

CAN CHILDREN'S CHANCES BE IMPROVED DESPITE ECONOMIC CRISIS?

Excerpts from testimony by Richard Jolly

I would like to begin my statement, not with the solutions [to child survival], but underlining something of the problems and emphasizing the broader aspect, the broader context in which nutrition, as well as health problems are set in the world today. Then I would like to come to something about what can be done about it, and emphasize again several broader areas of action relating to nutrition. Finally, I would like to state something of what has been achieved in the area of health and particularly ORT [oral rehydration therapy]....

Mr. Chairman, the 1980's will, I fear, almost certainly be recorded by future development historians as the decade of rising poverty and malnutrition in many, if not most countries of the world. Certainly this is true for the vast majority of countries in Africa and Latin America. It is probably true also for many of the better off countries in the Middle East, even in the United States, Britain, and some of the other industrialized countries, poverty has been rising and often malnutrition among the poorest as well.

Only in the economically dynamic Asian countries can one be reasonably sure that malnutrition and poverty are declining rather than increasing, both in regards to the proportion of the population affected and with regard to the depth of the poverty and malnutrition they experience. What has been happening in the majority of countries is the widespread and marked deterioration in the human condition. The situation is one of a worsening of poverty and malnutrition, not merely as for so long before, of its persistence, nor, as often before, is it a matter of worsening in some countries with improvements in others.

The early 1980's have, for various reasons, produced a strong, sustained and systematic set of downward international pressures on the majority of developing poorer countries, with the consequence that living standards have very seriously deteriorated. There is still time for change. UNICEF believes in hope, but without action, the second half of the 1980's will be **little better** than the first half.

Statistical data on nutrition is rarely collected systematically, so the evidence available is far from comprehensive. Nonetheless, we have, since 1980, evidence from various parts of the world that moderate and serious malnutrition has risen considerably. I could give examples from perhaps 10 countries in Africa...But I would stress with respect to Africa that it is not merely the problems of drought...It relates also to the more persistent problem of financial drought, the extreme scarcity of resources led by problems of exports, export earnings and prices, rising debt payments and so forth, which has led to a total economic squeeze on the majority of countries in Africa.

One could say similar things about Latin America.

The prime cause of hunger and malnutrition is low incomes, as the recent excellent World Bank publication, "Poverty and Hunger," reports. But it is when low incomes combine with declining incomes and poor health that the worst manifestations arise. The economic crisis has reduced household incomes and also reduced government's capacity to provide health services.

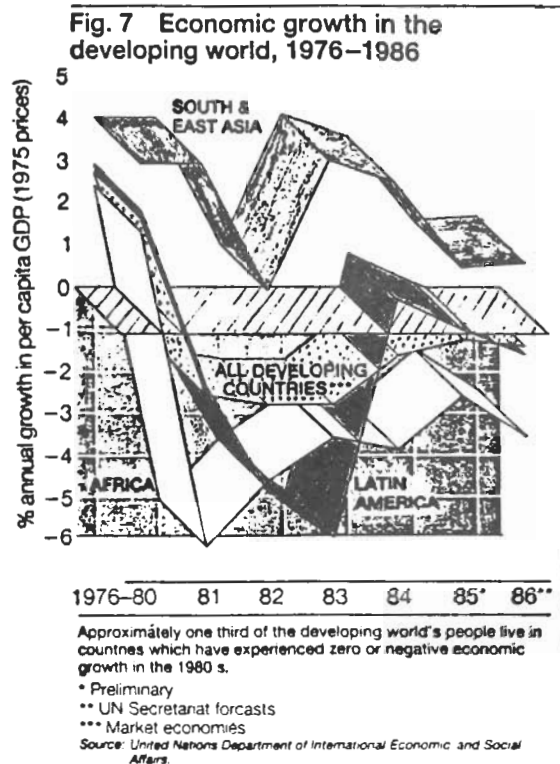
I would like to underline the number of countries for which this is true, because too often we see averages for Africa or Latin America, and we don't see how those averages are working out in terms of the number of individual countries that have been suffering negligible or negative economic growth. In Latin America, for example, 17 out of the 23 countries experienced "negative cumulative growth of per capita income"... a strange way of putting a decline in average incomes in 17 countries between 1980 and 1985.

In Africa, three-quarters of the countries had persistently negative growth of per capita income during the 1980's. In 1985 in Africa, 25 out of 32 countries for which we have data had either negligible or declining growth. For Africa as a whole, Gross Domestic Product per capita in 1985 was 15% below that in 1980, and the latest World Bank projections expect that to continue negative for another 10 years. Only in Southeast Asia did significant growth occur in most countries in the 1980's.

Let me summarize the mechanism at work which was revealed in a study that Unicef undertook two years ago. A situation [was found] in which [a kind of] "reverse shock absorber" was operating. Instead of mechanisms existing internationally and nationally within developing countries which absorbed the results of these declines in income, usually the process is transmitted [onto] the poor, particularly, with a multiplied effect, and because the poor tend to have larger numbers of children in their families, [transmitted] in a multiplied way onto children.

Incomes and employment of individuals have fallen sharply, often by 20, sometimes by 40%, and usually more so for the really poor families. Similarly, social expenditures in health, in education, the vital parts of social services, have decreased also, sometimes disproportionately, in relation to the average of decline. This is the challenge which provides the context in which malnutrition appears in many, many countries to be on the rise.

There have been some recent developments [1985-6] which improve the outlook...particularly for... adjustment policies, those sets of macroeconomic policies which countries adopt to cope with declining incomes...declining foreign exchange and rising debt...signs of national and international thinking with respect to adjustment, debt, and the need for more emphasis and support for longer term development. But here I come to



STATE OF THE WORLD'S CHILDREN 1988 - Unicef

the point which ...needs to concern this committee: Growth in these countries alone will not deal with malnutrition or poverty.

That was the lesson of the 1960's. That led in the early 1970's to this goal for attention to poverty eradication, to meeting basic needs in developing countries, to concern with equity as well as with growth. This is what we have seen lost over the last 5 to 8 years internationally, whatever may be happening nationally.... It is very important to bring back the emphasis on the human dimension with this concern for "adjustment." Unicef describes this as "adjustment with a human face" - the need to give explicit attention to meeting the nutritional needs of the population and other basic needs of vulnerable groups in the course of adjustment policy.

It is not only a human imperative, it is also sound economics to ensure the conditions for long-term economic development. Human beings are the most important economic resource investment in health and education can offer. As it has been demonstrated, positive rates of economic return and health, well-nourished and educated children are the obvious cornerstones of long-term economic development. Adjustment with a human face is multipronged. It requires action to maintain and, if possible, increase incomes and productivity, especially of low-income households, both rural and urban, during the adjustment process.

It requires monitoring of nutritional standards and special interventions to help maintain standards where necessary. It requires restruct-

uring of Government expenditures to protect social expenditures and to restructure [emphasis] within social expenditures to the high effect areas, for example, immunization, oral rehydration and equivalent actions in health and other sectors. It requires attention to services focused particularly on low income families and the deprived....[The Child Survival and Development action stressed by Unicef] essentially consists of widespread promotion of low-cost health measures which can massively improve child health [GOBI: growth monitoring, oral rehydration therapy for diarrhea, breastfeeding, immunizations]. The significance [in the context of economic recession and adjustment] is that the low cost makes them possible as mass coverage measures... and they are also examples of the sort of actions that need to be given more emphasis in spite of the cutbacks.

This, indeed, is what we are proud and pleased to see has actually happened [as described in the State of the World's Children report...and the A.I.D. publication, Child Survival, a Report to Congress]...

[NOTE: The foregoing testimony in 1986 was updated with the following by Mr. Jolly in 1987.]

The accomplishments of child survival and development, now in its 5th year [as a campaign], are indeed dramatic. It is estimated that the lives of over 4 million children have been saved in these 5 years. The health of tens of millions more has been significantly improved. The promotion of immunization and oral rehydration, the leading edges of this revolution, alone have saved the lives of an estimated 1.5 million children in 1986. Today's low-cost methods provide the capacity to save the lives or more than 7 million children every year.

We now count over 80 countries that have undertaken accelerated immunization programs and are doing their best to achieve the UN goal of universal child immunization by 1990. If I had to choose two indicators of achievement, I would draw...attention...first to the declining global incidence of measles, tetanus, and polio...[Ed.: Immunization coverage has risen from less than 10% to approximately 50% of all children in developing countries, according to Unicef's State of the World's Children 1988. See page 23.] And second, to the World Health Organization estimate just quoted [about] the deaths...prevented in 1986 by ... immunization and ORT.

I [want to] underline one remarkable feature of this expansion in child survival and development actions. It is a fast acceleration upward of basic health action at a time of severe economic crisis which affects at least two-thirds of the developing countries of Africa, Latin America, and Asia. In these countries GNP, incomes, health budgets, and production have declined...often by 10, 20, or more percent. So the expansion we're seeing in these health actions is an expansion against the trend, and therefore implies a restructuring of priorities of the sort which is even more needed because of the economic crisis, the leading example of adjustment with a human face.