

Poverty traps and social exclusion among children in South Africa



Five policy briefs based on a report initially compiled for
the **SA Human Rights Commission & UNICEF**

by a team comprising

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PAN Policy Briefs

- Policy Brief 1: Education: Every child must read by age 9
- Policy Brief 2: Poor childhood health can condemn children to poverty for life
- Policy Brief 3: Social and family influences trap many children in poverty
- Policy Brief 4: How geography can trap children in poverty
- Policy Brief 5: How lack of assets affect child poverty and social exclusion



Overview

- SA society has undergone transitions which fundamentally changed the context of poverty & social exclusion
- Abolition of apartheid opened opportunities for participation
- Service delivery became better targeted at the poor
- Massive expansion of grants reduced child poverty and hunger
- Rural-urban migration and fertility decline changed opportunities
 - Total fertility dropped to 2.34, not far above replacement
 - Thus greater women's choices and labour market participation, fewer unwanted children
- Most school-age children at school
- Thus poverty declined and opportunities expanded
 - But economic growth is too low to draw many unemployed into economic mainstream
 - Those excluded from labour market typically also marginalised in other dimensions
 - Despite more income, many of the poor have few assets and remain vulnerable

Many SA children caught in poverty traps and are socially excluded

- **Poverty traps:** self-reinforcing mechanisms that cause poverty to persist
- To escape poverty traps, children need enabling environment in terms of health, education, assets, social and family networks, geography
- Children caught in poverty also potentially subject to **social exclusion**, the process that excludes them from full participation in society

Extent of child poverty

- 41% of children (6½ million) chronically poor, another 32% (5 million) in hholds that moved in and out of poverty between 2008 and 2012
- Most chronically poor children also structurally poor, i.e. in hholds with too few assets & productive potential to break out of poverty
 - Likely to become poor adults (intergenerational poverty)
 - More likely to experience social exclusion
- Persistent nature of poverty traps means characteristics of poor change slowly
 - Mainly black, rural parts of former homelands, poorly educated parents, weak family structures (seldom with both parents)

**EDUCATION: EVERY CHILD
MUST READ BY AGE 9**

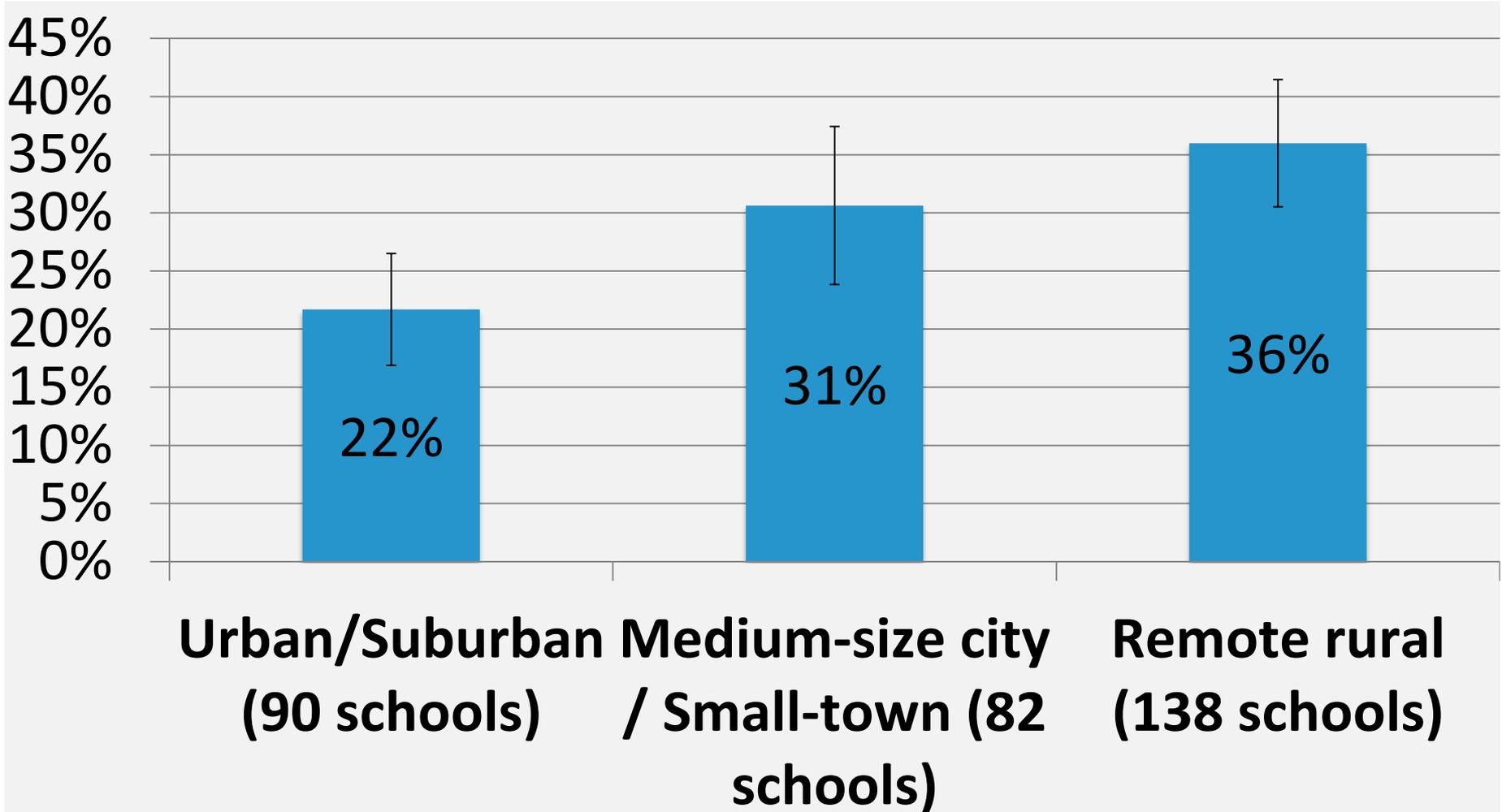
GETTING EARLY LEARNING RIGHT

- Poor children often get little social, emotional and cognitive stimulation in early childhood, and primary schools do not provide needed skills
- Most SA children acquire learning deficits early - these cause later underperformance
- At end of Foundation Phase, *“learners have only a rudimentary grasp of the principles of reading and writing”* (Spaull & Viljoen); similar in maths
- Cumulative effects of learning deficits make late remediation ineffective
 - especially in subjects like maths and science with strongly interlinked concepts that build on previous knowledge
 - Also, brain most malleable in early childhood

“Policies that seek to remedy deficits incurred in early years are much more costly than early investments wisely made, and do not restore lost capacities even when large costs are incurred. The later in life we attempt to repair early deficits, the costlier the remediation becomes”. (Heckman)

% of Gr4s completely illiterate by school location

(cannot "locate and retrieve an explicitly stated detail", Low International Benchmark in prePIRLS 2011)



Why reading?

- First three years the “learning to read” phase
 - Acquire ability to decode text, convert print symbols into language
- Thereafter “reading to learn” phase
 - Acquire new information through reading
- Children who cannot read precluded from further learning
 - PIRLS 2006 showed 80% of children not reading with comprehension in Gr5
 - Thus massive educational inequalities established early
- Reading is gateway into all other learning
- Many identify with an intervention built around reading
- Must raise expectations of parents and teachers about how well and how quickly children should learn to read
- Campaign: **Every child must read (by age 9)**

**POOR CHILDHOOD HEALTH CAN
CONDEMN CHILDREN TO POVERTY FOR
LIFE**

Access to health services has improved since transition, but service quality still weak

- Maternal mortality rate – measure of health service quality – increased by 80% since 1990
- Under-five child mortality stubbornly high at 1990 levels
- % of under-five children with vitamin A deficiencies doubled between 1994 and 2005
- HIV and AIDS left a large imprint through deaths, loss of earnings, orphaned children, morbidity and need for treatment

Many factors affecting children's health lie outside the health sector

- Good sanitation, clean water, proper housing, adequate nutrition, good nutrition practices all essential for children's health
- Combination of poverty and poor health leaves many children unable to escape from poverty in later life
- Poverty results in poor childhood health which, in turn, reduces productivity in adult life
- Poverty often linked to health deficiencies from undernourishment and exposure to disease

How poverty affects childhood health and thereby life chances

- Poor children at greater risk of contracting disease; health also influenced by circumstances during mother's pregnancy
- Sick children less effective learners; sick or undernourished babies may carry early health deficits with them throughout their lives
 - Poor children in USA miss more days of school, are more often ill as adults
- Capacity to develop skills affected, with labour market implications
- Health differences between poor and wealthy children grow as they age

Malnutrition

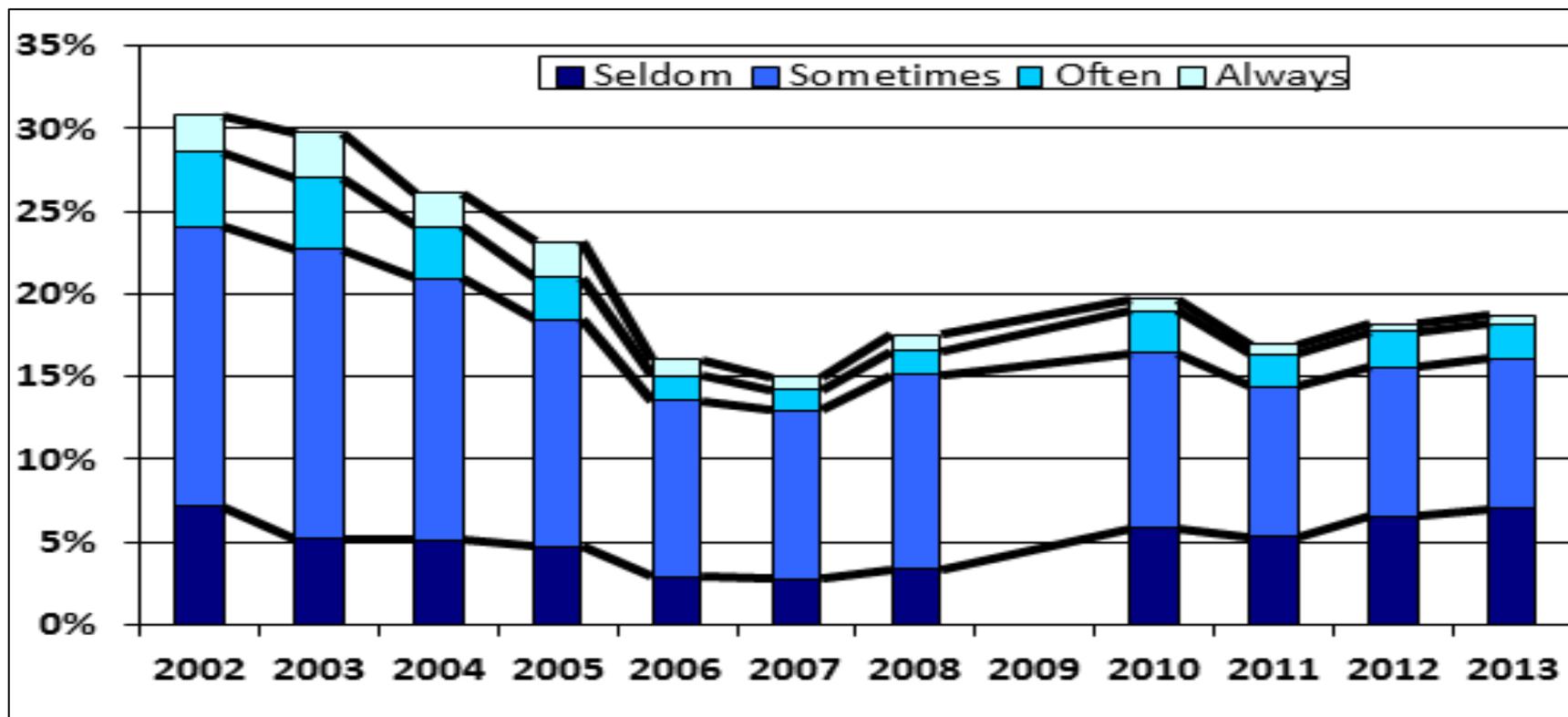
- Among top five causes of child mortality
- Early age malnutrition can have irreversible impacts on physical or cognitive abilities, thus affecting later health and education
- Pervasive low micronutrient intake (e.g. vitamin A deficiencies) among young children

Nutritional status of children 0-3 years

	Stunting	Under-weight	Wasting (based on weight-for- height)	Wasting (based on BMI-for- age)
1993	30.3%	20.0%	13.6%	6.8%
2008	26.3%	11.2%	7.4%	8.7%
2012	26.4%	5.9%	..	.2.7%

- Stunting declined between 1993 and 2008, then stabilised at about one quarter
- Underweight declined substantially between 1993 and 2012

% of hholds with children where children went hungry in past year



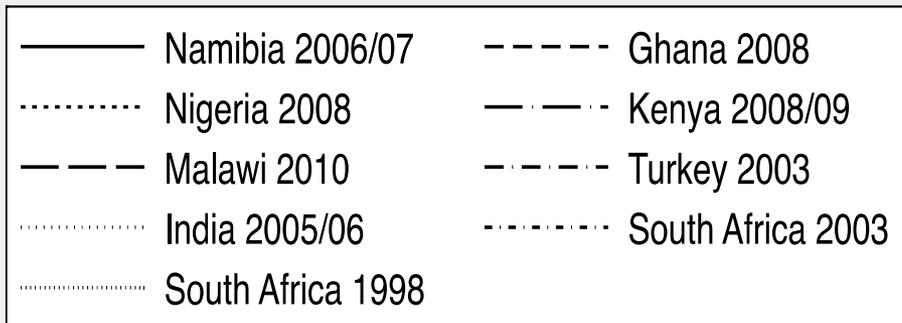
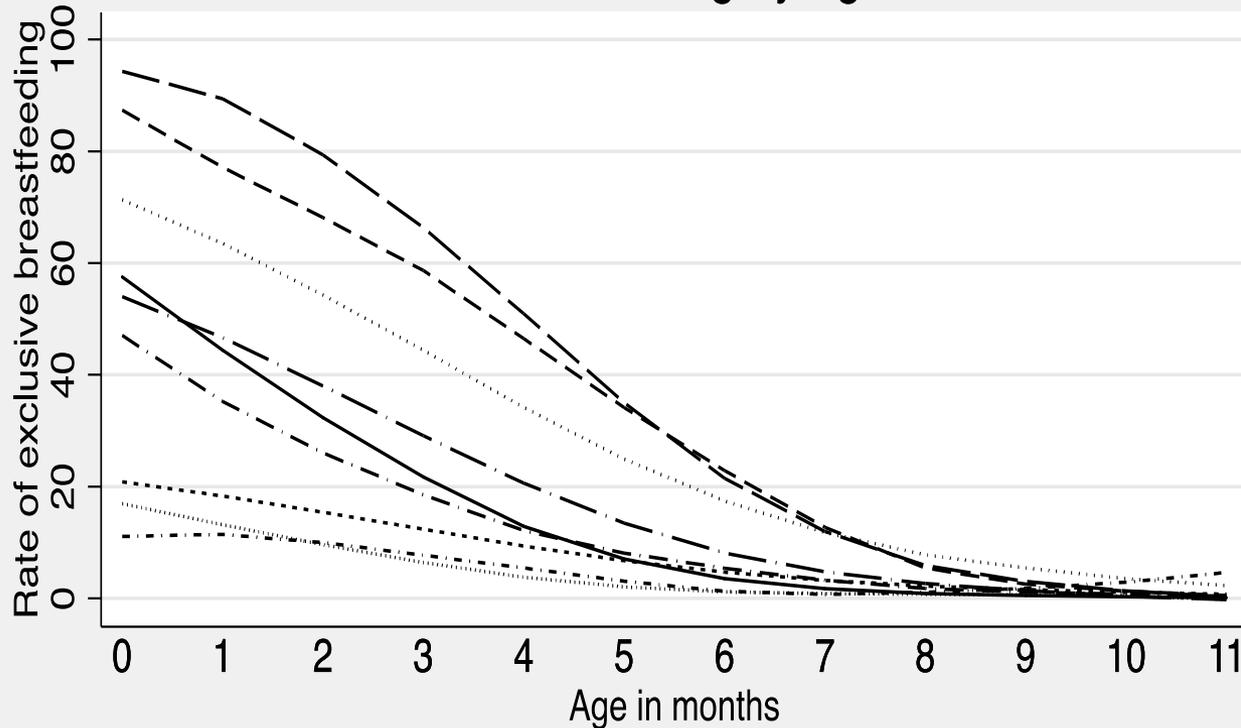
- Child Support Grant and National School Nutritional Programme contributed much to reduced hunger, esp. between 2002 and 2006
- World recession of 2008 reversed some gains
- Almost 20% of hholds with children still report that children experience hunger

Diarrhoea

- From 1997 to 2006, deaths from diarrhoea grew from 6 536 to 39 239
- 2012 GHS shows poor children more likely (6.7%) to contract diarrhoea than non-poor (4.8%)
 - Diarrhoea also induces stunting and underweight
- Lack of clean water and adequate sanitation causes 90% of diarrhoea related deaths
 - Children in rich provinces have almost universal access to piped water, but 40%+ in EC, KZN & Limpopo do not get water from a piped source within 200 metres of home
 - Improvements in children's access to flush toilets (39% in 2001, 46% in 2005), but large inequalities: 93% in WC, 85% in Gauteng, vs 11% in Limpopo, 25% in EC (2007)

Exclusive breastfeeding

Exclusive breastfeeding by age in months



Advocated due to positive impact on infant health

3/4 of SA mothers breastfeed, but only 8% do so *exclusively* for first six months

- SA's exclusive breastfeeding rate low among developing countries

**SOCIAL AND FAMILY INFLUENCES
TRAP MANY CHILDREN IN POVERTY**

Household influences and poverty traps

- Early social and family environment (up to age 8) important for developing skills and capabilities
 - Largely shaped by household (particularly parents) and broader community
 - Initial differences in cognitive and non-cognitive skills diverge further over time
- **Enabling environment** characterised by:
 - presence of both parents
 - nutritional adequacy
 - ability & willingness of parents to make time and material investment in children
 - absence of violence, safety from harm (both physical and emotional)
 - opportunities for learning
 - stimulating social interactions
- Many SA children victims of broken households or poor parenting, and experience social exclusion

Social exclusion

- Social exclusion means feeling disconnected from broader society
 - Social exclusion is relative
 - Manifests as non-participation in formal or informal institutions
- Developing social relations requires time and money
 - Poor parents are less able to support their children's activities, particularly single parents who are more time constrained
- Social exclusion explains *entrapment* in poverty
 - Socially excluded children display low aspirations and expectations – this perpetuates poverty
 - A socially excluded person finds it difficult to engage in certain activities, e.g. getting a good job, and often has lower wages than others

SOCIAL EXCLUSION AND POVERTY

- Connectedness with broader society also has a bearing on life outcomes
 - Strong social network fosters opportunities for labour market access, sharing duties (e.g. childcare), information diffusion, protection against resource shocks
 - Experiencing social connectedness and a feeling of ‘belonging’ is important for the healthy socio-emotional development of children
- Social networks develop through interaction of individuals and groups
 - Fractured social networks may perpetuate poverty
 - According to Amartya Sen, social exclusion and marginalisation are a form of poverty – and cause further deprivation
- Poor SA children often experience maltreatment and are often exposed to community violence

SA social networks

- Social networks often do not bridge the poor-affluent divide
 - Rural households in particular poorly linked to modern economy
- Extended family system offers important strengths, but has been decimated by ravages of migrant labour system
 - A minority (46%) of children live with both parents;
 - Thus many grow up in female-headed households where there often is no adult male present in the household. Such households are more likely to be poor
 - 64% of children in poorest quintile lived in female-headed households, compared to 24% in richest quintile of households

CONCLUSION

- Difficult for poor children to escape a weak family environment or social exclusion
- Importance of social networks and parenting well established, but no clear policy instruments
- Child protection laws, by themselves, cannot improve child maltreatment
 - Supportive public attitudes and more social workers are also required, especially in currently underserved poor and rural communities
 - Policy recommendation: Conditional grant to provinces for funding a minimum number of social workers or auxiliary workers, both government social workers and in private welfare organisations, to help prevent rather than simply treat the consequences of weak parenting and abuse of children

HOW GEOGRAPHY CAN TRAP CHILDREN IN POVERTY

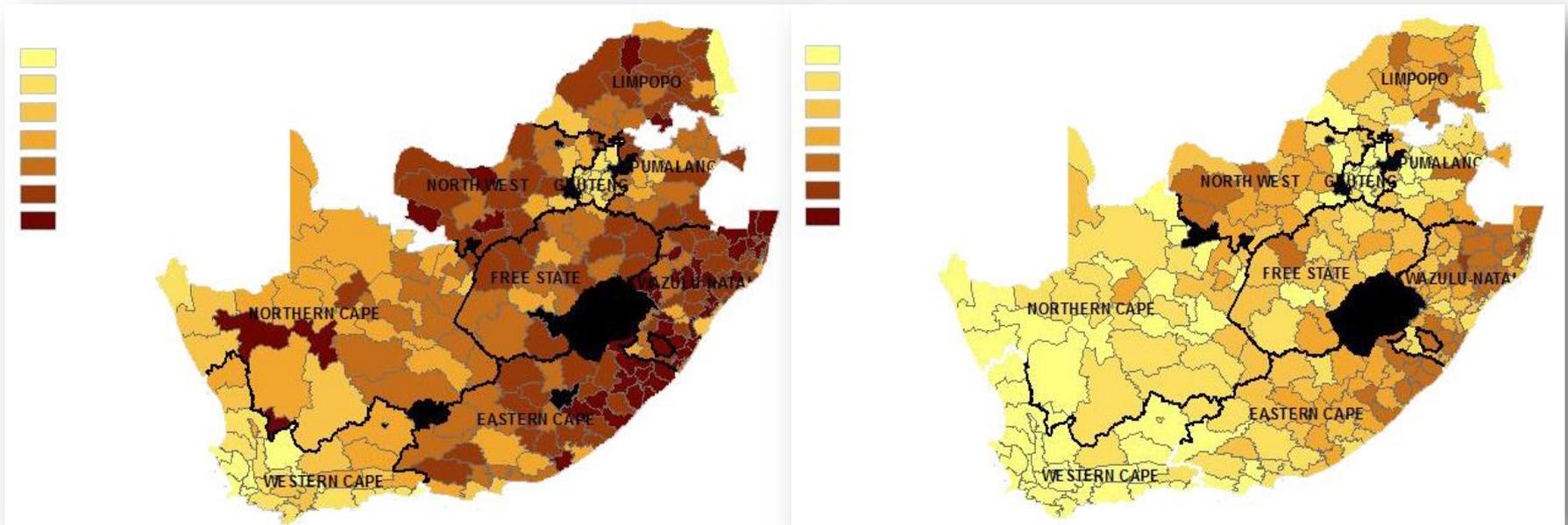
How geography creates poverty traps

- Mechanisms causing poverty traps often systemic, arising from shared geographic and spatial factors.
- Two views:
 - Poverty due to individual characteristics or family structure, e.g. breakdown of familial norms, culture of poverty
 - Structural factors beyond individual's control determine poverty, e.g. weak local economies, high unemployment, poor service access
- The poor in poor communities are doubly disadvantaged: have low incomes, are often excluded from services
 - Despite improvements, services still vary considerably along spatial lines (also within urban areas)
- Neighbourhood effects can create poverty traps through underinvestment and through their influence on behaviour of individuals, e.g. 'role model effect'

SA geography and poverty

- Apartheid's footprint still clearly visible in how poor people are crowded into townships and former homelands
 - Such areas also suffer from poor infrastructure and service delivery
 - eg in rural Limpopo province lack of proper sanitation and water makes it difficult to establish proper ECD centres
- Spatial inequalities still largely follow patterns established under apartheid, despite reductions in child poverty through social grants

Child poverty, 2001 and 2007



- 2001 map largely reflects homeland boundaries
- 2007 map has lighter shades – reduced child poverty, due to CSGs
 - In 2001, 221 municipalities had 50%+ child poverty, by 2007 only 145
 - Targeting of grants improved greatly in post-apartheid period
- Grants per hhold in former homelands R1000+, remittances only R214

Conclusions

- Shifting economic activity to rural regions will be expensive and is unlikely to be successful
- Thus:
 - migration must continue
 - welcoming environment must be created for urban migrants
 - including affordable and quality child care facilities to make it attractive to bring their children with them
- But quality basic govt services must also be provided in rural regions, to improve living conditions of those who remain there

HOW LACK OF ASSETS AFFECT CHILD POVERTY AND SOCIAL EXCLUSION

HOW LACK OF ASSETS AFFECT CHILD POVERTY AND SOCIAL EXCLUSION

- Tangible and intangible assets (e.g. education) influence life chances
- Most of the chronically poor (those who remain poor over time) are also structurally poor, i.e. they lack the assets that would predict that they are likely to be non-poor

Assets influence life chances

- Assets important determinant of well-being, thus their distribution has vital implications for children's life chances
- Deprivation in intangible assets (health, education, social capital) can also act as poverty trap mechanism
- Asset accumulation determines ability to escape poverty
- '*Liquidity constraints*' (income too low to save) and *credit constraints*' (unable to borrow) can also cause poverty traps
- Asset-based poverty traps: Initial asset endowments determine long-run outcomes; lack of insurance or access to credit market means those who suffer an asset shock may fall into poverty
- Holds with limited assets can seldom undertake investments in quality childcare, education or development activities for children

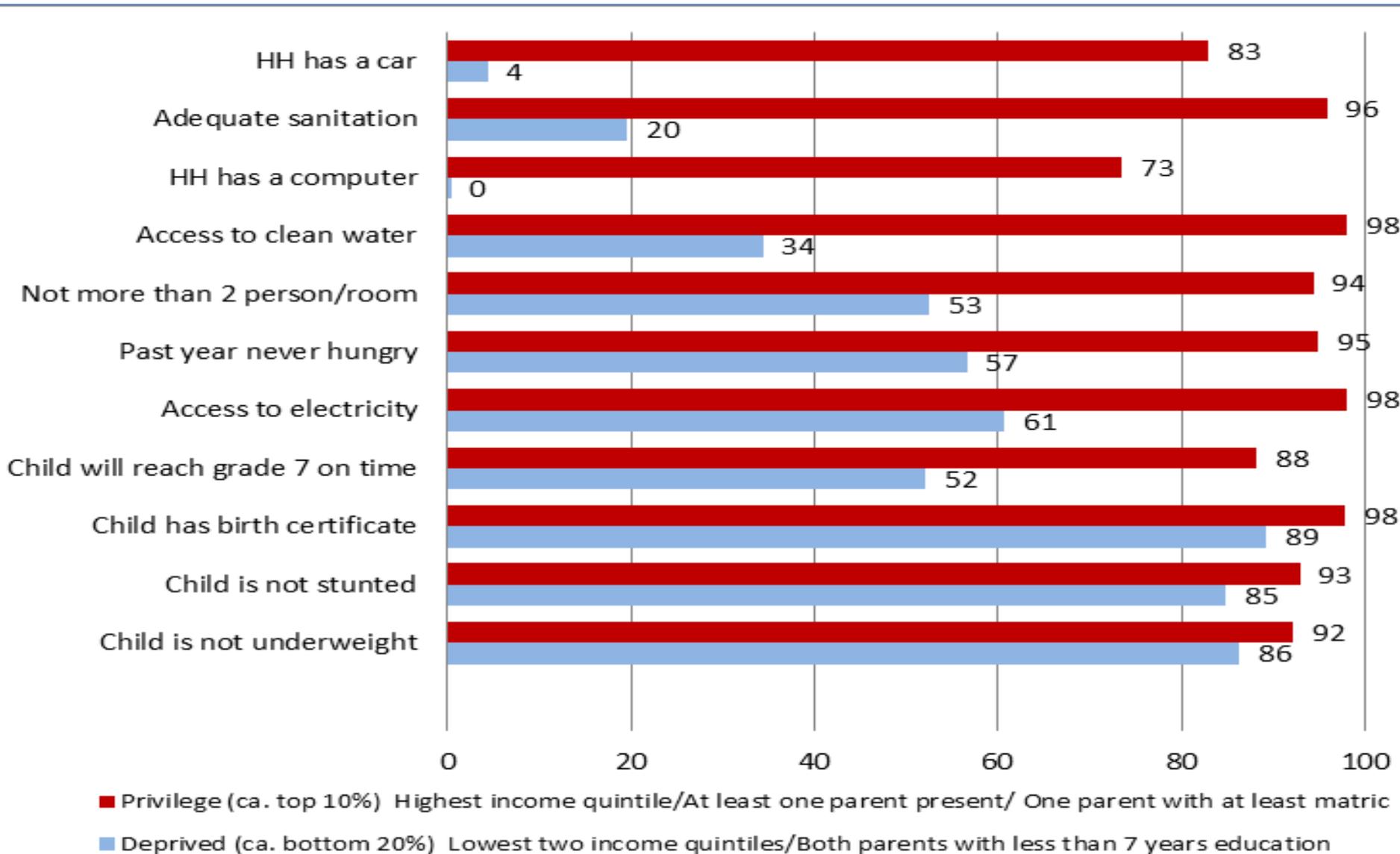
Adato et al. found evidence of a low level poverty trap in KZN; those with low asset base experienced income decline to below the poverty line

Liquidity constraints and social networks important

Poor hholds have low initial asset levels and poor access to credit

Contrasting life chances & human opportunity:

Likelihood that children age 10-14 would reach various benchmarks/life circumstances



Conclusion

- When poverty is temporary, policy should be designed to hasten the exit from poverty (e.g. CSG) or to prevent those at risk from dropping into poverty
- In the presence of a poverty trap, temporary support will be ineffective
- More fundamental policy changes required where low assets of hholds leave them vulnerable, with limited means to escape poverty
 - Creation of assets (particularly human capital, education, but also housing)
 - Increasing returns to assets (creating opportunities)
 - Migration

In summary

- **Education, health, geography, family & social networks, and access to assets all operate in various degrees to keep many children, and their hholds, in poverty**
 - And for many, this also means being socially excluded
- **For most of them, escaping from such poverty is unlikely through their individual efforts**
- **Many children are in addition growing up with little emotional support, and many experience violence and maltreatment at home and in society**
- **As a society, we can do better**
 - And much of what is required relates to better provision of education, health, welfare services, housing, municipal infrastructure

Asking for properly functioning social services that reach poor and non-poor alike is not asking too much

- And providing this will strengthen social cohesion and prospects for economic growth, with benefits for all