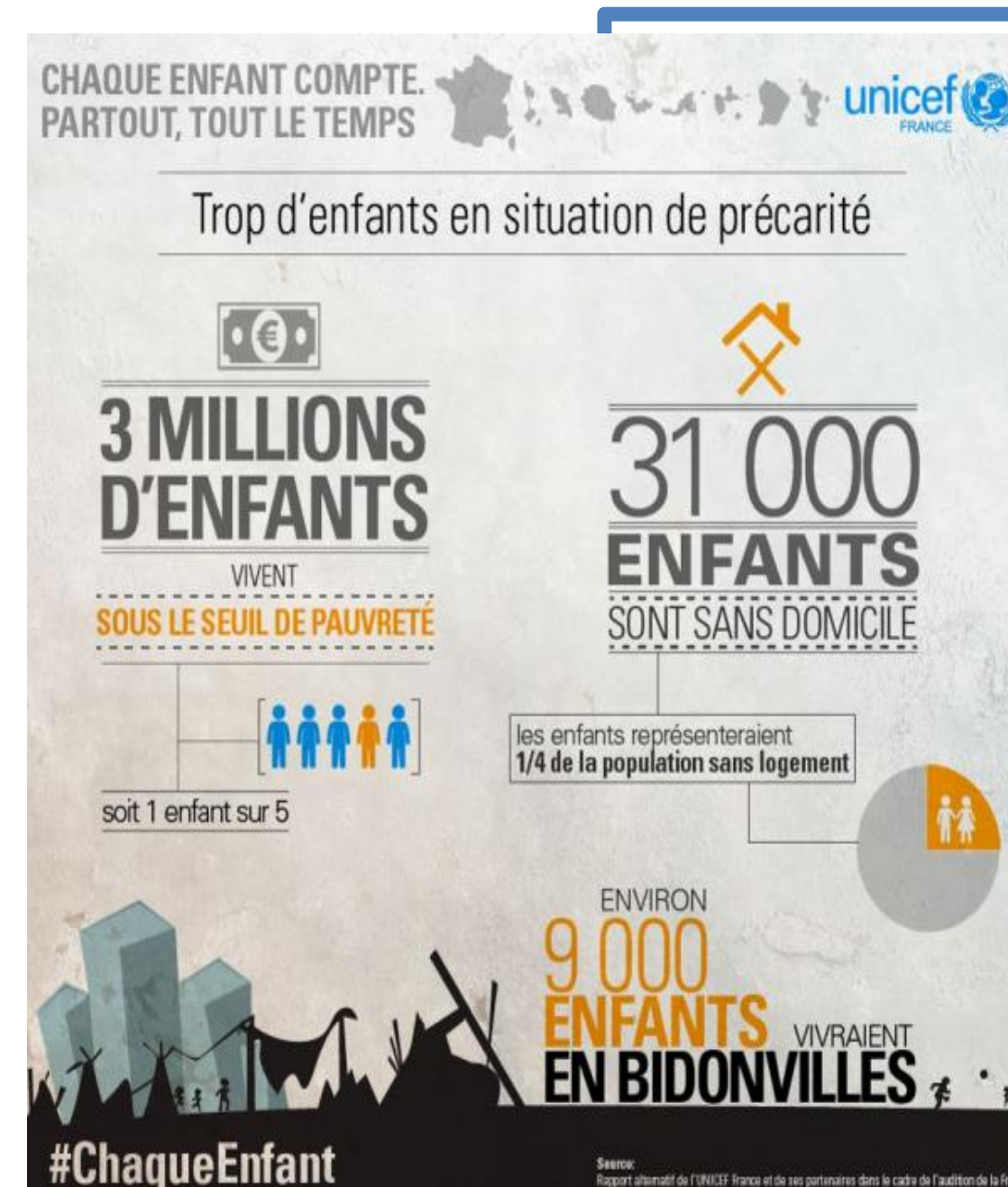


The most common forms of extreme deprivation are information and shelter.

Measuring child poverty in France

In France, **1 child out of 5 lives in (relative monetary) poverty. The most common deprivations are housing and leisure**

Insee and Eurostat use a relative monetary definition of poverty (below 60% of the median revenue after social transfers) : 2,4 million children would live in a poor household. Unicef estimates this figure at 3 million children, 1 out of 5 children. Deprivations mainly concern bad housing conditions and access to leisure, whatever the size of the household.



Measuring child poverty in Russia

In Russia, the **official poverty level is absolute** : this Russian "subsistence minimum" is set at the regional level and differs also for children, working-age population and pensioners : 13,5% of the total population is below this minimum in 2016, **but 2/3 of poor households are households with children (Rosstat)**. Neither relative monetary poverty nor the MODA Index are not calculated.



These three examples illustrate the difficulties an international comparison based on the indicators produced by each country would raise. International comparisons therefore require a careful documentation of the way the indicators are built, even when similar estimation techniques are used.

Usual approaches to assess child poverty are at best based on household data, and therefore do not frame well individual situations. The household incomes and expenses as collected in surveys do not always take all resources into account (informal activities revenues, migrants' transfers, extra-household family support). Poverty indicators therefore depend on the definition of the household in use. For instance in contexts of high out-migration of fathers, where many household are considered female-headed, child poverty is likely to be over-estimated.

The MODA approach seems by far the most satisfying for assessing child poverty. However it is difficult to implement. Even at Unicef, it does not seem to be used for international comparisons yet.

Finally child poverty requires taking into account access to health services and education, in a **medium term** perspective, dimensions that are absent in classical poverty indicators. Beyond the means available in the family, poverty also depends on the existence, cost and quality of public and/or private services in the child's reach.

Conclusion

In his last book, *Inequality : What can be done ?*, Atkinson (2015) also deals with child poverty and points at the difficulties of measuring it and of comparisons. He contests the present time trend towards child grants targeting the families with the lowest incomes, defined by thresholds that are more and more debatable, partial, perfectible, contextual... He recommends universal child grants, substantial and taxable, in order to reduce child poverty in the world. It seems to be the most reasonable solution in a context where indicators are subject to discussion.

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