

The Effects of Economic Crises on Families Caring for Children: Understanding and Reducing Long-term Consequences

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This article examines case examples of some of the consequences for children and families of average and severe economic and social disruptions, including the economic losses and failure of social supports during the transition after perestroika in Russia, the experience of poor families during economic retrenchment in Mexico, the massive asset loss in the capital of Honduras after a natural disaster, the dramatic economic contraction in Vietnam after the war, and the impact of the AIDS pandemic on both economic and social institutions in Botswana. It then considers social supports which have made a difference in acting as a buffer against the effect of economic downturns, drawing on primary data from in-depth interviews with 2,000 families around the world, survey data on 55,000 households, and analysis of policies in all 192 members of the United Nations.

Key words: Children, economic crises, family care, social supports

1 Introduction

The global economy has recently faced the deepest recession in more than seven decades (Rugaber, 2010; Fitzgerald, 2009). Its impact on job opportunities, wages, and national economies and finances has been profound. Globally, the International Monetary Fund estimated that GDP growth dropped from 3.4% in 2008 to 0.5% in 2009 (IMF, 2009). This decline in income has had enormous effects on the health and well-being of populations, ranging from increased food insecurity (UNICEF, 2009) to higher unemployment (ILO, 2008, 2009).

Less often highlighted in the statistics is the impact of the economic downturn on children. Because of their physical vulnerability to changes in food supplies and their social and cognitive vulnerability during critical developmental windows, economic disruptions that may cause only temporary consequences for adults can cause graver, long-term consequences for their children.

In this article we examine data collected over the past decade on the experiences of individuals living under economic duress in order to better understand the risks that

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children and their families face during economic downturns. By looking at a range of different sources of stress, including Russia after *perestroika*, Honduras after a natural disaster, Mexico after the peso crisis, Vietnam emerging economically from the post-war period, and Botswana suffering economic decline due to the spread of the AIDS pandemic, we can better understand the long-term impact of crises on children and their families. While the relationship between economic crises, poverty, and family outcomes can differ markedly by country and source of stress, important commonalities exist which have important implications for social protection systems and social policy.

2 Method and data sources

First, we examine how past crises have affected parents' ability to care for children. In-depth interviews from Mexico, Honduras, Vietnam, Russia and Botswana are analysed regarding how crises affect children's care in their first year of life, the availability of adult supervision, care while sick, and children's educational opportunities. The article reports on the experiences of children whose parents work in both the formal and the informal sector.

Second, we examine the availability of social supports and legal protections that can make a difference to working parents' ability to care for their children during economic crises. We look at social programmes that are able to reach the informal as well as the formal sector, including social insurance that provides for paid maternal and paternal leave, and social systems which provide early childhood care. We also examine legislation that facilitates the ability of working parents to provide essential care for children's health, such as laws that protect the ability of parents to care for children's health needs. While this latter legislation typically targets the formal sector, we discuss its implications for workers in the informal sector as well.

2.1 *The Project on Global Working Families*

Led by Heymann at Harvard and McGill Universities, the Project on Global Working Families is the first programme to explore the experiences of working families across social class around the world. A central component of the project constituted conducting and analysing in-depth interviews with working families, employers, teachers, childcare providers and healthcare providers in 15 countries in order to examine the differences and similarities among the experiences of working adults across national borders, social class, occupation, ethnicity and economic and public policy contexts. Semi-structured, open-ended interview instruments were used to analyse the complex mechanisms by which families' work and social conditions affect parents, their children, and other family members. In addition, the project analysed large, nationally representative, closed-ended surveys of more than 55,000 households from countries in North America, Latin America, Europe, Africa and Asia. In this article, we analyse the in-depth interviews to examine how economic downturns impact families in five countries. We then examine the strength and weaknesses of the global safety net related to parental work, drawing on the World Legal Rights Data Centre, which has examined legislation,

social insurance and public policies shaping the supports available to working families in 192 countries representing the full range of political, social and economic systems.

2.2 Settings examined

Economic restructuring and downturn: Russia

Socio-political changes during the 1990s forced many working families in the former Soviet Union to deal simultaneously with increased risk of job loss and decreasing availability of social support mechanisms, such as subsidised childcare programmes, healthcare and education through the tertiary level. Russia's transition to a market economy saw a sharp decline in the standards of living and widened income inequality. Children's health likewise declined, as the rates of illness and disease grew. The number of babies born with dangerously low body mass increased by 6%, rising from 77,500 in 1996 to 82,000 in 2000. Adding to this, the infant mortality rate was 3 to 4 times higher compared with most developed nations, with the second-highest under-five mortality in Europe (Massey, 2002). In 2002, the research team carried out interviews and focus groups in Moscow to learn how *perestroika* and the political, economic and social transitions of the 1990s had affected adults' ability to get and keep jobs while simultaneously caring for children and adult family members in need.

Long-term impact of natural disaster: Honduras

In 1998, Hurricane Mitch struck Central America, with devastating effects. In Honduras, the death toll rose to 14,600. In addition, 2.1 million people required medical attention and/or immediate assistance such as food, water or shelter, while 396,000 continued to live in sub-standard, hazardous conditions and economic duress (Centre for Research on the Epidemiology of Disasters, 2002; Programa de las Naciones Unidas para el Desarrollo, 1999). In 2001, as part of the Project on Global Working Families, working parents, teachers, doctors, and other care-giving professionals were interviewed. The interviews explored work and social conditions and their effect on family health and children's well-being as well as the long-term impact of a natural disaster on working families.

Recovering from a currency crisis: Mexico

Soon after the North American Free Trade Agreement (NAFTA) came into force in Mexico, the country faced a major economic crisis. In late 1994, the Mexican government devalued the peso (Maskooki, 2002). The financial crisis that ensued cut the peso's value in half, sent inflation soaring and triggered a severe recession (Whitt Jr., 1996). Moreover, the peso crisis led to job loss on a massive scale, diminishing parents' ability to provide for their families and care for their children.

Economic restructuring: Vietnam

Introduced in 1986, the nationwide economic reform known as *Doi Moi* brought about a dramatic economic transition in Vietnam, shifting away from non-market socialism to a market economy. Largely as a result of this reform, the nation's per capita real GDP

increased from US\$202 in 1986 to US\$416 at the end of 2001 (Vuong and Dung, 2009). However, new economic opportunities were accompanied by reductions in government services, such as the introduction of user fees for health care and the reduction of some childcare programmes.

Cost of the AIDS pandemic: Botswana

Botswana has one of the highest rates of HIV in the world. In 2003, 37% of adults aged 15 to 49 were HIV-positive (National AIDS Co-ordinating Agency, 2003). HIV/AIDS simultaneously places families under economic duress and increases care-giving responsibilities. Individuals and communities deeply affected by HIV/AIDS face markedly increased care-giving demands from infected adults, children and orphans, while the supply of care-givers dwindles as more family members fall ill, and those who stay healthy must work to survive. At the same time, when adults of working age are forced to drop-out of the labour force due to illness or care-giving demands, the resulting loss of income and assets lands an increasing number of affected families in poverty.

2.3 Study subject recruitment

In Mexico, Botswana and Vietnam, these in-depth studies used representative samples of those attending public health clinics. In Mexico, study participants were recruited from 1999 to 2000 in health clinics in Mexico City and San Cristóbal de las Casas in Chiapas, the poorest State in the country. The response rate was 87%. There were no significant differences between respondents and non-respondents in terms of marital status, ethnicity, number of children, or whether they had formal or informal work. In Botswana, respondents were recruited between 2000 and 2001 at government health clinics in Gaborone, Lobatse and Molepolole. The overall response rate was 96%. Again, there were no significant differences in the demographic characteristics of study respondents and non-respondents. In Vietnam, participants were selected from 2000 to 2001 from 3 healthcare delivery sites in Ho Chi Minh City and surrounding peri-urban areas. The response rate was 89% for fathers and 77% for mothers, without significant difference between respondents and non-respondents. Those interviewed in Russia were recruited by the Russian Center for Public Opinion and Market Research (VCIOM) in Moscow, and those interviewed in Honduras were recruited in collaboration with an NGO providing services to populations affected by Hurricane Mitch.

3 Results

In-depth interview data from these selected countries reveal a number of consistent themes related to the effects of economic duress on working parents and their children. In particular, if they provided needed care for their children, working parents frequently risked loss of jobs and income at times when they could least afford it. Moreover, during economic downturns, both parents and governments were less able to afford to pay for childcare and other services that might fill the gap when working parents were unable to care for children themselves.

In this section we report how crises negatively affected parents' ability to care for and nourish their children in their early years, the consequences of having children remain at home alone, the inability to care for sick children, the impact on children's educational opportunities, and the difficulty of escaping this cycle of poverty. These areas correspond to key developmental issues in children's lives and are also representative of the primary matters of concern reflected in the stories of working parents who have gone through past crises. Moreover, they raise the type of risk that economic crises impose on children in the long term, educationally and developmentally, as well as in the short term.

3.1 Nutrition in early years

During their first years of life, the nutrition that infants and children receive has a particularly significant impact on their healthy development. Economically vulnerable mothers throughout the world emphasised the negative consequences of being unable to breastfeed their children in the absence of adequate maternity leave and breastfeeding breaks. Like many mothers, Leti Marta, a twenty-three-year-old single mother of a seven-month-old baby from Honduras, was unable to continue breastfeeding after having to return to work 42 days after giving birth. Honduras provided only 6 weeks of maternity leave and she could not afford to risk losing her job by staying out longer. Although Leti tried to continue to express milk after her maternity leave ended, she was unable to sustain the practice after returning to work. Instead, her mother, Maria, had to feed the infant milk 'from a can'. As a result, her child became malnourished, anaemic and underweight.

In the case of Lam Thi Suong, a Vietnamese mother, the financial stress of tending to her daughter's periodic illnesses as a young child required her to cut back on essentials, including food. Suong feared that her daughter's malnutrition as a young child might have affected her health as a young adult: 'When we don't eat enough nutrients, our children are often sick For example, when we had our daughter, we were so poor that we did not have any money. So I just ate boiled eggs and just went to the market at the weekend to buy a dozen eggs [for the whole family] to eat the whole week. As a result, the first child [did not develop in a healthy way]. Then gradually, we were able to save up and provide enough nutrients for the second child and so he is not sick as often. For example, the first child usually had inflammations of her gums and throat. The second child was taken care of more carefully: every 10 days or two weeks, I bought nutritious food for him to eat and so he was in better shape.'

3.2 Children left at home alone

For families with both pre-school and school-aged children, financial difficulties affect their ability to provide for adequate childcare, education and health care. In many countries, formal childcare is not available to families because of the lack of publicly available spaces and the prohibitive costs of private formal providers. In the case of Mexico, a minority of the interview respondents received childcare through social security at private childcare facilities; however, the remainder were unable to afford these services or to find spaces and had to rely on informal care-giving. In Botswana,

there was no publicly provided childcare. While many respondents in Vietnam appreciated the safety, learning and discipline provided by formal day-care centres in the public system, for other parents in informal work or temporary jobs, obtaining formal day care was difficult. One mother, Vu Kieu Cahu, a teacher with three children, described the struggle she went through in order to send her children to a formal day-care centre: 'There were difficulties because the children were little. There were many things we had to spend money on. It could be that one of the children became sick that afternoon or we hadn't received our pay, and it was the date for us to pay the school. At that time, I had to borrow from the neighbours to pay for it and repay them later.' In an economic crisis, the number of families that could afford such care as well as the number of places providing quality care fall.

For many parents, however, informal care is also unavailable. In fact, 27% of parents interviewed in Mexico, 48% in Botswana, and 19% in Vietnam had to leave their child at home alone or in the care of an unpaid child. Like many others, Sebego Ndzimombe, a 33-year-old mother of three boys, could not afford to hire anyone to look after her sons when they were aged ten, eight and four and there was no extended family or neighbours who could informally take care of her children: 'When the first two started school, it was a bigger problem because it meant that the four-year-old was left alone. I had no option. I had to work. There was nobody to take care of him and I couldn't hire anybody because I was getting only 175 Pula per month ... I could only cook for the little one and tell him, "When you're hungry, help yourself to some food." Those who went to school would find him there when they got home.'

Without adequate social safety nets and in a context of extreme economic instability, the decision to leave young children at home alone is too often unavoidable for parents who have to provide basic necessities for their families. Crista Robles, a Mexican mother of three children aged ten, six and two, described her children's feelings about her leaving them alone: 'They feel sad. Because sometimes they tell me, "Mamita, don't work anymore because we don't want to be alone." And then I tell them, "But if I don't work, we won't be able to afford food." Then they understand me.'

Even when informal care provided by neighbours or family members is available, the informal care-givers' own work and other family obligations often interfere with providing quality care to the children. In Botswana, Sekgwana Lebala had to rely on her mother to look after her children. But her mother's work responsibilities got in the way of the children receiving adequate care: 'The care that my mother used to give my kids was really bad. It was not that it was intentional, it was because of the work she was involved in, which was going to the lands. She'd leave early in the morning, and before she went she'd make a little soft porridge for my kid. At the time she left, my child was still asleep and he would wake up to spend the whole day alone or with other kids. She was gone the whole day. He'd have the porridge for breakfast and then wait for my mother to come back from the lands at 4 pm.'

In the absence of affordable childcare or adequate informal care, children are often left at home alone to take care of themselves and their siblings. A number of respondents highlighted the risk of accidents and injuries sustained due to the lack of adult supervision. In fact, 66% of interview respondents' children were the victims of accidents or other emergencies while left at home alone or with another child. Fires, violence and injury were all cited as problems for children staying at home alone.

Nunuko Ndebele, a fifty-six-year-old mother of seven who was also caring for two of her grandchildren, exemplified this risk: ‘They were cooking while I was at work, using the gas stove. I think they switched a button on but didn’t light the stove. I can’t say what happened, but whatever they did, the whole house was in flames. Everything was burned up. We didn’t take a single item out of the house and when I got back from work, I found that what used to be a house was now in ashes.’ These effects were long-lasting for this economically vulnerable family: even though her house had burned down in 1996, she still lacked a roof to the rebuilt house in 2000.

3.3 *Caring for sick children*

Having to leave a child at home alone is especially challenging if the child is sick or suffers from a chronic disease. The practice of leaving a sick child at home alone is not uncommon: 28% of parents interviewed in Botswana, 16% in Mexico, and 7% in Vietnam, reported having to do this. The economic vulnerability of many parents and the lack of social safety nets often prohibited them from taking time off and putting their jobs at risk in order to care for their children’s health.

One mother from Botswana, Neo Gobopilwe, was forced to leave her daughter who suffered from frequent seizures at home alone because she had to work and could not afford any help: ‘Sometimes I’m not there and she’s alone, and when I get home I see that she’s had her fits ... she has convulsions ... It sometimes happens when she is simply in the house – she’s sitting on the couch and she’ll fall over and hit her head on the table ... She doesn’t look well. Sometimes she looks as if she’s very tired. I’ll ask her, “What happened?” and she’ll say “I’ve been falling down.” Sometimes she’ll be walking on the road and she’ll just fall down ... I’m always away from home and there is no one to look after her when I’m away. I can’t find someone to look after her because I don’t have enough money.’

Without adequate social protection, parents are forced to make the choice between caring for a sick or disabled child and working to earn money to feed that child. Interviews from Russia highlight the importance of social safety nets to protect jobs and allow parents to take necessary leave. A number of families emphasised that, after *perestroika*, their vulnerability to economic problems increased. Even as a government employee, Viktoriya Daniilovna Kozlova had trouble taking time off to care for her two boys, aged 17 and 12, the younger of whom suffered from kidney disease. As a head dispatcher in the Ministry of Transport, Viktoriya was still forced to make the difficult choice between caring for her child and keeping her job: ‘My child is sick and I would be happy to stay at home, but I need money. I cannot even take one day off in a week, because I am afraid that I will be fired.’

Similarly, Refilwe Keetetswe, a mother from Botswana, illustrated the ultimatum that workers are often faced with: ‘[My employer] ... would ask me if I still needed a job or did I need to go and look after my child ... They said to me, “We need your services or we will employ someone else while you take care of your child.”’ The tension between work and care is prevalent in a number of other settings. In fact, in our interviews, 28% of parents in Botswana, 48% of working parents in Mexico, and 62% in Vietnam had lost pay, had difficulty retaining their job, or lost job promotion as a result of taking time off work to care for sick children. Faina Sergeievna Demidova, a

Russian mother of two children aged sixteen and six, who worked as a packer in a refrigerator plant, summed up the dilemma: ‘No doubt, my job eats up the time I would better spend caring for my children. There is the choice: either time or money.’

While staying at home to care for sick children can be detrimental to the financial stability of the household, many parents also reported that the costs of medication and caring for the health of their child were a burden for economically vulnerable families. One mother in Vietnam, Quach Van Hang, whose seven-year-old son had chronic intestinal inflammation, was overwhelmed by the costs of his medication: ‘Right now, the difficulty is really having enough money to care for my son when he is sick. When he is sick, I am unable to provide the complete healthcare that he needs. For example, right now, he is sick and unable to become completely well; however, I am unable to give him what he needs.’ The increasingly limited income streams during economic crises undoubtedly restrict parents’ ability to care for their sick children even further.

Moreover, when jobs are scarce and competition is on the rise, losing one’s job often means that one is uncertain when employment will come around again. Sekgwana, a mother in Botswana, lost her job after missing work to care for her sick child. However, this decision cost her more than a couple of days of unpaid work: ‘When I went back to work, my employer told me to take everything that belonged to me and leave. Unfortunately, she only gave me money for those days I worked. She didn’t give me my monthly wage; she just counted the number of days I worked. So I took the money and left. This is when I waited four months to find more employment.’ In the context of an economic crisis, it is clear that the tensions between caring and providing for one’s child are exacerbated.

3.4 Children caring for children: missed educational opportunities

While the risks and negative consequences of being at home alone can be immediately grave for young children, being pulled out of school to care for younger siblings can have equally costly effects in the long term for older children. For a child, missing any number of years of school in the middle of their education often affects them for the rest of their lives.

Without adequate access to formal or informal care, parents have little choice but to have children miss school in order to look after their brothers or sisters or leave even younger ones at home alone. As previously mentioned, Crista Robles, a Mexican mother of ten- and six-year-old daughters and a two-year-old son, had inadequate access to childcare. She was sometimes forced to keep her 6-year-old daughter out of school in order to care for her 2-year-old son: ‘My son, who is two, I just left with his younger sister, the one who is 6. I told her I was coming home soon. Because it’s very important that she did that for me. And that’s how it was – I left him with her, and they are alone ... She didn’t go [to school] today, because I told her to stay at home. Because if she didn’t, where would I leave my son? And so the two of them are alone.’ While leaving a two-year-old at home alone was too risky, having a six-year-old child stay out of school to care for a sibling can have a profound impact on their lives in the long term.

Overall, having a younger sibling aged up to 5 years significantly increases the chance that school-aged children will not be enrolled in school. In fact, only 7% of single working-parent families in Mexico had a school-aged child who was not enrolled

in school, if there were no pre-school-aged children in the household. However, 29% of families with a pre-school-aged child had at least one school-aged child not enrolled in school. Similarly, in Brazil, the odds of a school-aged child not being enrolled were much higher among single-parent families with a pre-school-aged child (29% vs. 9%), as they were also in Vietnam (24% vs. 13%). This disparity existed even in extended family households in Botswana where 28% of such households with pre-school-aged children had at least one school-aged child out of school, compared with 13% of households in which there was no pre-school-aged child (Heymann, 2006).

The experience of Ramón Canez, a ten-year-old boy from Tegucigalpa, Honduras, who was caring for his five siblings aged five, four, three, two and one, exemplifies the negative consequences of school-aged children having to take care of their younger siblings. When we interviewed Ramón, he was out of school caring for his sick infant brother, Beni, having already repeated the second grade as a result of missing school in order to care for his sister Marita, who suffered from convulsions and high fevers when she was three years old. While this care-giving arrangement was detrimental to Ramón and his siblings' health, development and education, their parents had little choice but to work twelve hours a day in order to provide their family with basic food, shelter and clothing.

Despite the recognition that education is beneficial for their children's current development and long-term opportunities, the costs of school or financial hardships at home are often prohibitive. Economic constraints, which worsen during economic crises, are often cited as the main reason for pulling children out of school. For example, Nkakaemang Mbaiwa, a father from Botswana, was unable to send his daughter to pre-school because of financial constraints: 'I had wanted to have her prepared for school, to go to a pre-school before she goes to a normal school. It looks like she will not get that preparation. I wanted to take her there when she was three, but now even next year I won't have managed to take her to the pre-school.' Children from poor families living in countries without public social safety nets are at an automatic disadvantage when they cannot access the same educational opportunities as other children.

3.5 Intergenerational impact

The effects of being pulled out of school in order to assist economically or care for a sibling or work for one's family is not only damaging to one's own future, but its negative consequences can be equally detrimental for the next generation. Vo Thi Ai Van was forced to drop out of school and become a street sweeper in order to work and help her mother because of the economic crisis. Because she had to leave school at such a young age, she was persistently restricted to very low-paid jobs and her own son was suffering the consequences: 'From 1997, all workers shifted to working at night, because this is a state company and the government just issued an order to sweep the streets at night to avoid dust ... I start work at 4pm and come home at 2am ... No more time to spend with my child. During the day, if I have someone at home to help, I can sleep from 4am until 8am or 9am. If nobody's at home, I would have to get up early to take my son to school. Without any help, it is more difficult without anybody to look after the child.'

4 Policies that protect children

Around the world, parents' earned income remains the primary resource available to meet children's essential needs. At the same time, working parents are primary caregivers for their infants, pre-school children, and school-aged children when they are not in school. The experiences of families reported in this article illustrate the ways in which economic downturns and financial disruptions can threaten the healthy development and education of children by destabilising families' ability to meet these needs simultaneously.

Overwhelmingly, parents in the families we interviewed wanted to continue to work. They did not seek to depend on governments for their long-term source of income. What they sought was a feasible way to earn their way out of poverty, while taking good care of their children. To do this, and to give their children the chance to exit from poverty that they had not had themselves, these mothers and fathers described what would make a difference to them:

- the ability to keep their jobs after the birth or adoption of a child
- a source of income during parental leave
- childcare for pre-school-aged children, and
- the ability to continue to work but to take leave when their children needed them for illness or to address educational problems.

For INGOs, governments and NGOs working on social protection, assisting families during economic disruptions requires a focus on the intersection between social protection and both formal- and informal-sector work. Many of the instruments for making a profound difference to the lives of working parents and their children already exist.

4.1 Parental leave

The most common times for a dramatic drop in income for families are the birth of a child, the illness of a child, and the illness of the working parent. Social insurance programmes can be designed to cover the poorest families in these circumstances. Here we focus on the example of parental leave.

Paid leave for new mothers and fathers improves children's health outcomes by enabling parents to provide essential care for their children and by increasing the likelihood that children will receive necessary immunisations and other health care. Parental leave also facilitates the formation of bonds between parents and infants, which foster the child's early emotional and cognitive development. In addition, paid leave for new mothers facilitates breastfeeding, which reduces the risk of infectious diseases, other illnesses and malnutrition (Ip et al., 2007; Cunningham et al., 1991; Howie et al., 1990; Naylor and Morrow, 2001). It also increases job and income security and improves families' economic conditions by increasing the long-term employment and earning prospects of working women as well as reducing the 'child penalty' that mothers often pay in terms of their wages.

177 countries around the world have some form of guaranteed maternity leave. However, the mechanisms vary. Those countries which provide maternity leave primarily by mandating that employers provide and finance it do not effectively cover the parents in the informal economy. When income replacement during parental leave is provided by the government (financed through either taxes or a contributory system) rather than by the employer alone, it can be designed to cover those working in both the formal and informal economies – especially critical in low-income countries where a substantial proportion of the poorest families are in the informal economy.

Far fewer countries provide any type of paid leave for new fathers; only 74 countries guarantee this leave. Moreover, the duration of paid paternity leave is often a token gesture, lasting less than two weeks in most cases. The lack of paternity-leave policies means that many women must carry double the workload of most men, fulfilling their job responsibilities as well as the majority of household responsibilities; that men do not get the same opportunities as women to develop relationships with their children; and that children are unlikely to receive as much parental care as they would otherwise benefit from. Providing paid paternity leave is essential to increase fathers' roles in the household and to enhance gender equity at home and at work, both of which have an impact on children's well-being and healthy development (Johnson et al., 1979; Taubenheim, 1981; Lamb, 1982; Anisfeld and Lipper, 1983; Nettelblatt, 1983; Mertin, 1986; Avery, 1992; Crouch and Manderson, 1995). There is substantial evidence that increases in maternal income disproportionately benefit children (Thomas, 1993; Quisumbing and Maluccio, 1999). Both maternity leave, by supporting women's long-term earnings, and paternity leave, by increasing gender equity, benefit children.

4.2 Early Childhood Care and Education (ECCE)

ECCE plays two essential roles: it increases children's success in school and facilitates the ability of parents to return to work and earn an income adequate to support their family. Despite the recognition that early education is beneficial for children's development and long-term educational opportunities, the cost of decent quality early childhood care and education is prohibitive for most parents living and working in poverty, often forcing them to leave children at home alone in poor care. The maths is tragically simple. When parents are earning barely a subsistence wage themselves, they cannot pay anyone even approaching a subsistence wage to care for their child, rendering their ability to obtain decent care non-existent unless it is provided publicly. While the extended family played a critical role in the past, urbanisation has led many young parents to move far from extended family networks. Moreover, even when adults live with extended family, the grandparents are often working as well in order to make ends meet – or, if they are not working, they may be in need of care themselves. Publicly available ECCE protects children from being left at home alone or in inadequate care and enables parents to maintain their job and income (Glass and Estes, 1996; Grover and Crooker, 1995; Erikson et al., 2000).

The global community is not currently collecting the data needed to track how countries are performing when it comes to making early childhood care and education available. There is no systematic and regularly updated source of information on whether countries publicly provide ECCE, at what age it begins, what percentage of

children is covered, and whether financial barriers to access have been removed. UNESCO put together a one-time report pulling together the best available data, and this report suggested large gaps in provision and access. While in North America and Western Europe, as of 2004, 78.5% of pre-school children were enrolled in pre-primary education, this was true for only 39.7% of children in East Asia, 32.4% in South and West Asia, 15.7% in the Arab states, and 12.4% in sub-Saharan Africa. While 92% of North American and European countries had programmes for children under 3 years old, this was the case in only 43% of countries in East Asia and the Pacific, 44% of countries in South and West Asia, 42% of countries in sub-Saharan Africa and 35% of the Arab states (UNESCO, 2007).

Universal ECCE would require a substantial investment on the part of the countries, but there is evidence both that it is affordable and that it would yield economic returns because of the improved schooling and job outcomes in countries where it has been implemented. Many of the poorest countries currently spend a tiny fraction, 4% or less, of their GDP on education; even a small increase would make it feasible to extend schooling to earlier ages. Some of the world's poorest countries have demonstrated that community-based ECCE can be provided with only limited budgetary investments. Malawi provides an important example of this. Malawi thought it critical to extend care to early childhood, and created a basic model whereby communities receive a small amount of support to cover this low cost (Drouin and Heymann, 2010; Government of Malawi and UNICEF, 2007). Middle-income countries like Mexico began by providing ECCE through their social security systems to formal-sector workers and then followed this up by extending it beyond the formal sector (Diop, 2006; Schady, 2006). Together, these more comprehensive and more basic models demonstrate that there are a range of options available to countries to improve what is currently provided in these critical early years.

4.3 Leave to care for children's health and education

It is essential for children's health that parents are able to take leave to care for them when they are ill. In the absence of paid leave, many parents are forced to make an untenable choice between losing their ability to afford food and other essentials and caring for a child's health. Never a choice anyone should be forced to make, the consequences are clearly far graver during economic downturns when the prospect of obtaining another job is even smaller.

There is strong research evidence to demonstrate that parents play a crucial role in the speed and quality of children's recovery from serious illnesses and injuries, even when doctors, nurses, and other healthcare professionals are present and available (Mahaffy Jr., 1965; Van der Schyff, 1979; George and Hancock, 1993; Palmer, 1993; LaRosa Nash and Murphy, 1997). Parents are essential to the prevention of many of the leading causes of mortality in children worldwide, including vaccine-preventable diseases, diarrhoea, and respiratory infections (UNICEF, 2001). However, the extent to which parents can help prevent these deaths is frequently determined by their working conditions. Without flexibility or leave from work to meet children's health needs, parents often forgo crucial disease-prevention measures. In a US study, researchers found that when employees of a large firm reported barriers to leaving work, their

children were significantly more likely to be under-immunised (Fielding et al., 1994). Moreover, parental involvement is often crucial for children with chronic conditions. Research has demonstrated the tremendous benefits of parental care for children with epilepsy (Carlton-Ford et al., 1995), asthma (Hamlett et al., 1992), and diabetes (Anderson et al., 1981; La Greca et al., 1995).

Currently, far too many parents risk losing their jobs if they take a day off to meet essential health or educational needs of their children. This can be affordably addressed for parents working in the formal sector. Laws mandating that employers provide a modest number of days of paid leave to care for children's health and education would involve little increase in labour costs. These increases are extraordinarily small compared with the wage differentials that drive jobs across borders. Yet, by allowing working parents to keep their jobs while taking care of their children's essential health needs, they would dramatically increase the ability of parents to bring their children for essential preventive and curative health care and to meet with teachers when their children have developmental issues at school.

In this one area, there is not as ready a parallel for the informal economy. While parents who are truly self-employed, selling goods in the market or involved in home production, may be able to set their own hours, and thus theoretically have the flexibility to meet essential health and developmental needs, in practice the cost of the potential loss of clients may be prohibitive. Moreover, parents in the informal economy with an employer, such as domestic servants, may be fired if any leave is taken. While most effective at covering the formal economy, legal guarantees of leave to meet children's needs nonetheless do often have the effect of changing workplace norms, and in this way can lead to some improvements for those in the informal economy as well. In addition, given the large number of households in which at least one worker is in the formal economy, these changes are important even if only employees in this sector benefit.

5 Economic feasibility

While the programmes have costs, investments in the healthy development of children and in the ability of men and women to work contribute to long-term economic returns by promoting the development of a healthy and well educated workforce for the next generation and by making full use of the current generation of workers.

It is reasonable to ask whether the world's low-income countries can afford the immediate expenditures, particularly when they are competing to attract jobs based on having lower labour costs. We believe the answer to this is positive. Many of the policies that would make the biggest difference to working parents and their children have scalable costs and are less expensive to implement in low-wage than high-wage economies. Low-income countries have fewer resources available for these programmes, but because they are typically pegged to average wages, social insurance for parental leave is substantially less costly to fund. Providing one or two weeks of paid sick leave costs at most 2 to 4% of wages, even if the full amount is utilised; where wages are lower, the total cost is less. Even if countries were to provide more than the modest three months of paid parental leave stipulated in international agreements, this leave would occur only a few times over four or five decades of work, again making it a

very small fraction of wages. Furthermore, these policies have already been adopted successfully in many low- and middle-income countries as well as in high-income countries.

For countries that provide income support for poor families, the case for social insurance for paid parental leave is particularly strong. Paid parental leave ensures that families receive income at a critical period in children's lives. It also increases the long-term earning capacity of families and ensures self-sufficiency by protecting labour-force attachment. While finding fiscal space for newer expanded programmes during economic downturns is always difficult, it is also the time at which families need it the most.

The one area where the challenge is likely to be greatest for low-income countries is in providing early childhood care and education. While playing an important role in the healthy development of children and the ability of their parents to work, providing quality early childhood care and education does require significant investment to expand educational availability to a new level. It is a clear example of where support from the global community would make a difference to the poorest countries. Just as the Global Fund to Fight AIDS, Tuberculosis and Malaria transformed the ability of many countries to treat these deadly diseases, the creation of a fund to support early childhood care and education and secondary school could transform the ability of countries to extend education. Once low-income countries reap the long-term economic benefits of these investments, their income level will increase and they will be able to fund these levels of education themselves. Even without international support, community-based models for early childhood care and education, like that established in Malawi, and the potential to increase the percentage of GDP spent on education document the feasibility of making some improvements.

5.1 Implementation in the formal and informal economies

During economic downturns, parents' need to earn a living often comes into greater conflict with their children's need for care. As a result, public policies providing for children's care directly through the provision of public ECCE and indirectly by facilitating parents' availability are essential. These policies become all the more important during a crisis, and having them on the books is only a first step. Concerted efforts need to be made to ensure implementation. A number of successful programmes around the world demonstrate the feasibility of this. One example is Cambodia's Better Factories Programme, which led to better implementation of labour legislation and improved working conditions in the apparel industry in this low-income country (Shea et al., 2010). The ILO and the International Finance Corporation went on to take this model to other countries including Jordan, Lesotho and Vietnam (International Finance Corporation, 2008).

When developing policies, attention needs to be paid to their implications for the informal as well as the formal economy. Many of the world's poorest children are raised in households where the parents work in the informal economy. The informal economy does not function in isolation but is intrinsically linked and often overlapping with formal enterprises; the supply of services and goods for many regularised businesses is often sourced through informal channels (Chen, 2007). India, South Africa, Morocco,

Sri Lanka, Malawi, the Dominican Republic, Indonesia, and Thailand are just some of the countries that have been able to ensure that components of labour legislation apply to the informal economy (Daza, 2005).

Countries also need to ensure that social insurance covers the informal economy. While social insurance systems can be structured to include so-called self-employed workers and others in the informal economy, this is not always done. It is crucial to ensure that maternal and paternal leave policies around the world provide coverage for all parents, including those working in the informal economy. Likewise, early childhood care and education does not need to be linked to a parent's workplace or type of work, but in some social security systems it has been provided only to formal-sector employees. Expanding its availability of early childhood care and education to cover a greater portion of the population – as has been a goal of the successful Mexican system – is a critical step for all countries. Ensuring that basic rights at work – including leave to care for sick children – are exercised in the informal as well as the formal economy will be more challenging, but not impossible.

6 Conclusion

In examining the consequences of the crises experienced in Russia, Honduras, Mexico, Vietnam and Botswana with regard to children and their families, it became clear that many of the negative consequences for children were similar in nature despite the wide-ranging sources of economic strain. In order to avoid similar loss in the future, it is important to understand several of the central pathways through which children's lives are affected. Similar to critical issues facing families living in poverty in average times but exacerbated by economic crisis, these include impact on parents' jobs, parents' ability to provide care, and the provision of government services.

The effect of poverty on children is far-reaching and significantly more severe compared with that on adults. Children experiencing poverty suffer not only from direct deprivation but also from lost opportunities in life that have long-running implications spanning generations. Programmes enabling parents to take leave when a child is born or adopted, to nurse an infant after returning to work, to provide care when their children are ill, and to ensure for them early childhood care and for their older siblings an education play an important role in all economic situations but are most important for those in poverty and during economic downturns.

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