

CHILDHOOD POVERTY AND SOCIAL EXCLUSION. EUROPEAN APPROACHES

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ABSTRACT

Poverty is one of the oldest and unresolved issues in the history of the welfare state. One of the poverty outcomes may be social exclusion, modern concept and object of social policy goal of the European Union, therefore is important to reveal poverty or social exclusion rate by age. Childhood poverty and social exclusion have a significant impact on child development. Romania is one of the countries with high rates for the main indicators on social exclusion of all age groups, including younger ones. Policies developed by OMC aim to create opportunities for poor or socially excluded children.

KEYWORDS: child development, european policy, poverty, social exclusion.

1. INTRODUCTORY NOTES

The majority of social policies define poverty as either a lack of income or an insufficiency of consumption. Measuring poverty is of paramount importance for social policy design. The number of poor people in a country bears a double significance, both as a wealth level indicator and a starting point for social policy intervention objective definition. The various poverty levels give particular definitions for various types of poverty. The methods for determining poverty type thresholds are crucial and because of that, they are a constant source of debate and undergo frequent changes. The results obtained often become warning signs and create intervention pressures on governments.

A broader concept than poverty is that of *social exclusion* because it expresses not just the lack of material means, but also the difficulty of being connected to social networks. It signifies in other words not just a deficit of income or of consumption, but also of participation to everyday life or to social activities [1].

Like poverty, social exclusion is a multi-dimensional phenomenon. One work that depicts the multitude of these dimensions in the field literature is that of Kate Morris, Marian Barnes and Paul Mason (2009). Aside from the material dimension, they mention the spatial exclusion (mobility restrictions), the lack of access to services, to healthcare, to social participation, to decision making and self-determination in general [2].

The social exclusion dimension identification work led to the drafting of lists of groups which are socially excluded, or at risk of exclusion. Children from poor families can be found on the majority of these lists. In Romania there is a series of laws defining various vulnerable groups, but there is not a unitary approach. The Government Executive Order No.68/2003 specifies an open list of social groups that may benefit from social services, so they can reasonably fit the description of the more recent term of *vulnerable group*. They are: children, old persons, persons with handicaps, persons with addiction to drugs, alcohol or other toxic substances, persons who have left prisons, single-parent families, persons affected by family violence, victims of human trafficking, persons with small incomes or none at all, immigrants, homeless, persons infected with HIV/AIDS and the chronically ill [3]. Children actually belong to *severely vulnerable groups*, even in the countries of the European Union where one child in five lives in households with insufficient incomes [4].

The social development during childhood, based on moral principle acquisition, on friend group identification and on the development of autonomy [5] is decisively affected by poverty. This is why the child welfare shows up more and more frequently in the public policy debate, leaving open the question of the role of governments as social actors. The economic welfare of the child is evidently affected by the family income and his poverty becomes determined by the family's poverty. The threshold under which a family is declared poor not only is arbitrarily decided, but it does not even provide a true picture of the *severity* of the poverty experienced by the subject family.

2. CHILD WELFARE POLICIES - A HISTORICAL PERSPECTIVE

Typically, the poor children and their families are meant to be caught in the safety nets of the social programs (social aid, foster families, counselling services etc.) designed in each country's framework of social policy. Leif Jensen [6] selects data from the work of Cornia and Danziger (1997) that illustrates the periodicity of social policies since World War II, including some relevant figures on child welfare. The first period of welfare state expansion was between 1945 and 1973, period in which the standard of living has significantly improved. During this time the infant mortality rate dropped from 28 to 18 deaths per 1000 births in the United States, from 23 to 12 in Norway, and from 83 to 28 in Eastern Europe. The second period - that of stagnation - lasted from 1974 through the late 1980's and was characterized by slow economic growth and by a flattening of social expenditures, including child welfare. The third period started in the 1990's and was a period of neo-liberal policies meant to invigorate the private sector and curtail public expenditures. The result of these policies was an increase in instability and in inequalities, being a period of concern for the authors who sees it as the start of an era of

extremes. Countries most exposed to these risks are the ex-communist ones, a good example being the Czech Republic where between 1989 and 1991 the relative poverty rate among children jumped from 4 to 43% when compared to the old persons' poverty rate which remained at 7% during the same period. Subsequently Wen-Hao Chen and Miles Corak [7] took a broad look at child poverty in North America and Europe, analyzing the child poverty dynamic in 12 member states of OECD in the 1990's. Their conclusions support Cornia and Danziger view of the third post-war social policy period and depict a relative polarization of states based on child poverty rates. Between 1991 and 1999 for example the rate dropped by 10.8% in Great Britain, by 7.3% in United States, but increased by 13.5% in Hungary.

In regard to the effectiveness of child poverty reduction social policy, Sutherland and Piachaud describe the measures undertaken by the UK's labour government starting with the 1999 which included changes in tax and social benefits, youth employment support programs and in those which were addressing events with long-term impact like support for teen pregnancies, for families with children under 5 and living in poor areas, etc. Their conclusions are that the changes in social policy did indeed result in a drop in poverty rate between 1999 and 2001, but the absolute values still remained double the one from 1979.

3. ROOT CAUSES AND EFFECTS OF POVERTY IN CHILDHOOD

According to Chen and Corak, there are three groups of factors that determine the poverty of children: (1) demographic and family profile (parents' age, parents' education level, the number of children in the family and family's structure); (2) labour market (parents' employment status and their income); (3) governmental policy (measured by financial transfers in household with children). The hypothesis of the three factor categories is also supported by Heuveline și Weinshenker [9]. Other perspectives on childhood root causes of poverty are brought by Jenkins and Schluter [10] who make a comparison between two of the most developed countries in the European Union - Germany and The United Kingdom. The authors analyze the perspective of the vulnerable group as a root cause of child poverty (single-parent families or workless households) and they test and validate the hypothesis of trigger events as being the most significant causes of the differences between the two countries. The trigger events under consideration concern certain household dynamics like changes in the number of full-time workers, changes in income levels, changes in the number of household members, the household structure, etc.

The field literature contains detailed descriptions of the effects of poverty on children. A volume dedicated to child poverty edited by Aletha Huston [11]

brings forward a whole collection of detrimental effects on physical development, mental health and educational attainment, effects which are more pronounced, the longer the poverty status continues [12]. The short-term effects are material deprivation, social exclusion and vulnerability to bullying, the long-term ones being poor health, poor physical and mental development, the loss of life opportunities and the drop in life expectancy.

UNICEF studies reveal several types of risk that poor children are exposed to: poor performance in school, teen pregnancies, problems with the law, poor pay, homelessness and different types of abuse [13]. Janet Currie [14] looks at the connections between the socio-economic parental status, the child health condition, and the educational opportunities that lead to the subject's placement in the labour market. Her conclusions support the hypothesis of strong connections taking place between these aspects and suggest that the child's health can play a significant role in the inter-generational transmission of the socio-economic status.

The effects of social exclusion during childhood manifest later, in the teenage years Evans claims [15], when numerous problems start to appear: difficult access to the labour market, meagre salaries or seasonal, unpredictable work, alcohol and substance abuse, juvenile delinquency, unwanted pregnancies. These can be both indicators of early social exclusion and premises for exclusion during the subsequent adult years.

4. POVERTY AND SOCIAL EXCLUSION RISK IN COUNTRIES OF THE EUROPEAN UNION

In European Union studies, the risk of poverty or of social exclusion is being operationalized through indicators that attempt to capture the level of relative poverty, the severe material deprivation and the low intensity of household members' work.

According to a *Eurochild* report, children at risk of poverty or social exclusion in the EU typically come from single-parent families, large families, families with unemployed parents, immigrant and ethnic minority families, and families having children with disabilities. The same source claims that 19% of all children are at risk of poverty, 15% are leaving the educational system before high-school graduation, and the unemployment rate of the young is almost double the average rate [16].

European statistics show that child poverty is more acute than that of the adults or of the elderly for that matter. This is not surprisingly so since one assumes that the larger the number of economically-dependent members are in a family, the higher the risk of poverty. This phenomenon happens more in those countries where child care and education public services financial transfers are insufficient to compensate for the financial deficit of the

household. According to European indicators (Annex 1, Table 1) the most precarious material situation is to be found with children of Bulgaria and followed by those of Romania.

Another indicator of child poverty can be the low intensity of the work of household members of working age. The work intensity from the statistical data points to a highest rate in Ireland and lowest in Slovenia.

Table 1: The percentage of children in households facing poverty or social exclusion (European Union 2012)

Indicator	EU 27 Average	Min.	Country with min. recorded value	Max.	Country with max. recorded value
Relative poverty	28.0	14.9	Finland	52.3	Bulgaria
Severe material deprivation	11.7	1.4	Sweden	46.6	Bulgaria
Low work intensity	9.0	3.2	Slovenia	22.9	Ireland
Degraded dwelling	27.3	7.1	Malta	49.0	Slovenia
Dwelling with no bath or shower	2.8	0.0	Spain	40.3	Romania
Single-parent families	34.1	17.3	Cyprus	66.0	Greece
Early school abandonment	12.8	4.4	Slovenia	24.9	Spain

Source: Eurostat database extract: http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database.

In Romania's case, being the most rural country in the EU, although the employment levels in the agricultural sector appear high, jobs being widely available, the incomes of these workers are low, to the point of subsistence. At the year 2013 levels, a third of the whole EU population being employed in farms were to be found in Romania (See http://ec.europa.eu/agriculture/rural-area-economics/briefs/pdf/08_en.pdf). The large portion of the population leaving in rural areas also implies a large number of children living below minimum comfort standards, like not having access to toilets or baths with running water.

A 2012 UNICEF report takes a different approach to child poverty and social exclusion and uses two groups of indicators. The first group attempts to capture the level of deprivation of the child and the second one, his/her relative poverty. Child deprivation is measured by the *absence of at least two* of the following 14 items: (1) three meals a day; (2) at least one meal a day with meat, chicken or fish (or a vegetarian equivalent); (3) fresh fruit and vegetables every day; (4) books suitable for the child's age and knowledge level (not including schoolbooks); (5) outdoor leisure equipment (bicycle, roller-skates, etc.); (6) regular leisure activities (swimming, playing an instrument, participating in

youth organizations etc.); (7) indoor games (at least one per child, including educational baby toys, building blocks, board games, computer games etc.); (8) money to participate in school trips and events; (9) a quiet place with enough room and light to do homework; (10) an Internet connection; (11) some new clothes (i.e. not all second-hand); (12) two pairs of properly fitting shoes (including at least one pair of all-weather shoes); (13) the opportunity, from time to time, to invite friends home to play and eat; (14) the opportunity to celebrate special occasions such as birthdays, name days, religious events etc.

According to how the child deprivation has been operationalized in the 2012 UNICEF report, out of the 29 economically advanced countries, Norway had the lowest level (1.9%). Nordic countries in general seem to do best at this indicator. By contrast, the former communist block countries are situated at the opposite end of the spectrum. More than 30% of all deprived children live in Latvia (31.8%), Hungary (31.9%), Bulgaria (56.6%) and Romania (72.6%).

5. OPEN METHOD OF COORDINATION AND EDUCATIONAL POLICY

The Lisbon Treaty introduces the Open Method of Coordination (OMC) and gives the European Commission the competencies to take initiative in encouraging cooperation between member states in the social domain and to facilitate the coordination of their actions. These initiatives can take shape as studies or as sanctions towards establishing the orientation, the indicators and the best practices, including periodic reassessments. OMC also implies the identification and the promotion of the most effective social policies via information exchanges. Through the OMC one establishes common objectives and indicators, one prepares the strategies for action and one elaborates common monitoring reports [18].

In 2008 The European Commission presented an ambitious package of initiatives. This represents a new engagement in favour of a social Europe and includes an integrated approach that brings under one roof a variety of strategies. One such strategy is *The Renewed Social Agenda* which aims at preparing and fortifying the Europeans, especially the young, for the changing realities of globalization, technological progress, demographic ageing and for incoming evolutions like the increase in the price of food and energy and for turbulences on the financial markets. The RSA is targeted at those encountering difficulty in adapting to these changes. It's priorities are: (1) children and the youth - Europe of the future; (2) investments in people, better and more jobs, new competencies; (3) mobility; (4) long and healthy lives; (5) fight against poverty and social exclusion; (6) fight against discrimination; (7) opportunities, access and solidarity on the world scene. Aside from EU legislation, social dialog and OMC, *European community financing* is also an important instrument.

Investments in education and training are crucial for personal development and for securing a well paid job - says a recent document of the European Commission. Towards that goal, the Erasmus+ program is being launched. The program is meant to encourage both formal and non-formal education, together with volunteering among the youth [20].

6. CONCLUSIONS

Child poverty is an extremely acute subject in a Europe that finds itself in an already demographic decline, thus children and the young are at the centre of the attention of the social policy makers. The effects of child poverty are frequently irreversible and should be dealt with at early stages. The indicators of poverty and social exclusion can play bridging role between field realities and social policy objectives. Romania is displaying one of the highest rates of the main indicators of poverty and social exclusion at all ages, but particularly at the young ones. Policies drafted through the Open Method of Coordination aim at creating new opportunities for poor and socially excluded children.

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ANNEX

The main indicators of poverty and social exclusion in EU countries

	People at risk of poverty or social exclusion	Severe material deprivation rate	People living in households with very low work intensity	Share of children living in a dwelling with a leaking roof, damp walls, floors or foundation.	Share of children having neither a bath, nor a shower in their dwelling	At-risk-of-poverty rate: Single person with dependent children	Early leavers from education and training
European Union (27 countries)	28.0	11.7	9.0	27.3	2.8	34.1	12.8
Belgium	23.1	8.6	13.0	28.5	0.4	33.2	12.5
Bulgaria	52.3	46.6	16.8	37.9	20.0	42.5	12.5
Czech Republic	18.8	8.5	6.7	19.2	0.7	31.3	5.5
Denmark	15.3	3.6	5.8	29.4	1.9	18.7	9.1
Germany)	18.4	4.8	6.8	30.8	0.0	38.8	10.6
Estonia	22.4	9.2	6.9	29.7	6.2	33.0	10.5
Ireland	33.1	12.4	22.9	17.8	2.7	31.1	9.7
Greece	35.4	20.9	7.6	17.0	0.2	66.0	11.4
Spain	33.8	7.6	12.3	19.9	0.0	36.9	24.9
France	23.2	7.2	7.2	25.8	0.3	35.2	11.6
Italy	33.8	16.9	6.8	32.5	0.4	40.7	17.6
Cyprus	27.5	18.1	5.0	37.2	0.1	17.3	11.4
Latvia	40.0	27.3	10.4	43.9	18.8	41.5	10.6
Lithuania	31.9	16.9	9.3	26.4	12.6	39.2	6.5
Luxembourg	24.6	1.7	4.0	32.6	0.1	46.9	8.1
Hungary	40.9	33.4	15.7	60.6	6.8	29.5	11.5
Malta	31.0	12.3	10.4	7.1	0.0	47.6	22.6
Netherlands	16.9	3.3	6.4	32.5	0.0	28.2	8.8
Austria	20.9	5.8	6.1	19.5	0.2	29.2	7.6
Poland	29.3	13.7	4.6	19.6	3.0	26.7	5.7
Portugal	27.8	10.3	8.5	30.4	0.5	30.5	20.0

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Romania	52.2	37.9	5.1	34.7	40.3	39.8	17.4
Slovenia	16.4	5.9	3.2	49.0	0.2	25.8	4.4
Slovakia	26.6	11.9	7.2	23.3	0.3	27.5	5.3
Finland	14.9	2.8	5.9	11.7	0.3	22.0	8.9
Sweden	15.4	1.4	4.9	14.1	0.2	33.3	7.5
United Kingdom	31.2	12.5	16.3	26.4	0.4	29.5	13.6

Source: Eurostat database extract:

http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database.