

**ADDRESSING INEQUALITIES**  
**The Heart of the Post-2015 Development Agenda and the Future We Want for All**  
*Global Thematic Consultation*  
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## **What Inequality Means for Children: Evidence from Young Lives**

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## What Inequality Means for Children: Evidence from Young Lives

*Martin Woodhead, Paul Dornan and Helen Murray*

### Summary

Understanding how poverty and inequalities impact on children is the major goal of Young Lives, a unique longitudinal, mixed-methods research and policy study. We are tracking two cohorts of 12,000 children growing-up in Ethiopia, the state of Andhra Pradesh (AP) India, Peru and Vietnam. In this paper we offer eight key research messages, focusing on:

1. How inequalities interact in their impact on children's development, and the vulnerability of the most disadvantaged households.
2. The ways inequalities rapidly undermine the development of human potential.
3. How gender differences interconnect with other inequalities, but do not always advantage boys in Young Lives countries.
4. The links between poverty, early 'stunting', and later outcomes, including psycho-social functioning, as well as emerging evidence that some children may recover.
5. Inequalities that open up during the later years of childhood, linked to transitions around leaving school, working, and anticipating marriage etc.
6. Children's own perceptions of poverty and inequality, as these shape their well-being and long-term prospects.
7. Evidence of the growing significance of education, including the ways school systems can increase as well as reduce inequalities.
8. The potential of social protection programmes in poverty alleviation.

We conclude that since inequalities are multidimensional, so too must be the response. Equitable growth policies, education and health services, underpinned by effective social protection, all have a role to play.

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## Introduction

Young Lives is a longitudinal child poverty study in Ethiopia, the state of Andhra Pradesh (AP) in India, Peru and Vietnam. Although these countries experience distinct political and economic circumstances, they reflect many wider trends in low- and middle-income countries. This paper focuses on 8 key messages from Young Lives research that are most relevant to the Global Thematic Consultation, drawing on findings from both quantitative and qualitative data. In the space available, the paper is inevitably highly selective in the topics covered and data reported, and more detail can be found at [www.younglives.org.uk](http://www.younglives.org.uk), including an extensive resource of publications.

Young Lives is uniquely positioned to contribute a stronger understanding of contemporary inequalities and their impact on children's lives. As a longitudinal (or 'panel' study), with information on the same children at key moments during their childhood, we are able to track changes over the life-course, as well as looking for causes and consequences of events or circumstances. Young Lives samples are broadly representative of a range of groups and children's circumstances in each country but they were selected to be pro-poor and exclude the very richest households. Consequently the disparities documented below are likely to be an underestimate of the scale of inequalities.

Our starting point is that child poverty and inequalities are the expression of political-economic-cultural forces that structure societies, and children's lives, in terms of distribution of resources and opportunities in ways that align to greater or lesser degree with ethnicity, caste, religion, urban/rural location, gender, generation etc<sup>i</sup>. We understand the concept of inequalities as covering a broad spectrum of differences in both household circumstances and child outcomes, as these may be linked to ethnicity, gender, rural-urban location, etc. Inequalities are typically about disparities in resources and power and often link to social exclusion. We also employ the concept of equity in relation to policies and services, in terms of for example, equal access to quality health care, education, and social protection.

We have organised this summary under eight key messages.

**Messages 1 and 2** highlight Young Lives evidence on the ways multiple inequalities interact in their impact on children's development, including evidence that the most disadvantaged households are most vulnerable to adversities and have least resources to overcome them. We also illustrate the ways inequalities undermine the development of human potential, with children from disadvantaged families quickly falling behind, in terms of early learning.

**Message 3** draws attention to the major impact of inequalities in children's household circumstances on key developmental indicators during the early years. Gender differences are much less apparent at this stage, they take different forms within and between countries, and they are not always pro-boy in Young Lives contexts.

Next we take a closer look at two life phases that are critical for inequalities. **Message 4** reinforces the weight of evidence on the links between socio-economic disadvantage, early 'stunting', and later developmental outcomes. A particular contribution is in demonstrating that

these impacts extend to psychosocial functioning, including, self-efficacy, self-esteem and educational aspirations. Young Lives is also finding some evidence of recovery from early stunting for some children, which may also extend to their cognitive development.

**Message 5** looks at inequalities that open up during the later years of childhood, especially transitions around leaving school, working, anticipating marriage etc., as well as the impact of ill-health or becoming an orphan. Gender is a major focus, with evidence on the ways parents' and children's changing expectations interact with socio-economic opportunities and perceived long-term risks and realistic prospects.

**Message 6** draws attention to a neglected dimension within much research on child poverty and inequalities. Children's own perceptions and understanding of their situation and their well-being is not just an indicator of inequalities. It is also a clue to some of the processes through which these inequalities are transmitted, in so far as children's subjectivity affects how they cope with and try to improve their situation.

**Messages 7 and 8** are about the role of policies and services in Young Lives countries, specifically focusing on how far they are reducing (or increasing) inequalities. Message 7 begins by noting the growth in expectations for schooling, but also the gulf between these expectations and the realities of access and quality, low attendance, grade repetition, early school leaving etc. Young Lives research draws attention to the ways initial inequalities in children's lives are all too often reinforced through inequitable access to pre-school services, and the resultant diverging trajectories. Educational systems in Young Lives countries vary, which is evident as we track children's progress. For example, growth of low-fee private schooling in India appears to be increasing gender-linked decision-making about choice of school for boys and girls. In the very different context of Vietnam, Young Lives research demonstrates that a school system focused on supporting all children can narrow achievement gaps.

Finally, Message 8 reports on various social protection programmes within our study countries. Overall, our data shows the potential of social protection as a key way of underpinning pro-poor policies. But there are also lessons from, for example, the Juntos programme in Peru, the Productive Safety Net Programme in Ethiopia and Mahatma Gandhi National Rural Employment Guarantee Act in India. In particular, Message 8 draws attention to the limitations of narrow targeting as well as the risks of unintended (and possibly adverse) consequences for children from poorly designed or implemented schemes.

### **About Young Lives**

Young Lives is an international study of childhood poverty tracking 12,000 children's lives over 15 years in 4 developing countries – Ethiopia, India (in the state of Andhra Pradesh), Peru and Vietnam. The pro-poor sample is drawn from 20 sites in each of four countries, and includes two age cohorts (2,000 children who were born in 2001-02, and 1,000 children who were born in 1994-95 in each country). Three major survey rounds have been completed to date, in 2002, 2006-7 and 2009, with further rounds in 2013 and 2016.

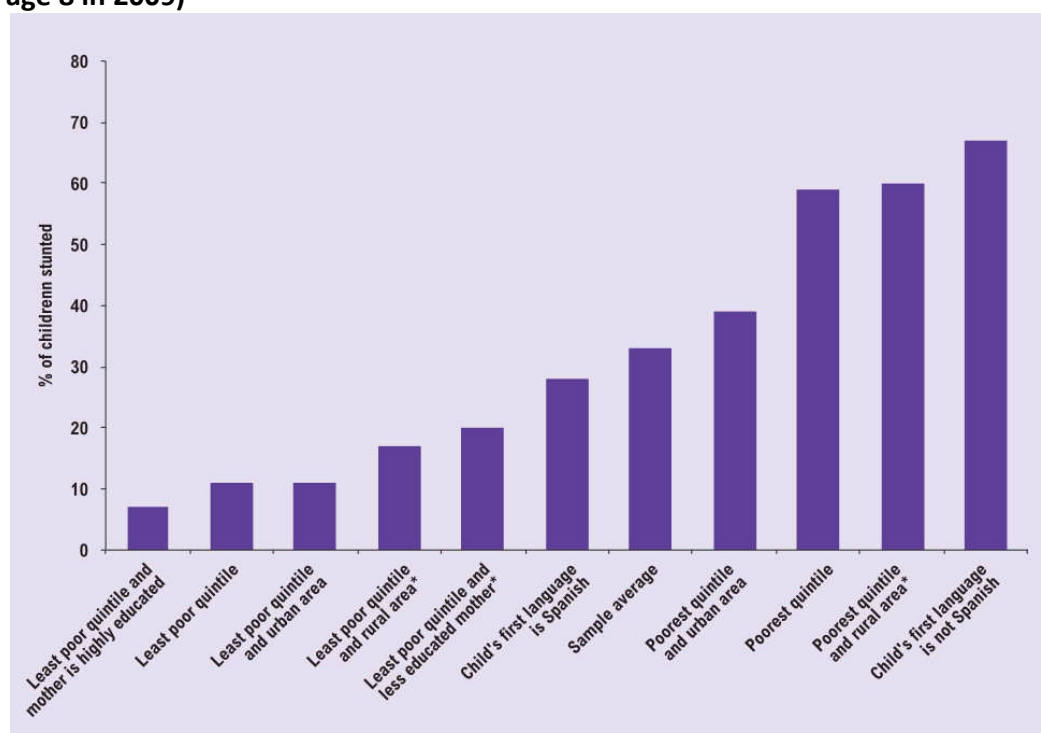
The core survey includes the collection of extensive community, household and child-level data which is comprehensive and multi-sectoral in scope. The survey is complemented by a longitudinal qualitative component (since 2007), including a specific focus on children's experience of poverty, inequalities and well-being. Young Lives also features an extensive school-based component to study quality and effectiveness of the education experienced by Young Lives children (introduced in 2010). Through this comprehensive multi-methods design, Young Lives is able to offer research findings and policy messages on numerous aspects of inequality, including: the early impacts of poverty, disadvantage and social exclusion; the ways inequalities are transmitted, amplified, or reduced during middle and later childhood; the outcomes of childhood inequalities across diverse child development domains, from psychosocial indicators to more conventional health and cognitive/school achievement measures; and the positive or negative impact of policies and programmes. Young Lives is also distinctive in the emphasis given to understanding how individual children and caregivers experience, understand and manage in the face of poverty and other adversities, and the role of these feelings of well-being (or otherwise) in long-term outcomes.

## Message 1: Inequalities in children's development originate in multiple disadvantages, with compounding effects on children's long-term outcomes

### Multiple inequalities

The most marked inequalities among Young Lives children relate to household wealth, urban-rural location, belonging to an ethnic/language minority or low-caste group, and level of parental education. A typical pattern is shown in Figure 1 for the percentage of children in Peru who were 'stunted'<sup>1</sup>. When these different inequalities are combined, the negative impacts may be compounded. Specifically, Figure 1 draws attention to the risks of only focusing on one dimension of inequality, for example, urban versus rural. Thus, child stunting in Peru is lower in urban than in rural areas, but poorer children in urban areas are four times more likely to be stunted than children from the least poor quintile in urban areas.

**Figure 1. High levels of stunting are linked to multiple disadvantages (Peru, Younger Cohort, age 8 in 2009)<sup>ii</sup>**



Note: The sample is divided into five 'quintiles' in order to identify 'least poor quintile' and 'poorest quintile', using a Young Lives wealth index which is based on housing quality (number of rooms relative to household size, wall/roof and floor material); service quality (drinking water, electricity, fuel and sanitation); and consumer durables (radio, refrigerator, bicycle, mobile phone etc). Highly educated means the mother has completed some post-school education (including higher education). Less educated means the mother has incomplete primary education level. \* indicates fewer than 20 cases.

1 Stunting is defined as having a height more than 2 standard deviations below the mean height of an age- and gender-adjusted reference group population. See Message 4 for more extensive evidence on stunting.

Gender is also a source of inequalities, but the effects are less marked and more variable across Young Lives countries (see Sections 2 and 5).

### **Multiple impacts on development**

Inequalities combine to produce negative impacts: children with low parental education levels, in rural areas, poor, ethnic minority households are consistently over represented among low scorers across a range of indicators<sup>iii</sup>. For example, among our sample of 15 year olds in Peru, 59.4% of low scorers on a combined measure of poor health or learning came from rural areas, even though only 23.5% of the sample is rural. In the same way, 25.4% of these same 15 year olds with poor health or learning outcomes were from ethnic minority households, although these comprised only 17.3% of the sample. Finally, 26.4% with the worst health and learning outcomes came from the poorest 20% households<sup>iv</sup>. These children are subject to 'multiple disadvantage' in both their household circumstances and their long-term prospects, pointing to the importance of a holistic approach to policy and services.

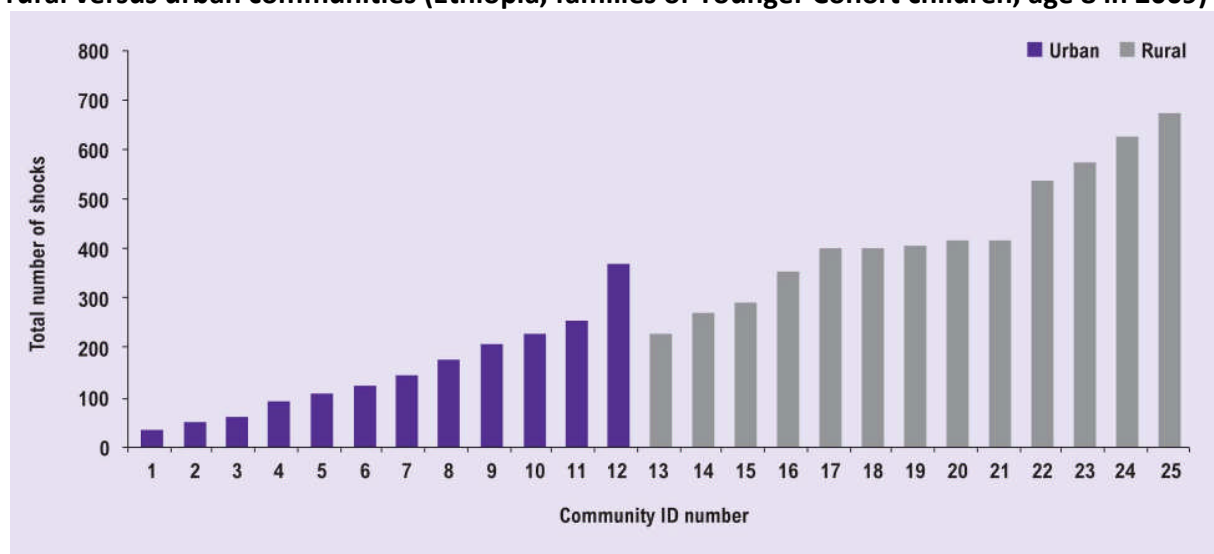
### **Inequalities in vulnerability**

Analysis of Young Lives data reveals some of the processes through which inequalities impact progressively on households and, in turn, on children during critical phases of their lives. Children and families living in poverty are: (i) most at risk of experiencing adverse events such as economic or environmental shocks, illness or death; and (ii) they have fewer resources to cope with these adverse events. Dividing the sample into five groups (referred to as 'quintiles') reveals the different levels of risk experienced by the 'poorest' compared with the 'least poor' quintile. Ninety per cent of the poorest households of Older Cohort children in Ethiopia experienced at least one risk between 2002 and 2006. Many reported multiple risks, with an average of 4.2 types of risk per household. By contrast, 78% of the least poor quintile, experienced at least one risk and the average was 2.1 types of risk per household. In short, the poorest households were exposed to a larger number and a wider range of types of shocks or adverse events than were wealthier households<sup>v</sup>.

For example, Figure 2 illustrates major differences in the numbers of reported shocks across the communities data is collected on in Ethiopia. Multiple shocks were concentrated among poor rural communities, which were most affected by crop failures due to pests and disease or climatic events, and death of livestock, which was frequently compounded by high levels of illness/death among household members.



**Figure 2. Large differences in the numbers of shocks and adverse events, especially comparing rural versus urban communities (Ethiopia, families of Younger Cohort children, age 8 in 2009)**



Families' responses to shocks include the household eating less, reduction of household assets, and debt accumulation, all of which are likely to have long-term consequences for children's development. It is often the same households who suffer multiple shocks over time. For example, in Ethiopia about 71% of those households reporting an environmental shock in 2006 also reported an environmental shock in 2009<sup>vi</sup>. Children's vulnerability is further emphasised by research in Andhra Pradesh, where children in households reporting at least one environmental shock were half as likely to have a healthy height-for-age, compared with children in households with no shocks reported<sup>vii</sup>.

These findings draw attention to the multiple factors that progressively undermine children's development. Policy formulation tends, however, to focus on one dimension of inequality through the targeting of particular groups, such as girls or orphans. Young Lives evidence points to the importance of also addressing broader structural inequalities<sup>viii</sup>.

## Summary

- Inequalities originate in multiple disadvantages. The children who are most at risk come from the poorest households, in rural locations, belong to an ethnic/language minority or low-caste group and have low levels of maternal (and paternal) education.
- Inequalities are also about greater vulnerability to the effects of adversity. Households most at risk generally have fewer resources to cope with adverse events.
- Summary statistics can be misleading: in Peru, although child stunting is lower in urban than rural areas, poorer children in urban areas are four times more likely to be stunted than children from the least poor quintile in urban areas.

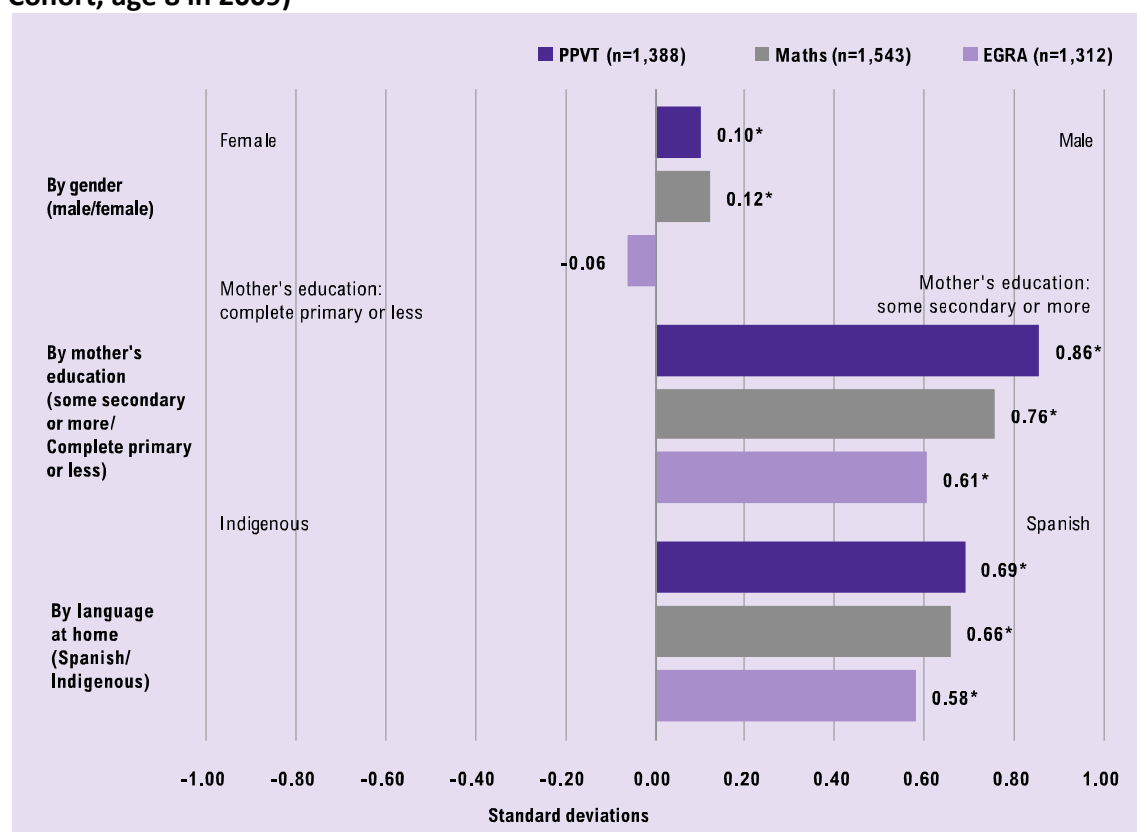
## Message 2: Inequalities undermine the development of human potential: children from disadvantaged families quickly fall behind

### Early inequalities in children's learning

Learning outcomes are a key indicator of growing inequalities. Analysing Young Lives Younger Cohort data across the four study countries, Cueto et al.<sup>ix</sup> identified factors that accounted for the largest differences already emerging by age 8 in scores on vocabulary, reading and maths tests, as well as the variation across the four countries. Level of parental education was linked to gaps in children's learning outcomes in all countries. Urban-rural divisions were also important across the four countries, particularly for Ethiopia. Household wealth represented similarly large achievement gaps across all countries, though was less important in Andhra Pradesh.

Figure 3 illustrates for Peru, the strong impact of low maternal education, and minority language at home on children's achievement scores in vocabulary, maths, and reading. Note the impact of gender is relatively small at this age.

**Figure 3. Achievement gap (standard deviations) for cognitive measures (Peru, Younger Cohort, age 8 in 2009)<sup>x</sup>**



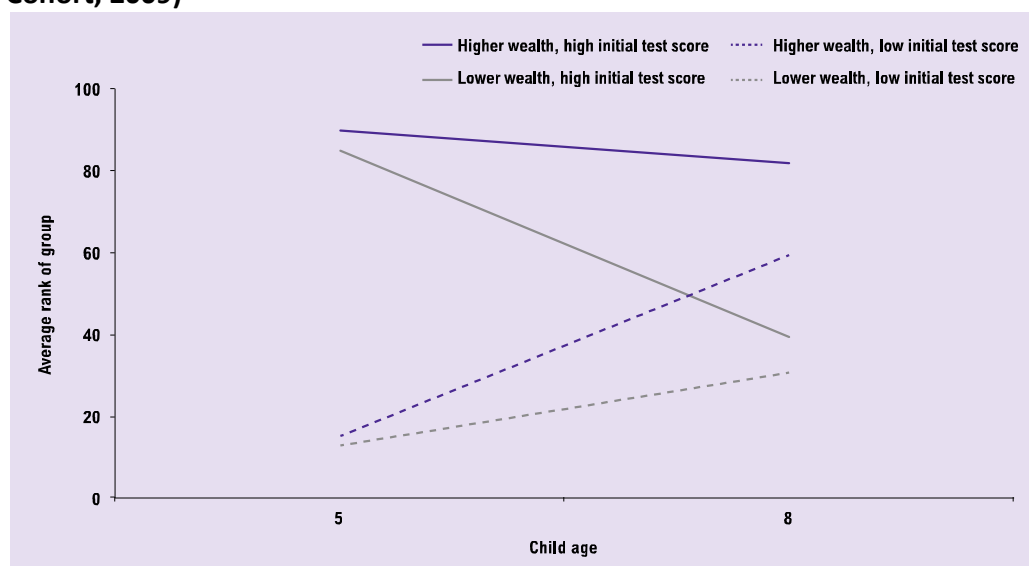
Note: The Early Grade Reading Assessment (EGRA) and the Peabody Picture Vocabulary Test (PPVT) include only the children who took these tests in Spanish.

\* The gap between groups is significant at 95% level on a t-test for independent samples.

## Poor children quickly fall behind

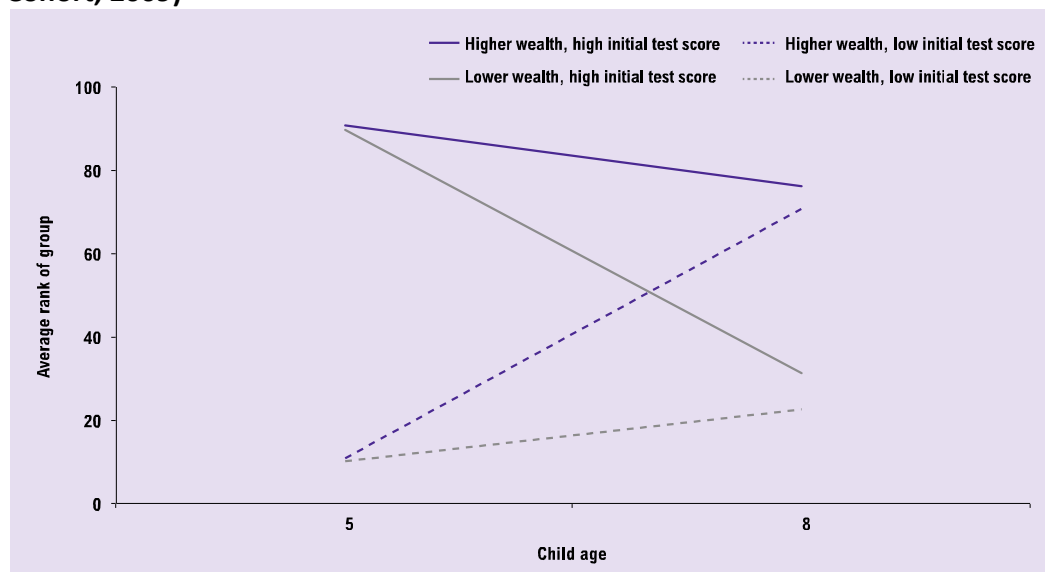
Figures 4 and 5 highlight the ways initial inequalities in household circumstances rapidly translate into inequalities in learning between 5 and 8 years old, based on illustrative data from Ethiopia and Peru. In each case, four groups were defined on measurements at the age of 5: (i) children from poor households with high cognitive test scores; (ii) children from poor households with low scores; (iii) children from better-off households with high scores; and (iv) children from better-off households with low scores. The graph shows their diverging trajectories through to age 8. The patterns are very similar across the four countries, and on several measures. At age 5, poorer children were already under-represented among the high scoring group; but even for those who did well on the test at 5, by age 8 background disadvantage was undermining children's test performance. Conversely, less able children from better-off families made rapid progress and within three years they had caught up or overtaken their less advantaged (even though initially more competent) peers. Note that gender was not associated with children falling further behind at this stage (girls in Andhra Pradesh are at a disadvantage at both 5 and 8 years old). Multiple factors no doubt explain these growing inequalities, including the resources for learning in children's home environment, as well as differential access to quality early education and primary school in a country still working towards Education For All goals<sup>xi</sup>.

**Figure 4. Learning trajectories (in cognitive tests) between 5 and 8 years (Ethiopia, Younger Cohort, 2009)**



Note: Children were tested at age 5 on their understanding of concepts of quantity via the Cognitive Development Assessment (CDA), in order to identify the highest 20% and lowest 20% of test scorers. These groups were further subdivided using the wealth index referred to in Note to Figure 1). Figure 4 plots the changes in competence for all four groups through a follow-up test of problem-solving and arithmetic at age 8. Some convergence to the mean is expected within this type of analysis.

**Figure 5. Learning trajectories (in vocabulary tests) between 5 and 8 years (Peru, Younger Cohort, 2009)**



Note: The vocabulary test was an adapted version of the Peabody Picture Vocabulary Test (PPVT), administered at 5 and again at 8 years old.

With three rounds of data, Young Lives researchers have analysed how these inequalities in cognitive and school achievement measures have evolved over time. As is evident from the data presented so far, significant gaps open up already by the earlier years of schooling, but these ‘plateau’ in middle childhood when most children are in school<sup>xii</sup>. For example, while gaps in education outcomes relate to household wealth in all four countries, determinants of additional differences at the age of 12 were better explained by previous test scores at age 8 (with no additional negative effect of wealth at that point)<sup>xiii</sup>. This suggests some compensatory potential/effect of schooling, but also that early gaps were predictive of lower later performance. The same study found that the inequalities in education outcomes widened again during the later years of schooling, when pressures to discontinue school rise, especially because of rising costs (including opportunity costs of labour) (See also Sections 5 and 7).

## Summary

- Inequalities in children’s circumstances strongly predict their opportunities to learn during the early years. High ability children from poorer families quickly fall behind compared to their more privileged peers.
- These ability gaps plateau during the middle years of childhood, suggesting schooling plays a role in mitigating the growth of differences, although these open up further during later childhood.

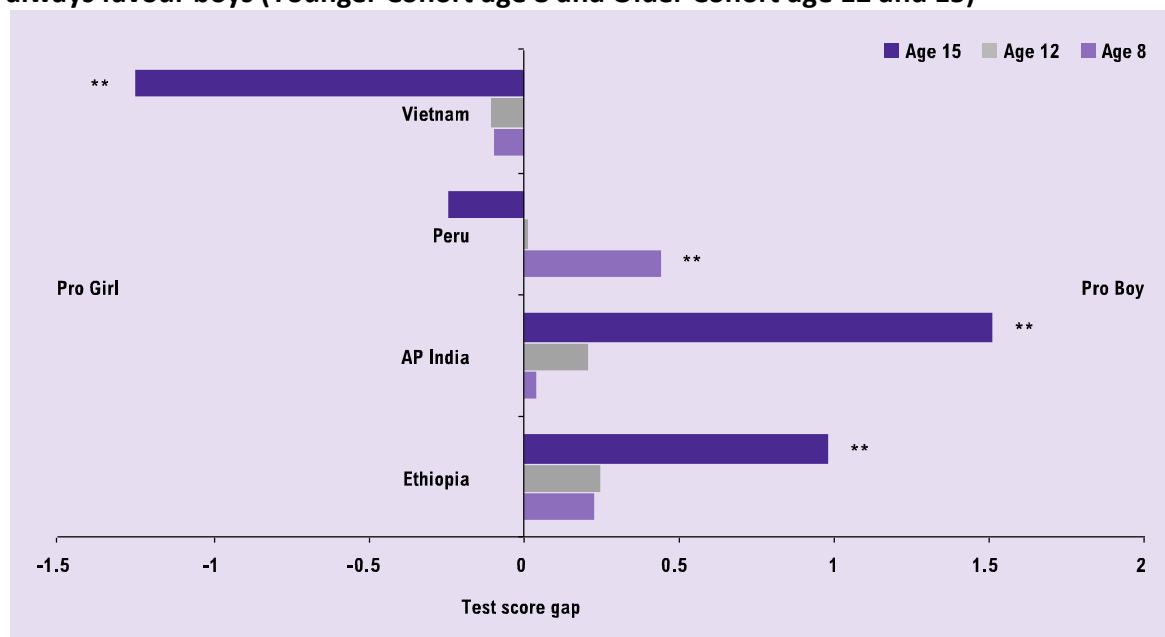
### Message 3: In Young Lives countries, gender differences become more significant as children get older, but boys are not always advantaged

#### Gender differences vary between countries

Gender is an important factor shaping expectations of children, how they are treated and the ways they think about themselves. But Messages 1 and 2 highlight that other background factors typically led to the greatest disparities in children's physical and cognitive development, especially at younger ages. Gender differences also take different forms within and between countries, for example pro-boy gender bias is more evident in India, and to a lesser extent in Ethiopia, whereas some gender gaps favour girls in Vietnam. Gender-based inequalities affect both boys and girls at different ages and in different ways according to intra-household dynamics, socio-cultural context, institutional structures and economic pressures.

In early childhood, Young Lives analysis of pre-school access for children aged between 3 and 5 years found only small differences between boys and girls (compared with socio-economic differences), which were often not significant (the largest being a 5 percentage point difference favouring boys in rural Peru, much smaller than other socio-economic related gaps)<sup>xiv</sup>. In middle and later childhood, analysis on a range of child outcomes (education and cognition, educational aspirations, subjective well-being, psychosocial competencies, and nutrition) did not support claims about consistent 'pro-boy bias' (with the exception of AP India). For instance although boys are more likely to be in school at age 15 in AP India, girls were more likely to be in school in the other three countries<sup>xv</sup>. Similarly, boys in AP India did better on maths tests than girls. But in Vietnam girls outperformed boys<sup>xvi</sup>.

**Figure 6. Gaps in maths scores between boys and girls grow with age, but differences do not always favour boys (Younger Cohort age 8 and Older Cohort age 12 and 15)<sup>xvii</sup>**



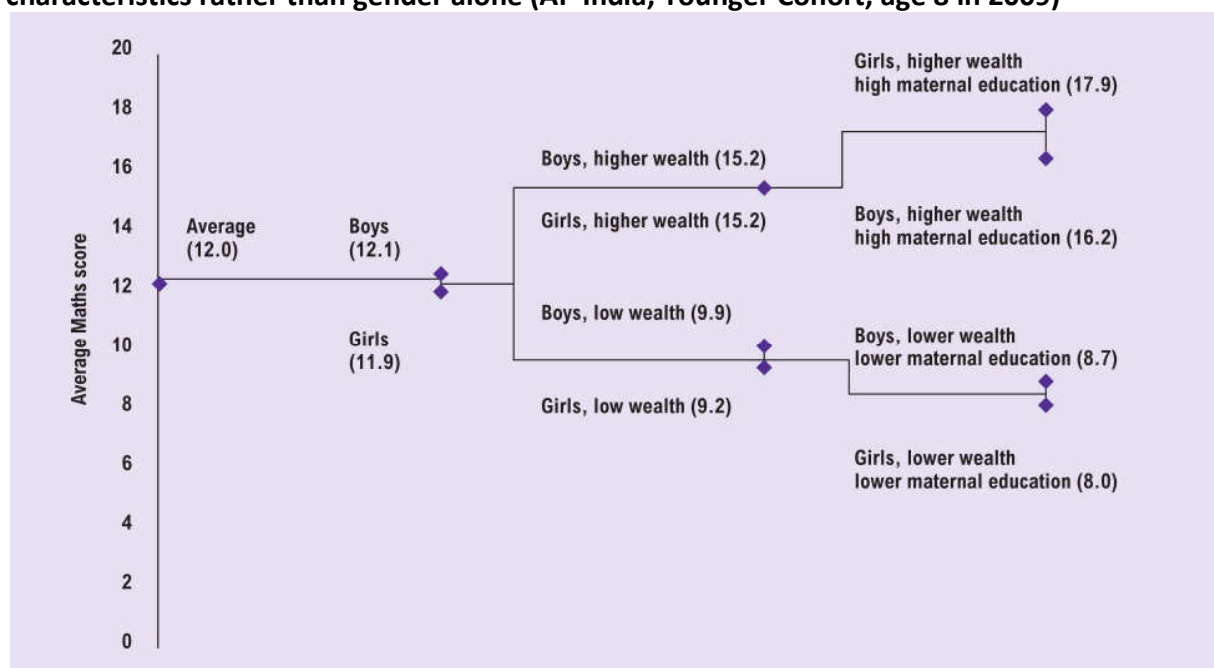
\*\* Shows significance at 95% level. Other gaps are not significant.

Acknowledging that the impacts of gender on child outcomes are not as marked as other sources of inequality, gender is still very much a driving factor shaping the experiences of Young Lives children, especially in terms of their opportunities, responsibilities, and social constraints. Diverging gendered trajectories are revealed most strongly through qualitative research, and especially during middle and later childhood (see Message 5).

### Gender interacts with other inequalities

Young Lives evidence demonstrates how household factors may shape the opportunity costs open to households (and so the treatment of boys and girls). For example, in Andhra Pradesh, household wealth, belonging to a low-caste group and level of maternal education are important predictors of unequal outcomes for children<sup>xviii</sup> and also intersect with gender. Figure 7 is designed to show the significance of gender when combined with other factors, based on maths scores for the Younger Cohort in Andhra Pradesh, India at age 8. Overall, there appears to be little difference between boys and girls, but disaggregation shows differences are stronger among poorer groups, and among groups with low maternal education.

**Figure 7. Differences in maths scores are more marked when combined with other household characteristics rather than gender alone (AP India, Younger Cohort, age 8 in 2009)**



These disparities are shaped by the context in which families find themselves, including cultural, structural and financial constraints. For example, parents in AP India tend to spend more on boys than on girls<sup>xix</sup>; they are more likely to pay the fees required to enrol boys in (better regarded) low-fee private schools resulting in girls being over represented in government schools<sup>xx</sup>. If gender inequalities result from a combination of parents' resource shortages to invest in their children as well as their (and their children's) understanding of

future economic and social opportunities<sup>xxi</sup>, then policies to redress such biases need to address these underlying socio-economic drivers, as well as discrimination *per se*.

### Summary

- Within Young Lives data, inequalities in household poverty and circumstances are much less closely linked to developmental outcomes than those related to gender.
- Gender differences grow in significance during childhood, but they vary between countries and they are not always pro-boy.
- Gender-based choices of parents are often shaped by the external environment (such as the perceived returns from investing in boys' education rather than girls).
- Policy aimed at reducing gender-based differences needs to engage with the context that influences parents' and children's choices as well as discrimination *per se*.

## Message 4: Early malnutrition has serious, long-term consequences, but there is also evidence that some children may recover

### Poverty and early stunting

Inequalities have critical impact during children's formative years, with early malnutrition having multiple adverse impacts over time. Children who were assessed as 'stunted' were at a disadvantage in terms of later cognitive, health, well-being and psychosocial outcomes. For example, children who were stunted at 2 years showed lower levels of cognitive ability at age 5, and those stunted at 8 had lower reading, writing and mathematical skills by age 12<sup>xxii</sup>. In Ethiopia, stunted children are nearly one whole grade behind non-stunted children at the age of 12<sup>xxiii</sup>. While the link between nutritional deficits and school performance is well known, Young Lives extends the evidence on early stunting to include measures of psychosocial well-being, finding that low height for age at around 8 years was associated with lower self-efficacy, self-esteem and educational aspirations among children at 12 years<sup>xxiv</sup>.

The links between socio-economic disadvantage and stunting are also clear. For example, in Peru over 50% of Younger Cohort children from households in the poorest quintile were stunted in 2006, compared to just under 10% in the wealthiest quintile. Rural children are also more likely to be stunted than their urban counterparts<sup>xxv</sup>. There is a higher prevalence of stunting among children from ethnic minority or lower-caste groups in Peru, Vietnam and Andhra Pradesh, even controlling for other factors. For example, 60% of ethnic minority children in Vietnam were stunted at the age of 5, compared to 19% of ethnic majority *kinh* children<sup>xxvi</sup>.

Despite the frequent assumption that economic growth will benefit all children, the reality is more complex<sup>xxvii</sup>. Stunting persists despite economic change in Young Lives countries. For example, in Andhra Pradesh, GDP doubled between 2002 and 2009, but cohort comparisons show the stunting rate within our samples at age 8 only fell by four percentage points<sup>xxviii</sup> with no improvement at all among the poorest 40% of children in the sample<sup>xxix</sup>. The negative effects of stunting are increasingly concentrated among more marginalised children.

### Evidence of some later recovery

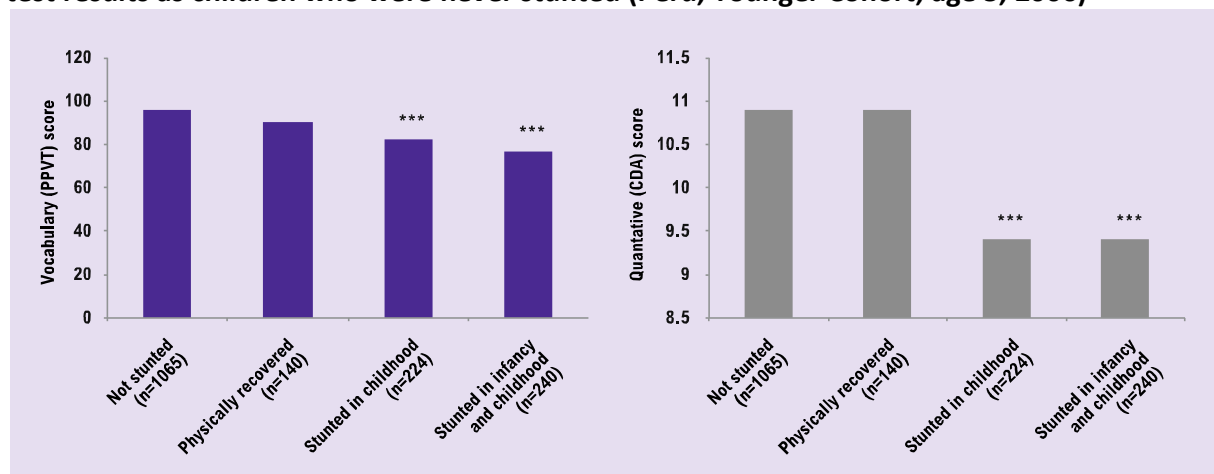
Between a quarter (Vietnam) and a half (Ethiopia) of children who were initially measured as physically stunted (at around 1 year old) ceased to be stunted by 5 years<sup>xxx</sup>. And although height at age 1 is predictive of height at age 5, between about 40% and 70% of the variation in height at age 5 is *not* explained by height at 1<sup>xxxi</sup>. Physical recovery by age 5 appears to be most likely among children who were least stunted<sup>xxxii</sup>. Probability of recovery is also linked to inequalities, because recovery between 1 and 5 years was most common among better-off households in Ethiopia (especially among girls in richer households)<sup>xxxiii</sup>.

There is some evidence that physical recovery may be associated with improved cognitive development. Analysis from Peru suggests a stronger relationship between vocabulary test scores at the age of 5 and concurrent stunting than stunting at age 1 year<sup>xxxiv</sup>. A second study on the Peru sample looked at quantitative and vocabulary test performance, comparing



children who were never stunted with those who were stunted at age 1 but appeared to have physically recovered by 5. No significant differences were found in the test scores of the two groups (see Figure 8)<sup>xxxv</sup>.

**Figure 8. Children who were stunted at age 1 but physically recovered by age 5 have similar test results as children who were never stunted (Peru, Younger Cohort, age 5, 2006)**<sup>xxxvi</sup>



\*\*\* Is significantly different from the reference group (not stunted) at 99.9% level.

## Summary

- Early stunting is closely linked to poverty and other inequalities, and has long-term repercussions for children's self-efficacy, self-esteem and educational aspirations as well as cognitive outcomes.
- Prevention is better (and more efficient) than cure. However, some children who experience stunting in the early years do seem to recover physically. Those who physically recover, also seem to have better outcomes on other cognitive indicators than those who remain stunted.

## Message 5: Inequalities also open up during middle and later childhood

Earlier sections make clear that early childhood is a critical period when inequalities become established, and also the long-term consequences for children's health, cognitive and psychosocial development. But Young Lives research also points to the need for a more balanced picture which recognises the ways some inequalities develop progressively through childhood, others can open up through specific life events, and yet others are amplified as children face key life transitions. Gender inequalities offer a clear example of these processes (following on from Message 3).

### Gender differences are increasingly significant

In Section 3 we reported for Young Lives countries that gender *per se* was not consistently linked to inequalities in key development indicators during the early years. However, poverty was shown to impact on gender, especially by reinforcing differential expectations and practices towards girls and boys, as when girls are expected to take on significant domestic responsibilities, while scarce resources are invested in boys' schooling. Gender differences are more marked in middle and later childhood and shaped by gendered understandings (among both children and their caregivers) of what constitutes successful transitions to adulthood.

For example, Young Lives qualitative research reveals that caregivers adjust their expectations for girls and boys according to their employment or marriage prospects, as well as household composition, financial circumstances and vulnerability to shocks<sup>xxxvii</sup>. While these shifting expectations are observed for all four countries, they are especially marked in Ethiopia, where unemployment is as high as 50% in some urban areas, and employment opportunities for girls in the formal skilled labour market are particularly scarce<sup>xxxviii</sup>. Perceptions of social risk result in further constraints for girls<sup>xxxix</sup>. Marriage is still a defining factor in Ethiopian girls' lives from the onset of puberty<sup>xl</sup>, although beliefs are in rapid flux. While some parents view completing school as the best way for girls to secure their future livelihood, for others, extended schooling is viewed as a potential risk to girls' economic and reproductive futures (for instance by perceptions that more-educated girls might be less marriageable). In rural Ethiopia concerns are also heard that 'free-will marriages' (as opposed to the customary/traditional arranged marriages) make girls vulnerable to being 'abducted', cheated or abandoned by a man, without the traditional sources of community protection to fall back on<sup>xli</sup>.

### Pressures of work and school

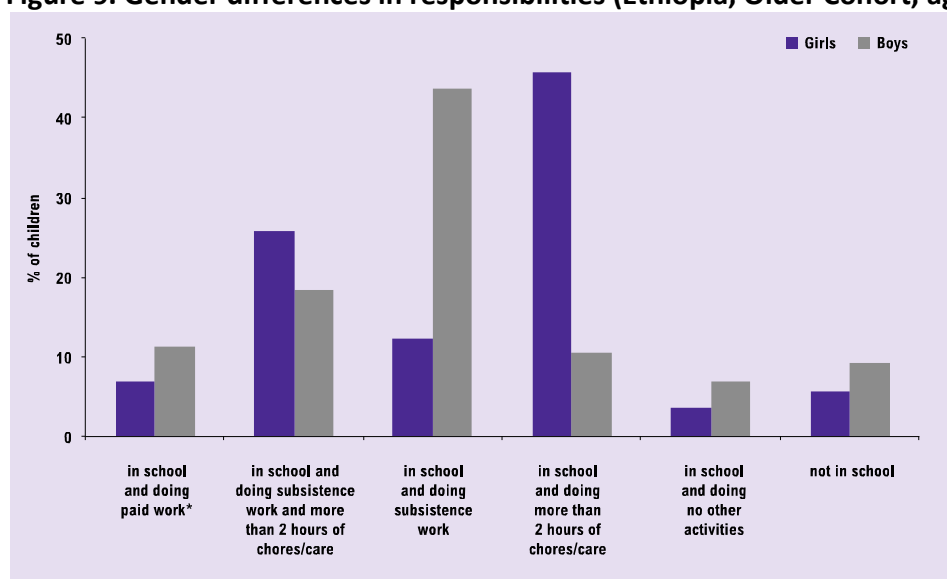
The emergence of gender differences is most clearly seen during middle childhood as children typically balance expectations for schooling with domestic responsibilities and other economic activities<sup>xlii</sup>. Boys typically spend more time doing unpaid work on the family farm or business, while girls spend more time caring for others and on domestic tasks. On average, rural children spend more time on work (both paid and unpaid) while urban children spend more time in school and studying. Other factors affecting time-use are age—sibling order, composition and household shocks<sup>xliii</sup>.

Young Lives research in Ethiopia shows that children's paid work often contributes to the costs of schooling, thereby helping them (or their siblings) to stay in school<sup>xliv</sup>. However, in poorer countries the pressures to leave school become more intense through middle and later childhood as the opportunity costs of staying in school rise and children's ability to support household livelihoods increases. As a rule, children from the poorest households are most likely to drop out early, but there are gender differences, which vary between countries. By 2009 (when the Older Cohort were age 15), rural boys in Ethiopia, Peru and Vietnam were more likely than girls to have dropped out of school, and the pressure to earn was a major factor, often felt by children themselves as much as it is imposed by adults. The higher drop-out rate of boys is likely explained by their higher wage-earning potential combined with the fact that girls tend to work within the family home, with greater potential to combine with schooling by comparison to paid work outside the home<sup>xlv</sup>. The gender balance was reversed in Andhra Pradesh, India, where lower aspirations for girls' school achievement were associated with 26% of girls versus 19% of boys having already left school by 15<sup>xlvi</sup>.

### Impact of illness and death

Figure 9 summarises children's time allocations, and demonstrates strongly gendered school, work and domestic responsibilities are already evident in Ethiopia by the age of 12. This study also draws attention to the impact of health status in middle and later childhood on inequalities in children's lives and prospects. While most children were enrolled in school, non-attendance was common, and many children progressed slowly from grade to grade. Child and parental illness as well as parental death were major reasons for patchy attendance and slow progression. Health care was expensive and difficult to access, so when children suffered from common illnesses, such as malaria, worms or diarrhoea, they were often absent or dropped out<sup>xlvii</sup>.

**Figure 9. Gender differences in responsibilities (Ethiopia, Older Cohort, age 12 in 2006)**<sup>xlviii</sup>



\*They may also spend time on other types of tasks.

The impact of parental illness and death on poor children is especially significant. In Ethiopia, one in five of the Young Lives children had lost at least one parent by age of 12<sup>xlix</sup>. The measurable outcomes of becoming an orphan vary according to a child's gender and age, whether it is their father or mother who has died, as well as their subsequent household circumstances. For example, losing a mother in middle childhood (between ages 8 and 12) reduced school enrolment by 21%, and also affected children's scores on a literacy test, with repercussions for these children's later prospects compared with non-orphaned peers. Losing a father meant that families frequently faced financial hardship.

### **Summary**

- Life-course analysis confirms that early childhood is a vital phase but inequalities also open up during middle and later childhood.
- Gender differences grow during middle and later childhood, shaped by changing expectations of girls and boys, which are in turn framed by the socio-economic circumstances of the household as well as by perceived social risks and opportunities.
- The pressure to work is increasingly felt by older children from poor families, and this competes with their schooling, especially where schooling systems are inflexible to the realities of children's daily lives.
- Parental illness and death as well as children's own ill health impacts strongly on their school attendance and achievement, as well as on poverty levels and household circumstances.

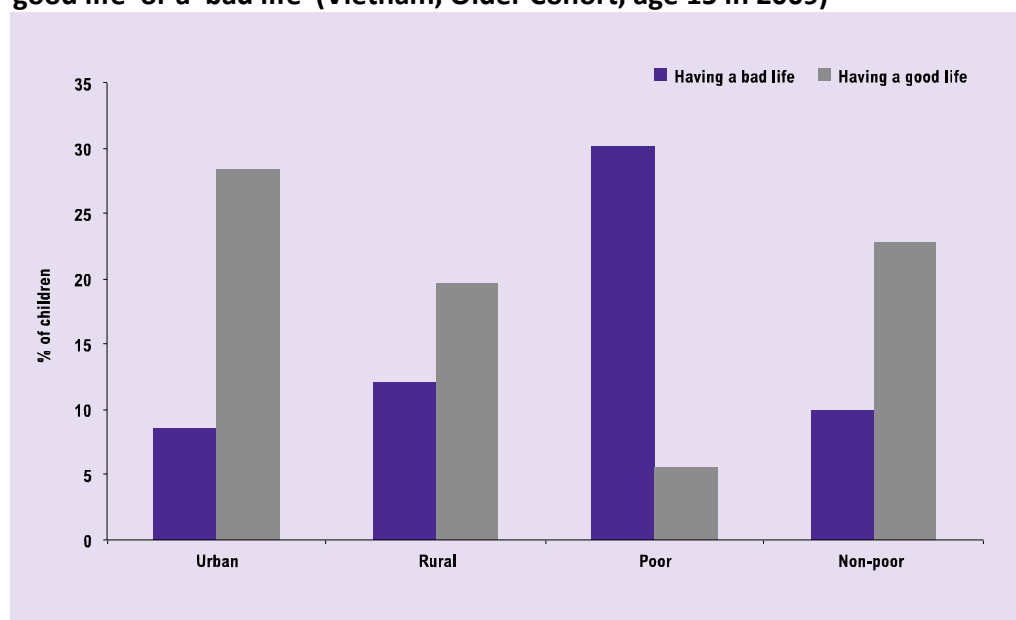
## Message 6: Children's subjective well-being is both a major indicator of inequality and also a channel for the transmission of poverty

### Children's awareness of inequalities

All too often development debates have neglected to ask how poverty is actually understood and experienced by children, their families and communities, and what is the significance of these perceptions for long-term outcomes. This neglected dimension is especially important in relation to inequality, which can trigger powerful individual and collective responses to perceived social injustice. Children's experience of inequality shapes their personal and social identities, their peer relationships, self-esteem and self-efficacy. These are not just individual experiences. They are mediated by children's membership of their family, peer group or community. Children are sensitive to their relative social position, their relative competence, and potential to access opportunities for personal, social and economic advancement<sup>1</sup>.

As part of the Young Lives survey, children are asked to judge their position on a ladder where the ninth step represents the best possible life and the first step represents the worst. Across all 4 countries, children from better-off households positioned themselves higher on the ladder. Figure 8 summarises children's self-ratings for Vietnam, where the picture is particularly stark, and shows that poor children in Vietnam are much more likely to report having a 'bad life' than non-poor children; and urban children more often report having a 'good life' than rural children.

**Figure 10. Systematic differences in whether young people report themselves as having a 'good life' or a 'bad life' (Vietnam, Older Cohort, age 15 in 2009)<sup>li</sup>**



Note: Children 'having a good life' positioned themselves on the top 3 steps of the ladder; children 'having a bad life' positioned themselves on the bottom 3 steps. Poor/ non-poor is defined here according to whether Young Lives households are above or below a national poverty line. The figures do not sum to 100%.

As part of the surveys, individual participants were also asked to rate their health as better, worse, or the same as other children of the same age. Across the four countries those reporting worse health were also more likely to be stunted. In Vietnam and Andhra Pradesh children who reported their health as better than others were also more likely to be enrolled in school and have higher cognitive achievement scores<sup>lii</sup>. The fact that children's subjective well-being mirrors more objective indicators of their development underlines children's acute awareness of their relative disadvantage in comparison to others, which in turn shapes their feelings of agency (or self-efficacy) that can help them cope with and possibly improve their situation.

### **Evidence from qualitative research**

Young Lives qualitative research has looked in depth at these issues, especially children's beliefs about their well-being, the impact of poverty and inequalities, and their ability to improve their (and their families') situation. For example, research in Ethiopia invited 12 year olds to draw pictures of children having a 'good' or a 'bad life', and used these as a starting point for exploring their understanding of well-being. Interestingly, children often prioritised family and school, over good food, shelter and material security as essential to well-being<sup>liii</sup>.

A study in rural Andhra Pradesh highlighted the crucial significance of children's social context, their family and their peer relationships. What children often found most distressing about the lack of material goods was the sense of shame that came with 'not having' or not 'fitting in'. For example, 13-year-old Kareena and her sister were keenly aware of their household's fragile economy, which Kareena attributed to her father's illness. Her mother could no longer afford to provide nutritious food for the family, who subsisted mainly on diluted 'dal' (a lentil stew). Kareena and her sister described how they attempt to conceal their poverty from other children by sitting apart during school lunches or covering their lunch box with a book while they ate<sup>liv</sup>. This research also drew attention to different ways that 12 to 15 year olds understood inequality, reflecting their position in the social hierarchy and the social expectations they were managing<sup>lv</sup>.

Research with 12- to 13-year-old girls in rural Peru drew attention to the social dimensions of children experiences. Feeling valued within families and communities contributed to their feelings of well-being as much as material deficit. Failure to meet family expectations were at the forefront of their accounts of ill-being and risk, with work and schooling viewed as vital means through which they could become competent moral and social actors, able contribute to household poverty mitigation<sup>lvi</sup>.

Young Lives qualitative research also draws attention to the rapidly changing dynamics of children's relationship to poverty and inequality, across all the countries. Experiences of well-being change as children mature, as do the social and economic opportunities and risks that they face. At the same time, cohort comparisons underscore the growing tensions between rapid social change and traditional social structures, which in turn impact on how young people see their future 'place' within their household and wider society<sup>lvii</sup>.

## Summary

- The ways children experience poverty and inequality is a neglected dimension, but plays a key role in shaping well-being.
- Poor children were much more likely to rate themselves as having a bad life, while children reporting better health than other children were less likely to be stunted, more likely to be in school and with higher school achievement.
- Children make clear judgements about the role of material resources, family and school in their subjective well-being, which also shapes how children think about their futures, and in turn their long-term prospects.

## **Message 7: Education is regarded by adults and children as transformative but doesn't always compensate for background disadvantage and may reinforce differences**

### **High expectations**

It is widely accepted by policymakers that good quality schooling has potential to offer one of the main routes out of poverty. Young Lives also finds the same high expectations for schooling among parents and children across all four countries. In data from 2009, between 40% (Andhra Pradesh) and 74% (Ethiopia and Peru) ideally wanted to complete university. At the same point between 32.5% (Andhra Pradesh) and 78% (Ethiopia) of parents of 8 year olds also ideally wanted their children to complete university<sup>lviii</sup>. Qualitative evidence bears out how education is highly valued. For example, Marta, a Peruvian young woman, growing up in a rural area observed: "We're not going to suffer like this in the mud... it's better that I go and study." Or as a father observed for his son, again in Peru: "I walk in the fields in sandals. At least he will go with shoes if he gets a good head with his education"<sup>lix</sup>. Young Lives analysis raises questions about whether education systems are delivering on these promises. Many individual lives are improved by education, but (with some exceptions reported below) inequities of access to pre-school and primary school, infrequent attendance, early school leaving etc., combine with inequities in the quality of teaching available to children in ways that may serve to amplify rather than reduce inequalities linked to household circumstances, parental education etc.

### **Early inequities in access**

All too often, unequal school trajectories are set in motion even before a child starts school, even though the early years is recognised as the most cost-effective period for intervening to reduce inequalities. Young Lives evidence reinforces findings from global surveys that report early childhood programmes currently benefit a higher proportion of advantaged than disadvantaged children, thus perpetuating cycles of poverty<sup>lx</sup>. Inequalities in access to good-quality pre-school education in each of the four study countries, as well as discrepancies in the quality of services available, suggest that quality early childhood education is less likely to reach the poorest children who need it most<sup>lxi</sup>. While many individual disadvantaged children benefited from innovative programmes the overall picture is of inequality in access.

In Peru, 95% of children in non-poor households participating in the Young Lives survey had spent some time at pre-school, but that figure fell to 64% for the poorest and between 76% and 54% for different ethnic minority groups. Virtually all children of mothers with more than ten years of education had attended pre-school in the Peru sample, but this dropped to 30% of children whose mothers had less than five years of education<sup>lxii</sup>. There is a similar picture in Vietnam where 91% of Kinh children (the ethnic majority) in the sample had experienced some form of pre-school but only 77% of ethnic minority children<sup>lxiii</sup>. In Ethiopia, where government priorities have until recently been to universalise primary school access, pre-school was accessed by only 5% of the poorest quintile versus 57% of the wealthiest quintile, most of whom were urban children attending private or church-run kindergartens<sup>lxiv</sup>. As a general summary, Young Lives evidence is that parents and children who require most support to give their children a head-start in school are doubly disadvantaged: by the poverty of their circumstances and by the difficulties accessing quality early childhood programmes. Minority



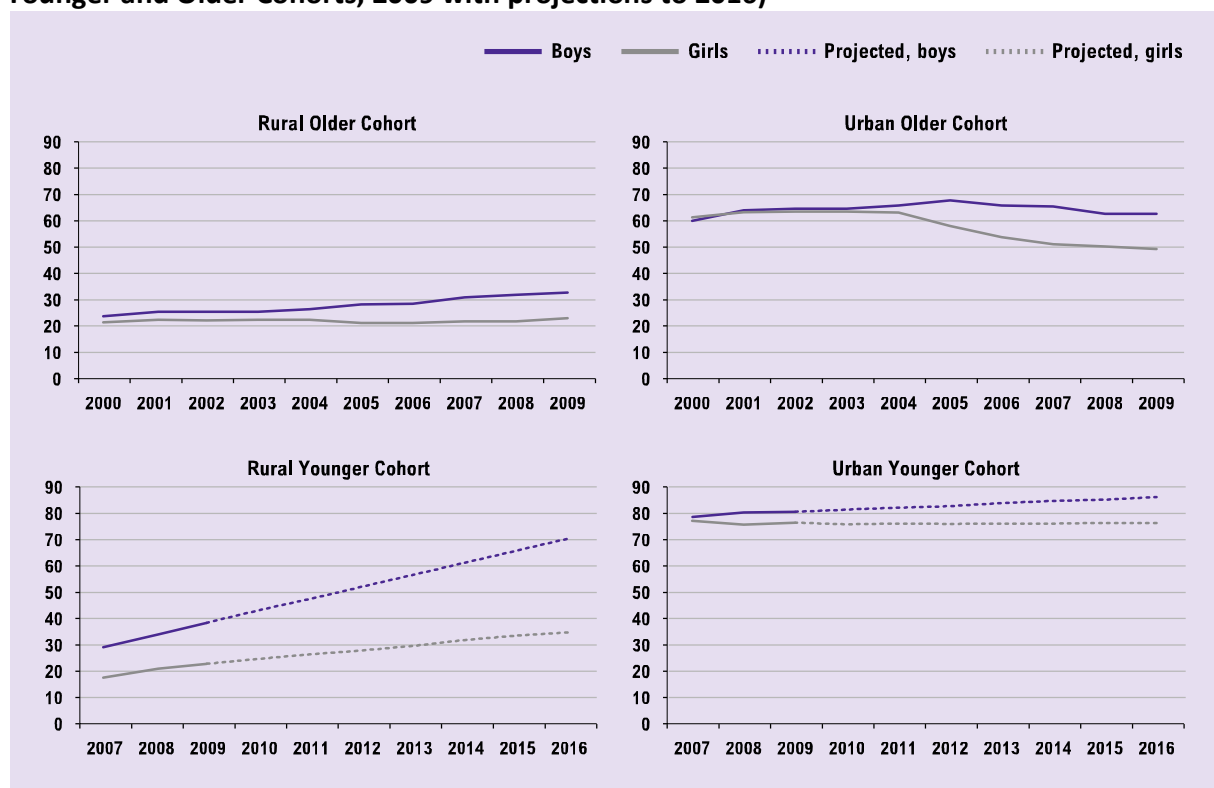
groups are especially at risk because of language and cultural barriers as well as inaccessibility of services, with the consequence that they start to feel excluded from the schooling system even before they enter primary school<sup>lxv</sup>. These data relates to Younger Cohort children's experiences up to 2006, and more recent reforms (especially in Peru and Ethiopia) will hopefully be improving the situation.

### **Impact of the private sector**

In Andhra Pradesh, rapid growth in 'low-fee' private schools (starting with kindergarten classes for children as young as 3 years old) adds an additional dimension to Young Lives evidence on early educational inequalities. Even the poorest urban families (and increasing numbers of rural families) are 'voting with their feet' in favour of private schools, pointing to a crisis in the public-sector school system, which is failing to meet parental expectations on quality and accountability, despite teachers being better qualified and a great deal better paid than their private-school counterparts. While some argue that the low-fee private sector offers an important alternative for these families, and can contribute to Education For All goals, there are major risks to equity, unless and until major government reforms (to regulate and subsidise places for poor children) are implemented and/or public sector schools are reformed<sup>lxvi</sup>.

Pre-school provision available under the long-established government programme (the Integrated Child Development Services, ICDS) was still being used by the majority of rural and especially poor rural families in Andhra Pradesh (when surveyed in 2006). But the majority of families in urban areas were already opting to pay for a private pre-school (including a 34% of the very poorest quintile)<sup>lxvii</sup>. These early public-private divisions are the foundation of children's diverging educational trajectories through primary schooling and beyond. When these Younger Cohort children were followed up during the early stages of primary school in 2009, 44% of Young Lives sample of 7 to 8 year olds were reported to be attending a private school (a jump from 24% private school attendance among the Older Cohort when they were the same age, seven years earlier in 2002). Not surprisingly, capacity to access private schooling was closely linked to household wealth, ethnicity/caste, urban or rural location, and parental education levels. Young Lives research has also identified the impact of intra-household choices about type of school, in increasing gender-linked inequalities. Figure 11 shows that for the Older Cohort the gender gap in choice of private over government school only opened up around the end of primary school. But for the Younger Cohort, a 9% gender gap was already evident by age 8 for the poorest rural sample. Figure 11 also shows the ways this gender divide in school use could widen during later childhood, if current trends were to continue.

**Figure 11. Growth in private sector schools is associated with gender differences (AP India, Younger and Older Cohorts, 2009 with projections to 2016)**

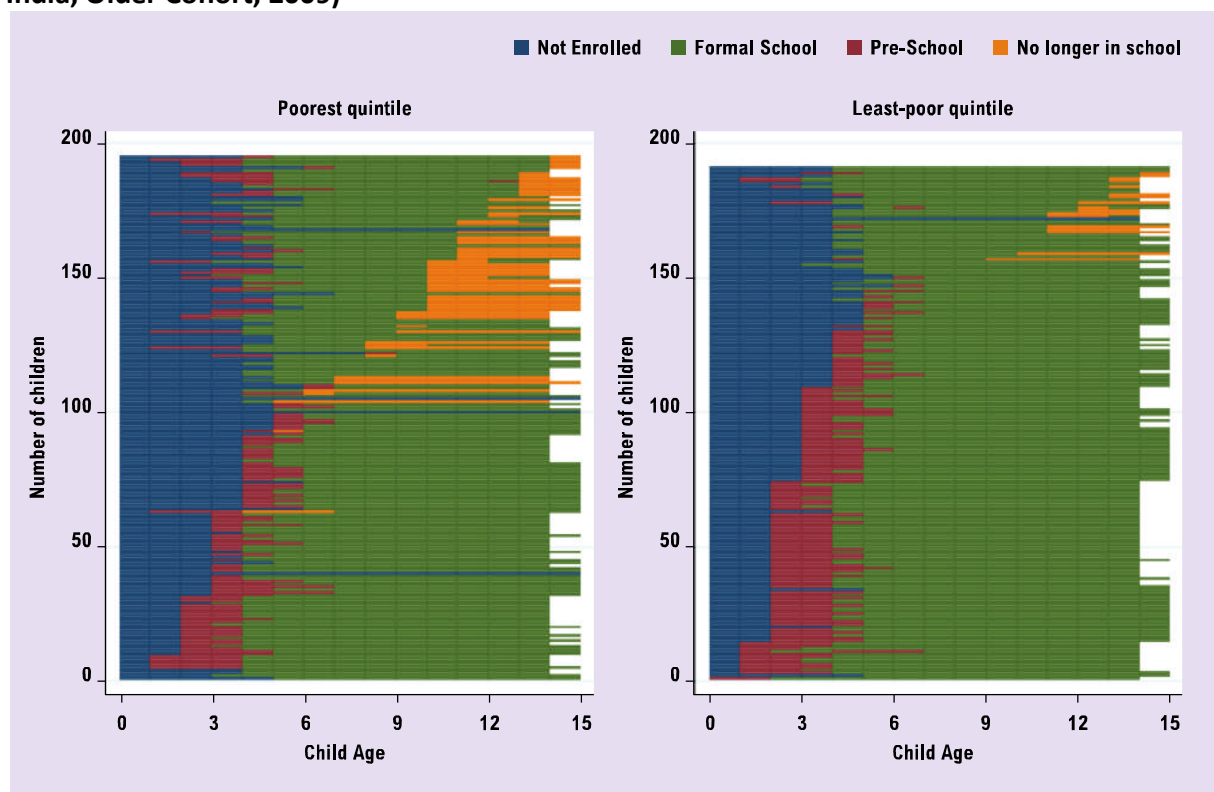


These findings are linked to other evidence from parents in Andhra Pradesh who report choosing to invest more in boys' education<sup>lxviii</sup>. Equivalent trends are found for health, with families opting for private healthcare due to perceived poor quality of public provision of healthcare in AP India<sup>lxix</sup>. But private healthcare (like private schooling) can create large household debts, in the absence of government subsidies, thus fuelling inequalities, as well as further impoverishing already poor households.

### **Inequalities in school access**

While primary school enrolment has been relatively high in all four of the study countries, children growing up in rural areas are still less likely to be enrolled in school than children in urban areas in Ethiopia, Andhra Pradesh and Vietnam. Ethnicity is a further predictor of enrolment gaps, particularly in Vietnam. In Andhra Pradesh, household wealth is a key factor in school enrolment. Figure 12 plots the school histories for individual children, comparing those in the bottom (poorest) and top (least poor) quintile in the sample. Each line represents a child, with the chart demonstrating the marked wealth-linked inequalities in access to education with the poorest children less likely to access pre-school and more likely to leave school earlier than less poor children.

**Figure 12. School enrolment by child age for poorest and least-poor household quintiles (AP India, Older Cohort, 2009)**



Note: School history data runs to either 14 or 15, due to variation in Young Lives children's ages at 2009 survey.

Perhaps even more significant are the inequalities in children's progression through school. Although 90% of 15 year olds in Ethiopia reported still being enrolled in school, only 18% of had completed primary school by that age<sup>lxx</sup>. In Peru, 61% of Older Cohort children in the poorest quintile had repeated a grade by 2009, compared to 38% of children in the wealthiest quintile<sup>lxxi</sup>.

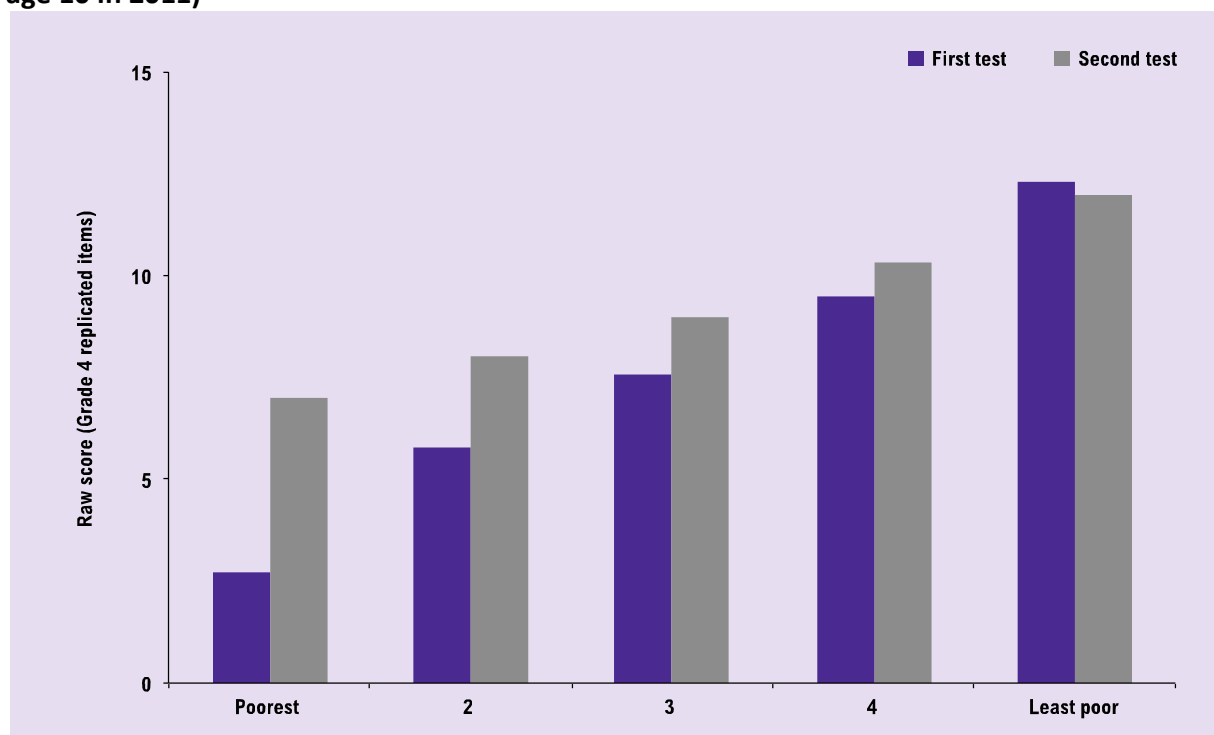
Late enrolment, infrequent attendance, slow progression through school (age-for-grade), including grade repetition, as well as early drop-out from school are all more common among disadvantaged groups. Frost and Rolleston<sup>lxxii</sup> identified three main determinant factors in a child being closer to the 'expected' age for grade in Ethiopia: having a caregiver who could read, being in a wealthier household, and being taller at Round 1 of data collection in 2002. Establishing children's correct age-grade is especially tricky in Ethiopia, in the absence of universal birth registration. Since children's age may be unknown (or contested), teachers commonly employ a crude maturational indicator of school readiness: they rely on the changing ratio of head size to limb length, and admit children only when they are able to stretch their left arm over their head and touch their right ear, thereby excluding children whose physical maturation is delayed<sup>lxxiii</sup>.

## **Evidence for school effectiveness**

With three rounds of data, Young Lives researchers have analysed how inequalities in school achievement have evolved over time. As noted earlier, large gaps open up by the early years of schooling, but these appear to ‘plateau’ in middle childhood when most children are in school, and widen again during later years of schooling. Gaps in education outcomes relate to household wealth in all four countries, but disparities at the age of 12 were generally predicted by previous test scores at age 8 (with no additional negative effect of wealth at that point)<sup>lxxiv</sup>. This suggests some compensatory or levelling effect of schooling during middle childhood, but the same study found that the inequalities in education outcomes widened again during the later years of schooling, when pressures to drop out rise, especially because of rising costs (including opportunity costs of labour).

While much Young Lives evidence draws attention to the risk that inequitable school systems amplify inequalities, much depends on the governance systems that ensure access to quality teaching for disadvantaged children. Initial analysis from Young Lives school-effectiveness research in Vietnam gives some evidence on the ability of a school system to bring children from disadvantaged backgrounds up to the level expected by its curricula. Children who did less well on a maths test at around 10 years old (disproportionately those from less advantaged backgrounds) made most progress (Figure 11)<sup>lxxv</sup>. One interpretation of these results links to the observation that Vietnamese teaching was focused on the class (as a whole) achieving to an acceptable level, rather than increasing the stretch of the most able individuals. Further the Vietnamese curricula appeared well suited to appropriately develop children’s ability, rather than being over-ambitious. It is also apparent that the qualification levels of teachers in poorer areas tend to be quite similar to those teaching in more advantaged areas, which is probably due to centralised teacher training system.

**Figure 13. Progress in maths test scores over school year (2011-12) (Vietnam, Younger Cohort, age 10 in 2011)**



Note: The sample has been divided into quintiles on a 'home background index', with the 'poorest' showing the biggest gains in maths score. This index is based on indicators known to be associated with educational disadvantage, notably minority group membership, parents' language and literacy in Vietnamese, as well as household environment (including number of meals per day, books in the home, telephone, internet etc).

## Summary

- Children and parents have high expectations that school education will be transformative, but for most there is a mismatch with realistic opportunities.
- Early childhood education and primary schooling frequently does not seem to live up to its promise to reduce inequalities, and may actually reinforce other forms of disadvantage.
- Growth in low-cost private schools in AP India appears to risk widening existing inequalities, including between boys and girls.
- Young Lives evidence from Vietnam also draws attention to that ways that school systems focussed on supporting all children can be effective in narrowing achievement gaps.

## Message 8: Social protection programmes can reduce disadvantage, but impacts are often complex, some may be unintended and they may not always benefit children

### Potential of social protection initiatives

Social protection has had much recent, attention, including the new ILO labour standard on national floors of social protection<sup>lxxxvi</sup>. Others, including UNICEF, have sought to evaluate the consequences of social protection for children<sup>lxxxvii</sup>. There is therefore considerable consensus about the potential of social protection in supporting more equitable development, although current systems are often weak and with low coverage<sup>lxxxviii</sup>. The impact of policy innovation in Ethiopia, AP India and Peru since 2000 has been monitored by tracking experiences of Young Lives households and children.

Overall, our data show the potential for social protection in helping to mitigate broader inequalities, and in improving the success of other social policies<sup>lxxxix</sup>. For example, analysis of receipt of Midday Meal Scheme in AP (provided in government-run primary schools) found protective effects on the nutrition of 5 year olds. Positive impacts were particularly large when households were in drought-affected areas<sup>lxxx</sup>. 2009 data relating to the Mahatma Gandhi National Rural Employment Guarantee Act scheme (MGNREGA) shows its rural focus makes it relatively effective at reaching those affected by environmental shocks (about 6 in 7 households which reported being affected by an environmental shock also reported access to MGNREGA)<sup>lxxxi</sup>. Analysis of 2006 data also found suggestive evidence that MGNREGA was having insurance effects, with households with agricultural livelihoods both more likely to register but less likely to use the scheme<sup>lxxxii</sup>. Qualitative evidence also suggests that having the option of MGNREGA work had enabled some labourers (including women) to turn down very low paid work<sup>lxxxiii</sup>.

### Evaluating the effects of social protection

However, Young Lives evidence highlights some policy concerns that need to be borne in mind in improving the impact of social protection schemes for children. A key point is that the level of transfers matter in supporting poor families. Studies of the Ethiopian Productive Safety Net Programme (a public works scheme) have argued that despite protecting children from hunger, evidence of positive impacts on children was hard to find and transfer payments had been undermined by wider inflation<sup>lxxxiv</sup>. Qualitative analysis of differences in the implementation of MGNREGA between several communities showing that perceptions of mismanagement undermined trust, highlighting the importance of effective governance in maintaining public support for social protection programmes<sup>lxxxv</sup>. Additionally researchers report lack of information or awareness about social protection in the Juntos scheme<sup>lxxxvi</sup>. This lack of awareness both limits people's capacity to benefit from schemes and to challenge poor implementation. Evidence from AP India<sup>lxxxvii</sup> suggests that households that reported having influential social networks or contacts were more likely to benefit, which may suggest nepotism (or possibly corruption), and certainly highlights a challenge in extending information and access to socially marginalised groups.

Evidence shows that social protection schemes can also alter how children use their time in practice. Increased household income may reduce the chances of children needing to work (and so increase time studying or on other activities). However, if social protection schemes increase parent's work (for example through public works), this may result in children having to do more work or substitute for parents' work. Research on the Ethiopia Productive Safety Net programme argues that this substitution effect exists but might be reduced by greater use of direct payments (not conditional on parents' work)<sup>lxxxviii</sup>. Finally, although policymakers often see narrow targeting as an efficient use of resources, evidence from Ethiopia in 2006 found it hard to identify clear differences in poor communities between beneficiaries and non-beneficiaries<sup>lxxxix</sup>. Targeting families may also be counter-cultural in communities where sharing across households is common. Qualitative evidence on perceptions of the Juntos cash conditional transfer programme (which has an area-based as well as household targeting element) suggested those in non-entitled communities viewed themselves as equally poor as beneficiaries<sup>xc</sup> and so narrow entitlement 'cliff edges' can create inter-community tensions. Additionally poverty-based targeting is also likely to identify groups who may experience other stigma or discrimination (such as minority groups) which may reinforce existing stigma.

## Summary

- Social protection is a key way of underpinning pro-poor policy. Positive examples exist within Young Lives countries of the way in which social protection can make inroads to improve the outcomes of children.
- Social protection can have adverse consequences for children, especially where it is poorly designed or implemented.
- Very narrow targeting, focused on the most marginalised groups, is unlikely to achieve wide population support for schemes.

## Conclusions and policy implications

1. Inequalities in the circumstances facing different groups of children feed through into systematic inequalities in children's outcomes. Differences in children's outcomes in turn undermine later equality of opportunity. Since inequality of opportunity wastes talent, so this is a loss of potential for national development.
2. Children's circumstances strongly predict their opportunities to learn during the early years. Children who score well on early tests and who are from poorer families quickly fall behind compared to their more advantaged peers. There is some evidence that these processes plateau during middle childhood, possibly due to universal schooling. Background characteristics again become important during later childhood, showing that policy which addresses circumstances outside (as well as inside) the school gates is important to longer-term human capital development.
3. During early childhood, socio-economic and household characteristics are much stronger determinants of children's development than gender. Gender differences become more marked during middle and later childhood. They take different forms within and between countries, and do not always favour boys. They are often shaped by parents' (and increasingly children's) expectations of how choices or investments will pay off in later life. Policy aimed at reducing gender-based differences needs to engage with the context that influences parents' and children's choices as well as discrimination *per se*.
4. The damaging impact of early malnutrition on later child development is well established. Since more marginalised groups experience worse early life conditions, under-nutrition is common in these groups. Prevention is better than cure, so improving early life conditions therefore ought to be a core priority for pro-equity policy. But for children who experience stunting in the early years, initial findings do suggest some hope that policy (for example by subsequent investments in nutrition or care, targeted especially to the most vulnerable) might at least partially mitigate the negative effects of early life deprivation.
5. Inequalities also open up during middle and later childhood. Gender differences grow over this period, shaped by diverging expectations for girls and boys, which are in turn framed by the socio-economic circumstances of the household. Pressure to work is increasingly felt by older children from poor families, competing with schooling. The flexibility of schooling to meet the needs of children combining work and school will help retain those who may otherwise leave early. Family illness and death impact strongly on children's responsibilities for caring, as well as on poverty levels, reducing children's ability to engage with schooling.
6. The ways children actually experience poverty and inequality tends to be neglected in research, policy and programmes. Subjective well-being is an important indicator of inequality. The social distance that inequalities can create affects how children feel about themselves, and their opportunities later in life. If children who feel ashamed



about their circumstances withdraw from schooling, this subjective experience both reflects 'objective' circumstances and is a route through which future inequalities are perpetuated.

7. Parents and children have high hopes of schooling as transformative for their future life chances. Most often there is a mismatch between expectations of education, availability of quality schooling and realistic employment prospects. The extent to which school realises its potential to reduce inequalities is very variable. In Andhra Pradesh, growth of low-fee private schooling risks widening some inequalities (notably an increasing number of boys, over girls, accessing private schools), but school effectiveness research in Vietnam shows lower ability and more disadvantaged children 'catching up'. Both examples draw attention to the importance of governance of school systems, including the private sector, and as well the teacher quality and well-planned curricula.
8. Social protection has considerable potential to help support access to health and education policies. Coverage, good design and ensuring systems are accessible are important policy challenges. Building sustainable systems of social protection, however, need also to account how policy is perceived by beneficiaries and non-beneficiaries alike.

In short, since the nature, and consequences of inequality are multidimensional, so too must be the response. Growth policies, equitable education and health, underpinned by effective social protection all have a role to play. Policies focused on the earliest years of life are crucial in reducing inequality, but Young Lives longitudinal research also draws attention to other key policy opportunities during middle and later childhood.

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**ADDRESSING INEQUALITIES**  
**The Heart of the Post-2015 Development Agenda and the Future We Want for All**  
*Global Thematic Consultation*  
**[www.worldwewant2015.org/inequalities](http://www.worldwewant2015.org/inequalities)**

## **What Inequality Means for Children: Evidence from Young Lives**

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**DISCLAIMER:** The findings, interpretations and conclusions expressed in this paper are those of the authors and do not necessarily reflect the policies or views of UN Women, UNICEF or the United Nations.

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## What Inequality Means for Children: Evidence from Young Lives

*Martin Woodhead, Paul Dornan and Helen Murray*

### Summary

Understanding how poverty and inequalities impact on children is the major goal of Young Lives, a unique longitudinal, mixed-methods research and policy study. We are tracking two cohorts of 12,000 children growing-up in Ethiopia, the state of Andhra Pradesh (AP) India, Peru and Vietnam. In this paper we offer eight key research messages, focusing on:

1. How inequalities interact in their impact on children's development, and the vulnerability of the most disadvantaged households.
2. The ways inequalities rapidly undermine the development of human potential.
3. How gender differences interconnect with other inequalities, but do not always advantage boys in Young Lives countries.
4. The links between poverty, early 'stunting', and later outcomes, including psycho-social functioning, as well as emerging evidence that some children may recover.
5. Inequalities that open up during the later years of childhood, linked to transitions around leaving school, working, and anticipating marriage etc.
6. Children's own perceptions of poverty and inequality, as these shape their well-being and long-term prospects.
7. Evidence of the growing significance of education, including the ways school systems can increase as well as reduce inequalities.
8. The potential of social protection programmes in poverty alleviation.

We conclude that since inequalities are multidimensional, so too must be the response. Equitable growth policies, education and health services, underpinned by effective social protection, all have a role to play.

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## Introduction

Young Lives is a longitudinal child poverty study in Ethiopia, the state of Andhra Pradesh (AP) in India, Peru and Vietnam. Although these countries experience distinct political and economic circumstances, they reflect many wider trends in low- and middle-income countries. This paper focuses on 8 key messages from Young Lives research that are most relevant to the Global Thematic Consultation, drawing on findings from both quantitative and qualitative data. In the space available, the paper is inevitably highly selective in the topics covered and data reported, and more detail can be found at [www.younglives.org.uk](http://www.younglives.org.uk), including an extensive resource of publications.

Young Lives is uniquely positioned to contribute a stronger understanding of contemporary inequalities and their impact on children's lives. As a longitudinal (or 'panel' study), with information on the same children at key moments during their childhood, we are able to track changes over the life-course, as well as looking for causes and consequences of events or circumstances. Young Lives samples are broadly representative of a range of groups and children's circumstances in each country but they were selected to be pro-poor and exclude the very richest households. Consequently the disparities documented below are likely to be an underestimate of the scale of inequalities.

Our starting point is that child poverty and inequalities are the expression of political-economic-cultural forces that structure societies, and children's lives, in terms of distribution of resources and opportunities in ways that align to greater or lesser degree with ethnicity, caste, religion, urban/rural location, gender, generation etc<sup>1</sup>. We understand the concept of inequalities as covering a broad spectrum of differences in both household circumstances and child outcomes, as these may be linked to ethnicity, gender, rural-urban location, etc. Inequalities are typically about disparities in resources and power and often link to social exclusion. We also employ the concept of equity in relation to policies and services, in terms of for example, equal access to quality health care, education, and social protection.

We have organised this summary under eight key messages.

**Messages 1 and 2** highlight Young Lives evidence on the ways multiple inequalities interact in their impact on children's development, including evidence that the most disadvantaged households are most vulnerable to adversities and have least resources to overcome them. We also illustrate the ways inequalities undermine the development of human potential, with children from disadvantaged families quickly falling behind, in terms of early learning.

**Message 3** draws attention to the major impact of inequalities in children's household circumstances on key developmental indicators during the early years. Gender differences are much less apparent at this stage, they take different forms within and between countries, and they are not always pro-boy in Young Lives contexts.

Next we take a closer look at two life phases that are critical for inequalities. **Message 4** reinforces the weight of evidence on the links between socio-economic disadvantage, early 'stunting', and later developmental outcomes. A particular contribution is in demonstrating that

these impacts extend to psychosocial functioning, including, self-efficacy, self-esteem and educational aspirations. Young Lives is also finding some evidence of recovery from early stunting for some children, which may also extend to their cognitive development.

**Message 5** looks at inequalities that open up during the later years of childhood, especially transitions around leaving school, working, anticipating marriage etc., as well as the impact of ill-health or becoming an orphan. Gender is a major focus, with evidence on the ways parents' and children's changing expectations interact with socio-economic opportunities and perceived long-term risks and realistic prospects.

**Message 6** draws attention to a neglected dimension within much research on child poverty and inequalities. Children's own perceptions and understanding of their situation and their well-being is not just an indicator of inequalities. It is also a clue to some of the processes through which these inequalities are transmitted, in so far as children's subjectivity affects how they cope with and try to improve their situation.

**Messages 7 and 8** are about the role of policies and services in Young Lives countries, specifically focusing on how far they are reducing (or increasing) inequalities. Message 7 begins by noting the growth in expectations for schooling, but also the gulf between these expectations and the realities of access and quality, low attendance, grade repetition, early school leaving etc. Young Lives research draws attention to the ways initial inequalities in children's lives are all too often reinforced through inequitable access to pre-school services, and the resultant diverging trajectories. Educational systems in Young Lives countries vary, which is evident as we track children's progress. For example, growth of low-fee private schooling in India appears to be increasing gender-linked decision-making about choice of school for boys and girls. In the very different context of Vietnam, Young Lives research demonstrates that a school system focused on supporting all children can narrow achievement gaps.

Finally, Message 8 reports on various social protection programmes within our study countries. Overall, our data shows the potential of social protection as a key way of underpinning pro-poor policies. But there are also lessons from, for example, the Juntos programme in Peru, the Productive Safety Net Programme in Ethiopia and Mahatma Gandhi National Rural Employment Guarantee Act in India. In particular, Message 8 draws attention to the limitations of narrow targeting as well as the risks of unintended (and possibly adverse) consequences for children from poorly designed or implemented schemes.

### **About Young Lives**

Young Lives is an international study of childhood poverty tracking 12,000 children's lives over 15 years in 4 developing countries – Ethiopia, India (in the state of Andhra Pradesh), Peru and Vietnam. The pro-poor sample is drawn from 20 sites in each of four countries, and includes two age cohorts (2,000 children who were born in 2001-02, and 1,000 children who were born in 1994-95 in each country). Three major survey rounds have been completed to date, in 2002, 2006-7 and 2009, with further rounds in 2013 and 2016.

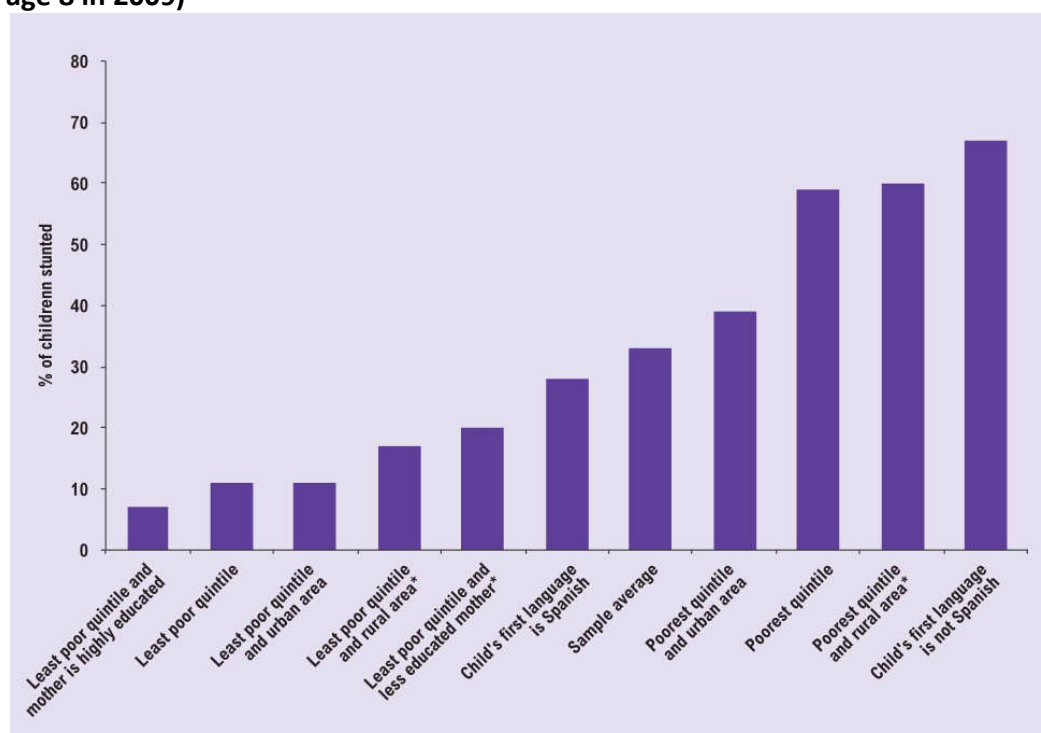
The core survey includes the collection of extensive community, household and child-level data which is comprehensive and multi-sectoral in scope. The survey is complemented by a longitudinal qualitative component (since 2007), including a specific focus on children's experience of poverty, inequalities and well-being. Young Lives also features an extensive school-based component to study quality and effectiveness of the education experienced by Young Lives children (introduced in 2010). Through this comprehensive multi-methods design, Young Lives is able to offer research findings and policy messages on numerous aspects of inequality, including: the early impacts of poverty, disadvantage and social exclusion; the ways inequalities are transmitted, amplified, or reduced during middle and later childhood; the outcomes of childhood inequalities across diverse child development domains, from psychosocial indicators to more conventional health and cognitive/school achievement measures; and the positive or negative impact of policies and programmes. Young Lives is also distinctive in the emphasis given to understanding how individual children and caregivers experience, understand and manage in the face of poverty and other adversities, and the role of these feelings of well-being (or otherwise) in long-term outcomes.

## Message 1: Inequalities in children's development originate in multiple disadvantages, with compounding effects on children's long-term outcomes

### Multiple inequalities

The most marked inequalities among Young Lives children relate to household wealth, urban-rural location, belonging to an ethnic/language minority or low-caste group, and level of parental education. A typical pattern is shown in Figure 1 for the percentage of children in Peru who were 'stunted'<sup>1</sup>. When these different inequalities are combined, the negative impacts may be compounded. Specifically, Figure 1 draws attention to the risks of only focusing on one dimension of inequality, for example, urban versus rural. Thus, child stunting in Peru is lower in urban than in rural areas, but poorer children in urban areas are four times more likely to be stunted than children from the least poor quintile in urban areas.

**Figure 1. High levels of stunting are linked to multiple disadvantages (Peru, Younger Cohort, age 8 in 2009)<sup>ii</sup>**



Note: The sample is divided into five 'quintiles' in order to identify 'least poor quintile' and 'poorest quintile', using a Young Lives wealth index which is based on housing quality (number of rooms relative to household size, wall/roof and floor material); service quality (drinking water, electricity, fuel and sanitation); and consumer durables (radio, refrigerator, bicycle, mobile phone etc). Highly educated means the mother has completed some post-school education (including higher education). Less educated means the mother has incomplete primary education level. \* indicates fewer than 20 cases.

1 Stunting is defined as having a height more than 2 standard deviations below the mean height of an age- and gender-adjusted reference group population. See Message 4 for more extensive evidence on stunting.

Gender is also a source of inequalities, but the effects are less marked and more variable across Young Lives countries (see Sections 2 and 5).

### **Multiple impacts on development**

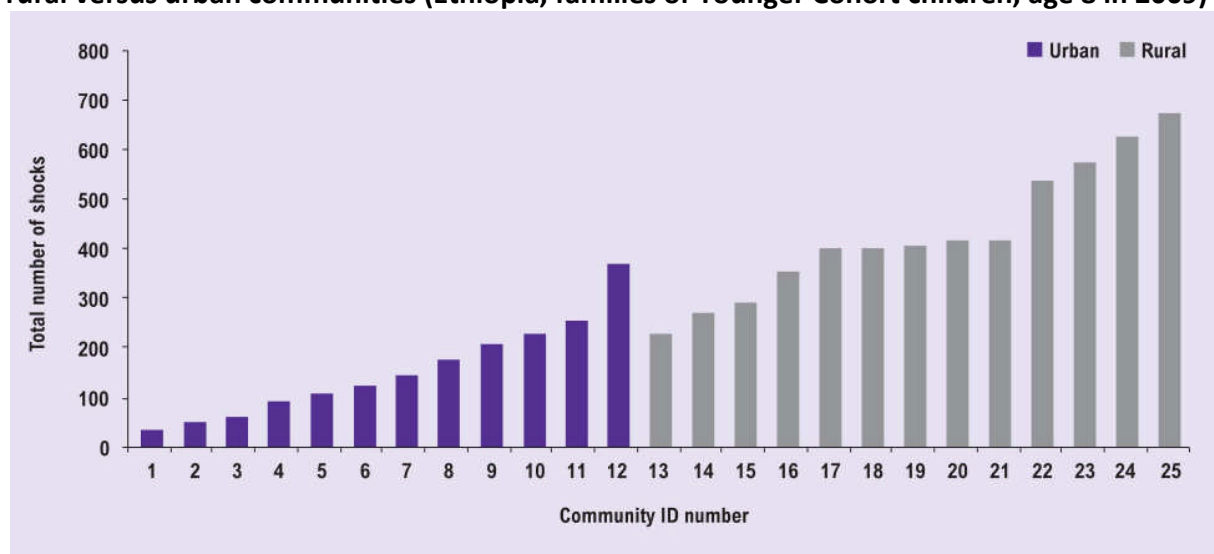
Inequalities combine to produce negative impacts: children with low parental education levels, in rural areas, poor, ethnic minority households are consistently over represented among low scorers across a range of indicators<sup>iii</sup>. For example, among our sample of 15 year olds in Peru, 59.4% of low scorers on a combined measure of poor health or learning came from rural areas, even though only 23.5% of the sample is rural. In the same way, 25.4% of these same 15 year olds with poor health or learning outcomes were from ethnic minority households, although these comprised only 17.3% of the sample. Finally, 26.4% with the worst health and learning outcomes came from the poorest 20% households<sup>iv</sup>. These children are subject to 'multiple disadvantage' in both their household circumstances and their long-term prospects, pointing to the importance of a holistic approach to policy and services.

### **Inequalities in vulnerability**

Analysis of Young Lives data reveals some of the processes through which inequalities impact progressively on households and, in turn, on children during critical phases of their lives. Children and families living in poverty are: (i) most at risk of experiencing adverse events such as economic or environmental shocks, illness or death; and (ii) they have fewer resources to cope with these adverse events. Dividing the sample into five groups (referred to as 'quintiles') reveals the different levels of risk experienced by the 'poorest' compared with the 'least poor' quintile. Ninety per cent of the poorest households of Older Cohort children in Ethiopia experienced at least one risk between 2002 and 2006. Many reported multiple risks, with an average of 4.2 types of risk per household. By contrast, 78% of the least poor quintile, experienced at least one risk and the average was 2.1 types of risk per household. In short, the poorest households were exposed to a larger number and a wider range of types of shocks or adverse events than were wealthier households<sup>v</sup>.

For example, Figure 2 illustrates major differences in the numbers of reported shocks across the communities data is collected on in Ethiopia. Multiple shocks were concentrated among poor rural communities, which were most affected by crop failures due to pests and disease or climatic events, and death of livestock, which was frequently compounded by high levels of illness/death among household members.

**Figure 2. Large differences in the numbers of shocks and adverse events, especially comparing rural versus urban communities (Ethiopia, families of Younger Cohort children, age 8 in 2009)**



Families' responses to shocks include the household eating less, reduction of household assets, and debt accumulation, all of which are likely to have long-term consequences for children's development. It is often the same households who suffer multiple shocks over time. For example, in Ethiopia about 71% of those households reporting an environmental shock in 2006 also reported an environmental shock in 2009<sup>vi</sup>. Children's vulnerability is further emphasised by research in Andhra Pradesh, where children in households reporting at least one environmental shock were half as likely to have a healthy height-for-age, compared with children in households with no shocks reported<sup>vii</sup>.

These findings draw attention to the multiple factors that progressively undermine children's development. Policy formulation tends, however, to focus on one dimension of inequality through the targeting of particular groups, such as girls or orphans. Young Lives evidence points to the importance of also addressing broader structural inequalities<sup>viii</sup>.

## Summary

- Inequalities originate in multiple disadvantages. The children who are most at risk come from the poorest households, in rural locations, belong to an ethnic/language minority or low-caste group and have low levels of maternal (and paternal) education.
- Inequalities are also about greater vulnerability to the effects of adversity. Households most at risk generally have fewer resources to cope with adverse events.
- Summary statistics can be misleading: in Peru, although child stunting is lower in urban than rural areas, poorer children in urban areas are four times more likely to be stunted than children from the least poor quintile in urban areas.

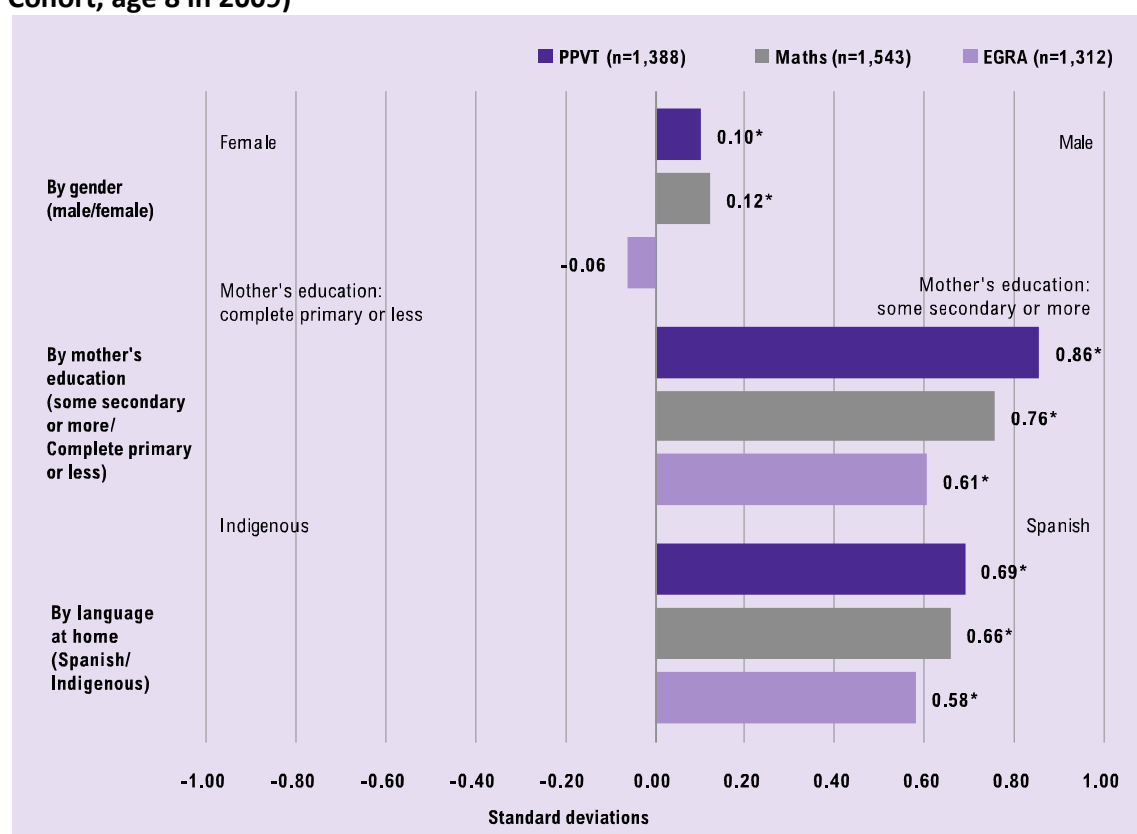
## Message 2: Inequalities undermine the development of human potential: children from disadvantaged families quickly fall behind

### Early inequalities in children's learning

Learning outcomes are a key indicator of growing inequalities. Analysing Young Lives Younger Cohort data across the four study countries, Cueto et al.<sup>ix</sup> identified factors that accounted for the largest differences already emerging by age 8 in scores on vocabulary, reading and maths tests, as well as the variation across the four countries. Level of parental education was linked to gaps in children's learning outcomes in all countries. Urban-rural divisions were also important across the four countries, particularly for Ethiopia. Household wealth represented similarly large achievement gaps across all countries, though was less important in Andhra Pradesh.

Figure 3 illustrates for Peru, the strong impact of low maternal education, and minority language at home on children's achievement scores in vocabulary, maths, and reading. Note the impact of gender is relatively small at this age.

**Figure 3. Achievement gap (standard deviations) for cognitive measures (Peru, Younger Cohort, age 8 in 2009)<sup>x</sup>**



Note: The Early Grade Reading Assessment (EGRA) and the Peabody Picture Vocabulary Test (PPVT) include only the children who took these tests in Spanish.

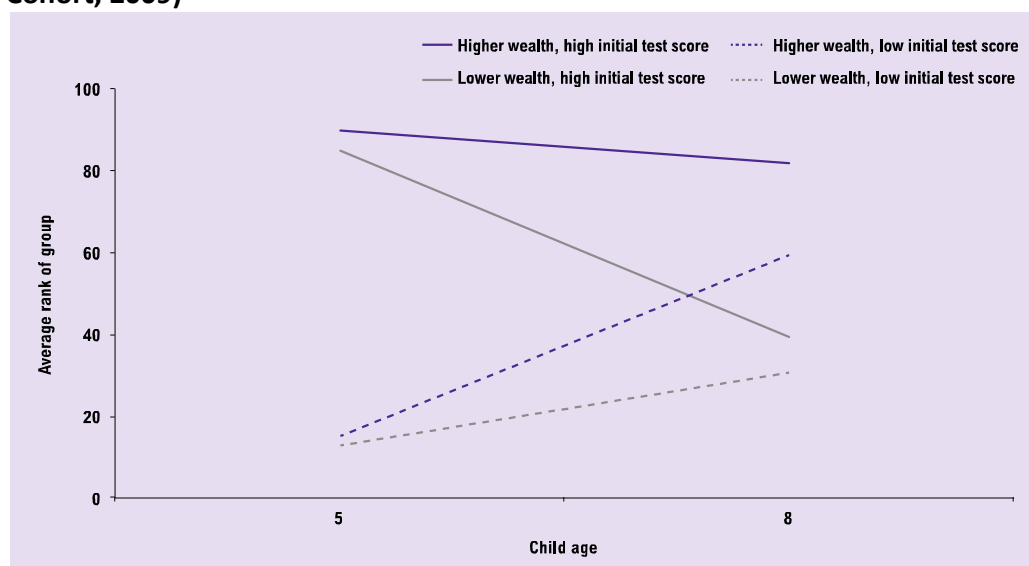
\* The gap between groups is significant at 95% level on a t-test for independent samples.



## Poor children quickly fall behind

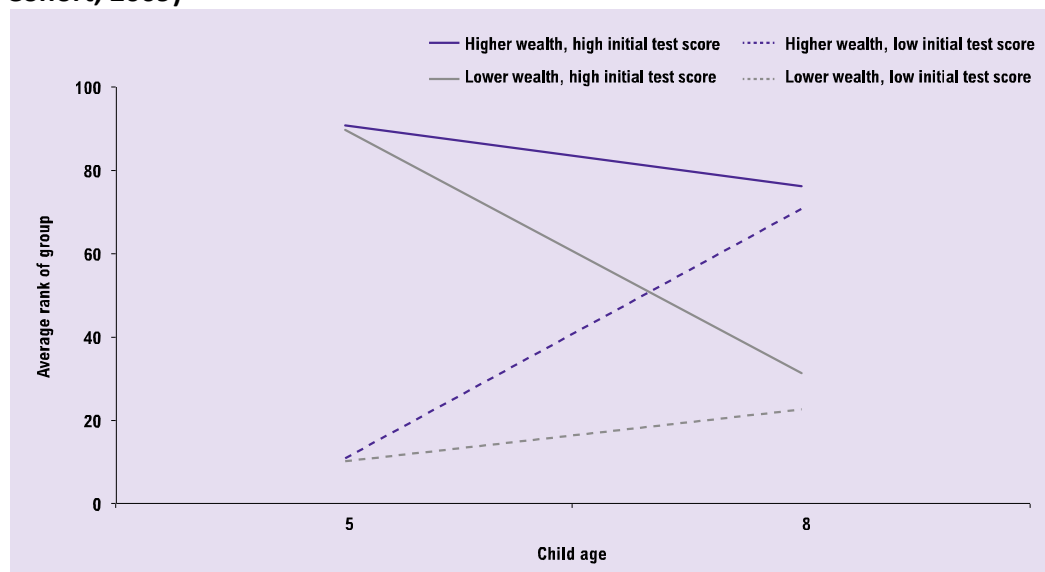
Figures 4 and 5 highlight the ways initial inequalities in household circumstances rapidly translate into inequalities in learning between 5 and 8 years old, based on illustrative data from Ethiopia and Peru. In each case, four groups were defined on measurements at the age of 5: (i) children from poor households with high cognitive test scores; (ii) children from poor households with low scores; (iii) children from better-off households with high scores; and (iv) children from better-off households with low scores. The graph shows their diverging trajectories through to age 8. The patterns are very similar across the four countries, and on several measures. At age 5, poorer children were already under-represented among the high scoring group; but even for those who did well on the test at 5, by age 8 background disadvantage was undermining children's test performance. Conversely, less able children from better-off families made rapid progress and within three years they had caught up or overtaken their less advantaged (even though initially more competent) peers. Note that gender was not associated with children falling further behind at this stage (girls in Andhra Pradesh are at a disadvantage at both 5 and 8 years old). Multiple factors no doubt explain these growing inequalities, including the resources for learning in children's home environment, as well as differential access to quality early education and primary school in a country still working towards Education For All goals<sup>xi</sup>.

**Figure 4. Learning trajectories (in cognitive tests) between 5 and 8 years (Ethiopia, Younger Cohort, 2009)**



Note: Children were tested at age 5 on their understanding of concepts of quantity via the Cognitive Development Assessment (CDA), in order to identify the highest 20% and lowest 20% of test scorers. These groups were further subdivided using the wealth index referred to in Note to Figure 1). Figure 4 plots the changes in competence for all four groups through a follow-up test of problem-solving and arithmetic at age 8. Some convergence to the mean is expected within this type of analysis.

**Figure 5. Learning trajectories (in vocabulary tests) between 5 and 8 years (Peru, Younger Cohort, 2009)**



Note: The vocabulary test was an adapted version of the Peabody Picture Vocabulary Test (PPVT), administered at 5 and again at 8 years old.

With three rounds of data, Young Lives researchers have analysed how these inequalities in cognitive and school achievement measures have evolved over time. As is evident from the data presented so far, significant gaps open up already by the earlier years of schooling, but these ‘plateau’ in middle childhood when most children are in school<sup>xii</sup>. For example, while gaps in education outcomes relate to household wealth in all four countries, determinants of additional differences at the age of 12 were better explained by previous test scores at age 8 (with no additional negative effect of wealth at that point)<sup>xiii</sup>. This suggests some compensatory potential/effect of schooling, but also that early gaps were predictive of lower later performance. The same study found that the inequalities in education outcomes widened again during the later years of schooling, when pressures to discontinue school rise, especially because of rising costs (including opportunity costs of labour) (See also Sections 5 and 7).

## Summary

- Inequalities in children’s circumstances strongly predict their opportunities to learn during the early years. High ability children from poorer families quickly fall behind compared to their more privileged peers.
- These ability gaps plateau during the middle years of childhood, suggesting schooling plays a role in mitigating the growth of differences, although these open up further during later childhood.

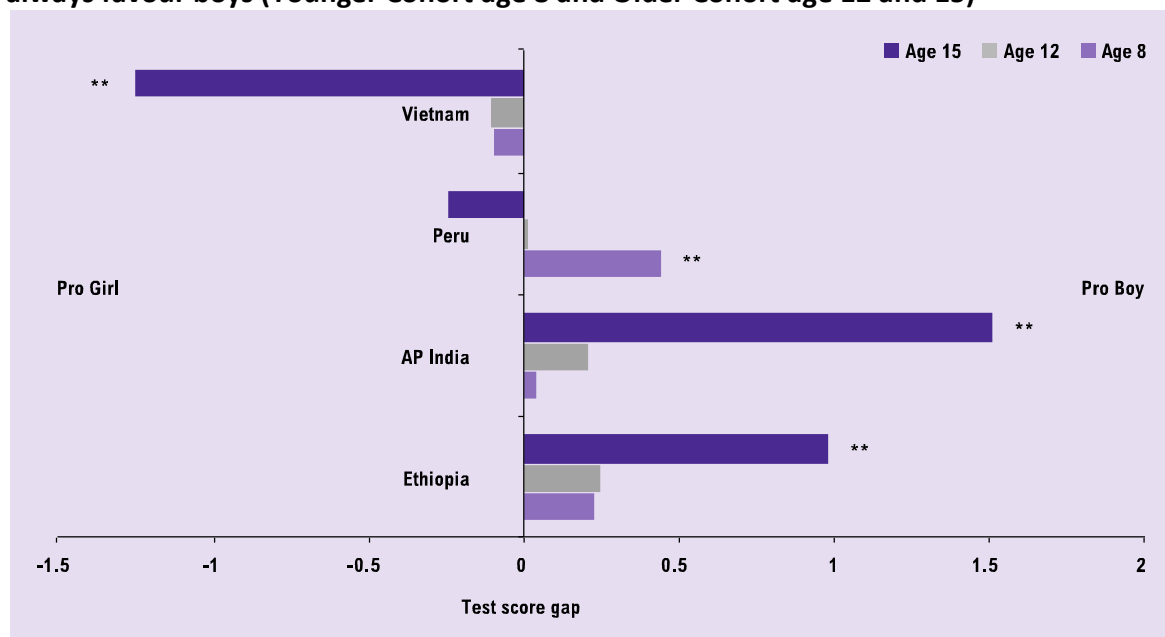
### Message 3: In Young Lives countries, gender differences become more significant as children get older, but boys are not always advantaged

#### Gender differences vary between countries

Gender is an important factor shaping expectations of children, how they are treated and the ways they think about themselves. But Messages 1 and 2 highlight that other background factors typically led to the greatest disparities in children's physical and cognitive development, especially at younger ages. Gender differences also take different forms within and between countries, for example pro-boy gender bias is more evident in India, and to a lesser extent in Ethiopia, whereas some gender gaps favour girls in Vietnam. Gender-based inequalities affect both boys and girls at different ages and in different ways according to intra-household dynamics, socio-cultural context, institutional structures and economic pressures.

In early childhood, Young Lives analysis of pre-school access for children aged between 3 and 5 years found only small differences between boys and girls (compared with socio-economic differences), which were often not significant (the largest being a 5 percentage point difference favouring boys in rural Peru, much smaller than other socio-economic related gaps)<sup>xiv</sup>. In middle and later childhood, analysis on a range of child outcomes (education and cognition, educational aspirations, subjective well-being, psychosocial competencies, and nutrition) did not support claims about consistent 'pro-boy bias' (with the exception of AP India). For instance although boys are more likely to be in school at age 15 in AP India, girls were more likely to be in school in the other three countries<sup>xv</sup>. Similarly, boys in AP India did better on maths tests than girls. But in Vietnam girls outperformed boys<sup>xvi</sup>.

**Figure 6. Gaps in maths scores between boys and girls grow with age, but differences do not always favour boys (Younger Cohort age 8 and Older Cohort age 12 and 15)<sup>xvii</sup>**



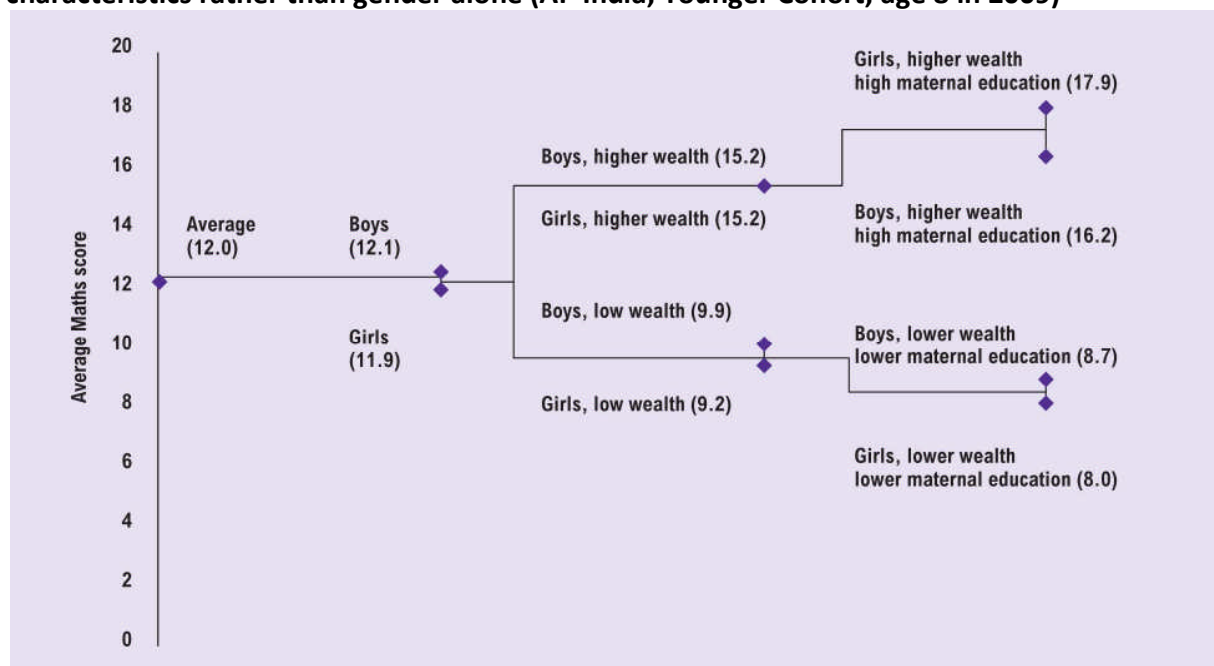
\*\* Shows significance at 95% level. Other gaps are not significant.

Acknowledging that the impacts of gender on child outcomes are not as marked as other sources of inequality, gender is still very much a driving factor shaping the experiences of Young Lives children, especially in terms of their opportunities, responsibilities, and social constraints. Diverging gendered trajectories are revealed most strongly through qualitative research, and especially during middle and later childhood (see Message 5).

### Gender interacts with other inequalities

Young Lives evidence demonstrates how household factors may shape the opportunity costs open to households (and so the treatment of boys and girls). For example, in Andhra Pradesh, household wealth, belonging to a low-caste group and level of maternal education are important predictors of unequal outcomes for children<sup>xviii</sup> and also intersect with gender. Figure 7 is designed to show the significance of gender when combined with other factors, based on maths scores for the Younger Cohort in Andhra Pradesh, India at age 8. Overall, there appears to be little difference between boys and girls, but disaggregation shows differences are stronger among poorer groups, and among groups with low maternal education.

**Figure 7. Differences in maths scores are more marked when combined with other household characteristics rather than gender alone (AP India, Younger Cohort, age 8 in 2009)**



These disparities are shaped by the context in which families find themselves, including cultural, structural and financial constraints. For example, parents in AP India tend to spend more on boys than on girls<sup>xix</sup>; they are more likely to pay the fees required to enrol boys in (better regarded) low-fee private schools resulting in girls being over represented in government schools<sup>xx</sup>. If gender inequalities result from a combination of parents' resource shortages to invest in their children as well as their (and their children's) understanding of

future economic and social opportunities<sup>xxi</sup>, then policies to redress such biases need to address these underlying socio-economic drivers, as well as discrimination *per se*.

### Summary

- Within Young Lives data, inequalities in household poverty and circumstances are much less closely linked to developmental outcomes than those related to gender.
- Gender differences grow in significance during childhood, but they vary between countries and they are not always pro-boy.
- Gender-based choices of parents are often shaped by the external environment (such as the perceived returns from investing in boys' education rather than girls).
- Policy aimed at reducing gender-based differences needs to engage with the context that influences parents' and children's choices as well as discrimination *per se*.

## Message 4: Early malnutrition has serious, long-term consequences, but there is also evidence that some children may recover

### Poverty and early stunting

Inequalities have critical impact during children's formative years, with early malnutrition having multiple adverse impacts over time. Children who were assessed as 'stunted' were at a disadvantage in terms of later cognitive, health, well-being and psychosocial outcomes. For example, children who were stunted at 2 years showed lower levels of cognitive ability at age 5, and those stunted at 8 had lower reading, writing and mathematical skills by age 12<sup>xxii</sup>. In Ethiopia, stunted children are nearly one whole grade behind non-stunted children at the age of 12<sup>xxiii</sup>. While the link between nutritional deficits and school performance is well known, Young Lives extends the evidence on early stunting to include measures of psychosocial well-being, finding that low height for age at around 8 years was associated with lower self-efficacy, self-esteem and educational aspirations among children at 12 years<sup>xxiv</sup>.

The links between socio-economic disadvantage and stunting are also clear. For example, in Peru over 50% of Younger Cohort children from households in the poorest quintile were stunted in 2006, compared to just under 10% in the wealthiest quintile. Rural children are also more likely to be stunted than their urban counterparts<sup>xxv</sup>. There is a higher prevalence of stunting among children from ethnic minority or lower-caste groups in Peru, Vietnam and Andhra Pradesh, even controlling for other factors. For example, 60% of ethnic minority children in Vietnam were stunted at the age of 5, compared to 19% of ethnic majority *kinh* children<sup>xxvi</sup>.

Despite the frequent assumption that economic growth will benefit all children, the reality is more complex<sup>xxvii</sup>. Stunting persists despite economic change in Young Lives countries. For example, in Andhra Pradesh, GDP doubled between 2002 and 2009, but cohort comparisons show the stunting rate within our samples at age 8 only fell by four percentage points<sup>xxviii</sup> with no improvement at all among the poorest 40% of children in the sample<sup>xxix</sup>. The negative effects of stunting are increasingly concentrated among more marginalised children.

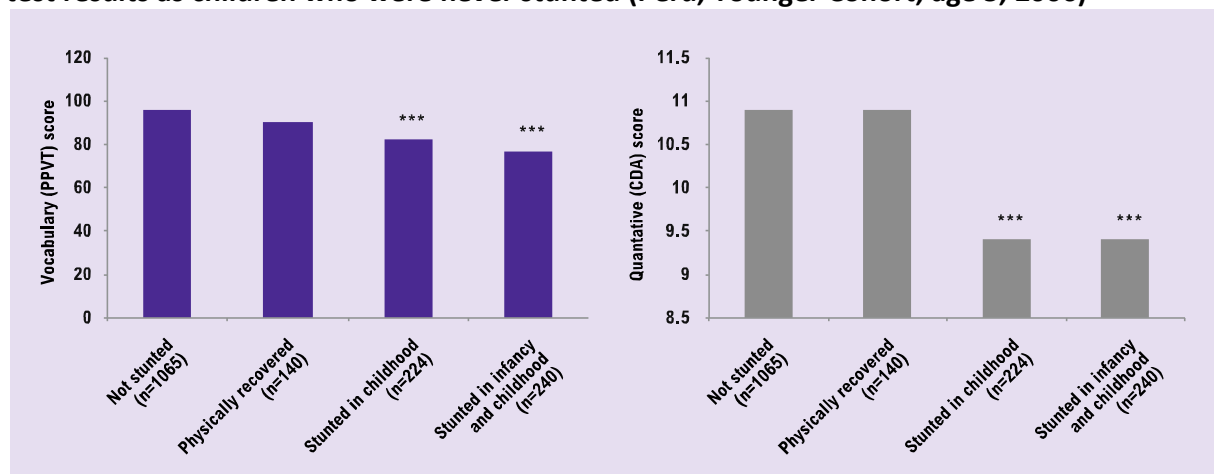
### Evidence of some later recovery

Between a quarter (Vietnam) and a half (Ethiopia) of children who were initially measured as physically stunted (at around 1 year old) ceased to be stunted by 5 years<sup>xxx</sup>. And although height at age 1 is predictive of height at age 5, between about 40% and 70% of the variation in height at age 5 is *not* explained by height at 1<sup>xxxi</sup>. Physical recovery by age 5 appears to be most likely among children who were least stunted<sup>xxxii</sup>. Probability of recovery is also linked to inequalities, because recovery between 1 and 5 years was most common among better-off households in Ethiopia (especially among girls in richer households)<sup>xxxiii</sup>.

There is some evidence that physical recovery may be associated with improved cognitive development. Analysis from Peru suggests a stronger relationship between vocabulary test scores at the age of 5 and concurrent stunting than stunting at age 1 year<sup>xxxiv</sup>. A second study on the Peru sample looked at quantitative and vocabulary test performance, comparing

children who were never stunted with those who were stunted at age 1 but appeared to have physically recovered by 5. No significant differences were found in the test scores of the two groups (see Figure 8)<sup>xxxv</sup>.

**Figure 8. Children who were stunted at age 1 but physically recovered by age 5 have similar test results as children who were never stunted (Peru, Younger Cohort, age 5, 2006)**<sup>xxxvi</sup>



\*\*\* Is significantly different from the reference group (not stunted) at 99.9% level.

## Summary

- Early stunting is closely linked to poverty and other inequalities, and has long-term repercussions for children's self-efficacy, self-esteem and educational aspirations as well as cognitive outcomes.
- Prevention is better (and more efficient) than cure. However, some children who experience stunting in the early years do seem to recover physically. Those who physically recover, also seem to have better outcomes on other cognitive indicators than those who remain stunted.

## Message 5: Inequalities also open up during middle and later childhood

Earlier sections make clear that early childhood is a critical period when inequalities become established, and also the long-term consequences for children's health, cognitive and psychosocial development. But Young Lives research also points to the need for a more balanced picture which recognises the ways some inequalities develop progressively through childhood, others can open up through specific life events, and yet others are amplified as children face key life transitions. Gender inequalities offer a clear example of these processes (following on from Message 3).

### Gender differences are increasingly significant

In Section 3 we reported for Young Lives countries that gender *per se* was not consistently linked to inequalities in key development indicators during the early years. However, poverty was shown to impact on gender, especially by reinforcing differential expectations and practices towards girls and boys, as when girls are expected to take on significant domestic responsibilities, while scarce resources are invested in boys' schooling. Gender differences are more marked in middle and later childhood and shaped by gendered understandings (among both children and their caregivers) of what constitutes successful transitions to adulthood.

For example, Young Lives qualitative research reveals that caregivers adjust their expectations for girls and boys according to their employment or marriage prospects, as well as household composition, financial circumstances and vulnerability to shocks<sup>xxxvii</sup>. While these shifting expectations are observed for all four countries, they are especially marked in Ethiopia, where unemployment is as high as 50% in some urban areas, and employment opportunities for girls in the formal skilled labour market are particularly scarce<sup>xxxviii</sup>. Perceptions of social risk result in further constraints for girls<sup>xxxix</sup>. Marriage is still a defining factor in Ethiopian girls' lives from the onset of puberty<sup>xl</sup>, although beliefs are in rapid flux. While some parents view completing school as the best way for girls to secure their future livelihood, for others, extended schooling is viewed as a potential risk to girls' economic and reproductive futures (for instance by perceptions that more-educated girls might be less marriageable). In rural Ethiopia concerns are also heard that 'free-will marriages' (as opposed to the customary/traditional arranged marriages) make girls vulnerable to being 'abducted', cheated or abandoned by a man, without the traditional sources of community protection to fall back on<sup>xli</sup>.

### Pressures of work and school

The emergence of gender differences is most clearly seen during middle childhood as children typically balance expectations for schooling with domestic responsibilities and other economic activities<sup>xlii</sup>. Boys typically spend more time doing unpaid work on the family farm or business, while girls spend more time caring for others and on domestic tasks. On average, rural children spend more time on work (both paid and unpaid) while urban children spend more time in school and studying. Other factors affecting time-use are age—sibling order, composition and household shocks<sup>xliii</sup>.

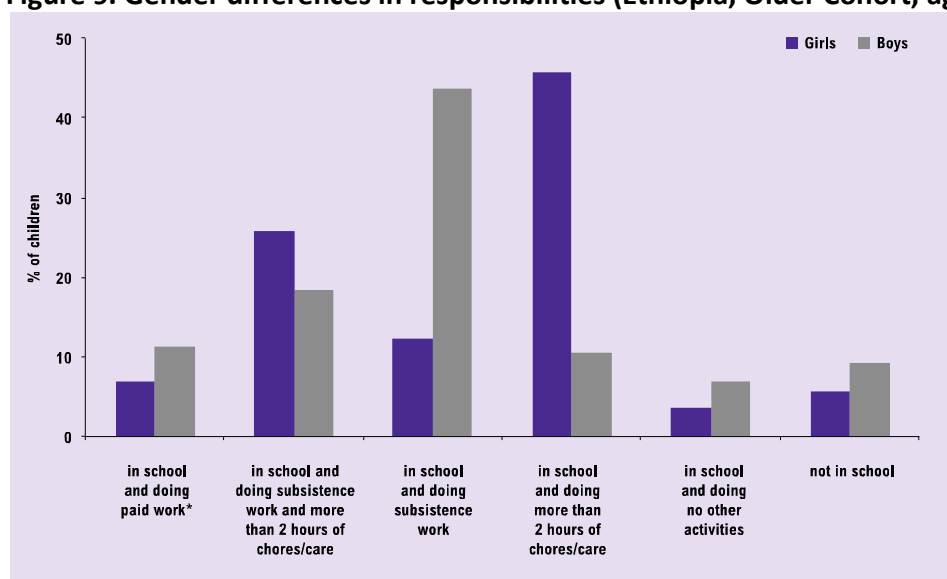


Young Lives research in Ethiopia shows that children's paid work often contributes to the costs of schooling, thereby helping them (or their siblings) to stay in school<sup>xliv</sup>. However, in poorer countries the pressures to leave school become more intense through middle and later childhood as the opportunity costs of staying in school rise and children's ability to support household livelihoods increases. As a rule, children from the poorest households are most likely to drop out early, but there are gender differences, which vary between countries. By 2009 (when the Older Cohort were age 15), rural boys in Ethiopia, Peru and Vietnam were more likely than girls to have dropped out of school, and the pressure to earn was a major factor, often felt by children themselves as much as it is imposed by adults. The higher drop-out rate of boys is likely explained by their higher wage-earning potential combined with the fact that girls tend to work within the family home, with greater potential to combine with schooling by comparison to paid work outside the home<sup>xlv</sup>. The gender balance was reversed in Andhra Pradesh, India, where lower aspirations for girls' school achievement were associated with 26% of girls versus 19% of boys having already left school by 15<sup>xlvi</sup>.

### Impact of illness and death

Figure 9 summarises children's time allocations, and demonstrates strongly gendered school, work and domestic responsibilities are already evident in Ethiopia by the age of 12. This study also draws attention to the impact of health status in middle and later childhood on inequalities in children's lives and prospects. While most children were enrolled in school, non-attendance was common, and many children progressed slowly from grade to grade. Child and parental illness as well as parental death were major reasons for patchy attendance and slow progression. Health care was expensive and difficult to access, so when children suffered from common illnesses, such as malaria, worms or diarrhoea, they were often absent or dropped out<sup>xlvii</sup>.

**Figure 9. Gender differences in responsibilities (Ethiopia, Older Cohort, age 12 in 2006)**<sup>xlviii</sup>



\*They may also spend time on other types of tasks.

The impact of parental illness and death on poor children is especially significant. In Ethiopia, one in five of the Young Lives children had lost at least one parent by age of 12<sup>xlix</sup>. The measurable outcomes of becoming an orphan vary according to a child's gender and age, whether it is their father or mother who has died, as well as their subsequent household circumstances. For example, losing a mother in middle childhood (between ages 8 and 12) reduced school enrolment by 21%, and also affected children's scores on a literacy test, with repercussions for these children's later prospects compared with non-orphaned peers. Losing a father meant that families frequently faced financial hardship.

### **Summary**

- Life-course analysis confirms that early childhood is a vital phase but inequalities also open up during middle and later childhood.
- Gender differences grow during middle and later childhood, shaped by changing expectations of girls and boys, which are in turn framed by the socio-economic circumstances of the household as well as by perceived social risks and opportunities.
- The pressure to work is increasingly felt by older children from poor families, and this competes with their schooling, especially where schooling systems are inflexible to the realities of children's daily lives.
- Parental illness and death as well as children's own ill health impacts strongly on their school attendance and achievement, as well as on poverty levels and household circumstances.

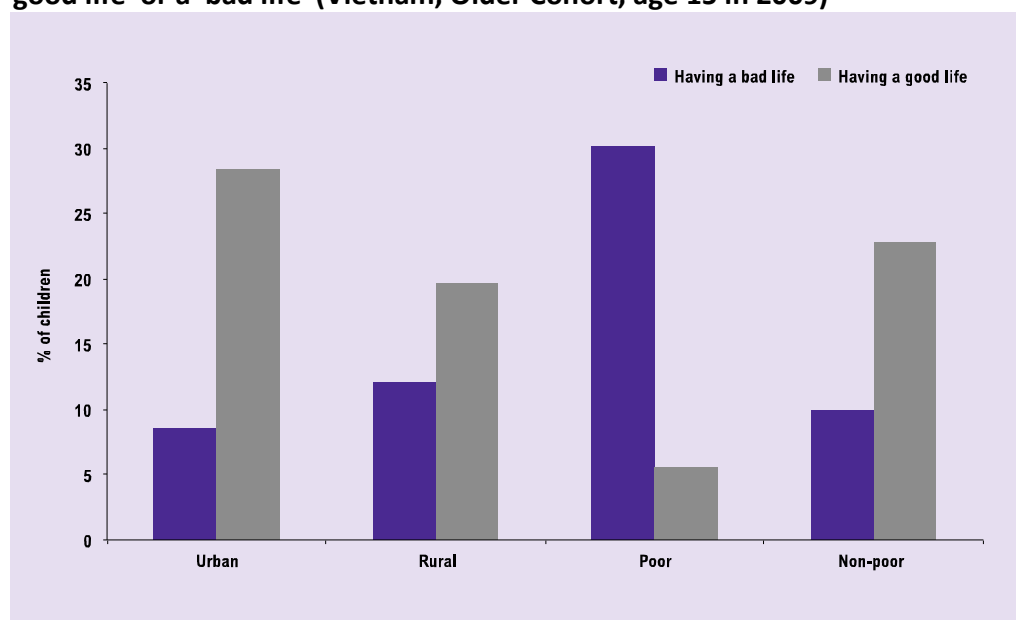
## Message 6: Children's subjective well-being is both a major indicator of inequality and also a channel for the transmission of poverty

### Children's awareness of inequalities

All too often development debates have neglected to ask how poverty is actually understood and experienced by children, their families and communities, and what is the significance of these perceptions for long-term outcomes. This neglected dimension is especially important in relation to inequality, which can trigger powerful individual and collective responses to perceived social injustice. Children's experience of inequality shapes their personal and social identities, their peer relationships, self-esteem and self-efficacy. These are not just individual experiences. They are mediated by children's membership of their family, peer group or community. Children are sensitive to their relative social position, their relative competence, and potential to access opportunities for personal, social and economic advancement<sup>1</sup>.

As part of the Young Lives survey, children are asked to judge their position on a ladder where the ninth step represents the best possible life and the first step represents the worst. Across all 4 countries, children from better-off households positioned themselves higher on the ladder. Figure 8 summarises children's self-ratings for Vietnam, where the picture is particularly stark, and shows that poor children in Vietnam are much more likely to report having a 'bad life' than non-poor children; and urban children more often report having a 'good life' than rural children.

**Figure 10. Systematic differences in whether young people report themselves as having a 'good life' or a 'bad life' (Vietnam, Older Cohort, age 15 in 2009)<sup>li</sup>**



Note: Children 'having a good life' positioned themselves on the top 3 steps of the ladder; children 'having a bad life' positioned themselves on the bottom 3 steps. Poor/ non-poor is defined here according to whether Young Lives households are above or below a national poverty line. The figures do not sum to 100%.

As part of the surveys, individual participants were also asked to rate their health as better, worse, or the same as other children of the same age. Across the four countries those reporting worse health were also more likely to be stunted. In Vietnam and Andhra Pradesh children who reported their health as better than others were also more likely to be enrolled in school and have higher cognitive achievement scores<sup>lii</sup>. The fact that children's subjective well-being mirrors more objective indicators of their development underlines children's acute awareness of their relative disadvantage in comparison to others, which in turn shapes their feelings of agency (or self-efficacy) that can help them cope with and possibly improve their situation.

### **Evidence from qualitative research**

Young Lives qualitative research has looked in depth at these issues, especially children's beliefs about their well-being, the impact of poverty and inequalities, and their ability to improve their (and their families') situation. For example, research in Ethiopia invited 12 year olds to draw pictures of children having a 'good' or a 'bad life', and used these as a starting point for exploring their understanding of well-being. Interestingly, children often prioritised family and school, over good food, shelter and material security as essential to well-being<sup>liii</sup>.

A study in rural Andhra Pradesh highlighted the crucial significance of children's social context, their family and their peer relationships. What children often found most distressing about the lack of material goods was the sense of shame that came with 'not having' or not 'fitting in'. For example, 13-year-old Kareena and her sister were keenly aware of their household's fragile economy, which Kareena attributed to her father's illness. Her mother could no longer afford to provide nutritious food for the family, who subsisted mainly on diluted 'dal' (a lentil stew). Kareena and her sister described how they attempt to conceal their poverty from other children by sitting apart during school lunches or covering their lunch box with a book while they ate<sup>liv</sup>. This research also drew attention to different ways that 12 to 15 year olds understood inequality, reflecting their position in the social hierarchy and the social expectations they were managing<sup>lv</sup>.

Research with 12- to 13-year-old girls in rural Peru drew attention to the social dimensions of children experiences. Feeling valued within families and communities contributed to their feelings of well-being as much as material deficit. Failure to meet family expectations were at the forefront of their accounts of ill-being and risk, with work and schooling viewed as vital means through which they could become competent moral and social actors, able contribute to household poverty mitigation<sup>lvi</sup>.

Young Lives qualitative research also draws attention to the rapidly changing dynamics of children's relationship to poverty and inequality, across all the countries. Experiences of well-being change as children mature, as do the social and economic opportunities and risks that they face. At the same time, cohort comparisons underscore the growing tensions between rapid social change and traditional social structures, which in turn impact on how young people see their future 'place' within their household and wider society<sup>lvii</sup>.

## Summary

- The ways children experience poverty and inequality is a neglected dimension, but plays a key role in shaping well-being.
- Poor children were much more likely to rate themselves as having a bad life, while children reporting better health than other children were less likely to be stunted, more likely to be in school and with higher school achievement.
- Children make clear judgements about the role of material resources, family and school in their subjective well-being, which also shapes how children think about their futures, and in turn their long-term prospects.

## **Message 7: Education is regarded by adults and children as transformative but doesn't always compensate for background disadvantage and may reinforce differences**

### **High expectations**

It is widely accepted by policymakers that good quality schooling has potential to offer one of the main routes out of poverty. Young Lives also finds the same high expectations for schooling among parents and children across all four countries. In data from 2009, between 40% (Andhra Pradesh) and 74% (Ethiopia and Peru) ideally wanted to complete university. At the same point between 32.5% (Andhra Pradesh) and 78% (Ethiopia) of parents of 8 year olds also ideally wanted their children to complete university<sup>lviii</sup>. Qualitative evidence bears out how education is highly valued. For example, Marta, a Peruvian young woman, growing up in a rural area observed: "We're not going to suffer like this in the mud... it's better that I go and study." Or as a father observed for his son, again in Peru: "I walk in the fields in sandals. At least he will go with shoes if he gets a good head with his education"<sup>lix</sup>. Young Lives analysis raises questions about whether education systems are delivering on these promises. Many individual lives are improved by education, but (with some exceptions reported below) inequities of access to pre-school and primary school, infrequent attendance, early school leaving etc., combine with inequities in the quality of teaching available to children in ways that may serve to amplify rather than reduce inequalities linked to household circumstances, parental education etc.

### **Early inequities in access**

All too often, unequal school trajectories are set in motion even before a child starts school, even though the early years is recognised as the most cost-effective period for intervening to reduce inequalities. Young Lives evidence reinforces findings from global surveys that report early childhood programmes currently benefit a higher proportion of advantaged than disadvantaged children, thus perpetuating cycles of poverty<sup>lx</sup>. Inequalities in access to good-quality pre-school education in each of the four study countries, as well as discrepancies in the quality of services available, suggest that quality early childhood education is less likely to reach the poorest children who need it most<sup>lxi</sup>. While many individual disadvantaged children benefited from innovative programmes the overall picture is of inequality in access.

In Peru, 95% of children in non-poor households participating in the Young Lives survey had spent some time at pre-school, but that figure fell to 64% for the poorest and between 76% and 54% for different ethnic minority groups. Virtually all children of mothers with more than ten years of education had attended pre-school in the Peru sample, but this dropped to 30% of children whose mothers had less than five years of education<sup>lxii</sup>. There is a similar picture in Vietnam where 91% of Kinh children (the ethnic majority) in the sample had experienced some form of pre-school but only 77% of ethnic minority children<sup>lxiii</sup>. In Ethiopia, where government priorities have until recently been to universalise primary school access, pre-school was accessed by only 5% of the poorest quintile versus 57% of the wealthiest quintile, most of whom were urban children attending private or church-run kindergartens<sup>lxiv</sup>. As a general summary, Young Lives evidence is that parents and children who require most support to give their children a head-start in school are doubly disadvantaged: by the poverty of their circumstances and by the difficulties accessing quality early childhood programmes. Minority

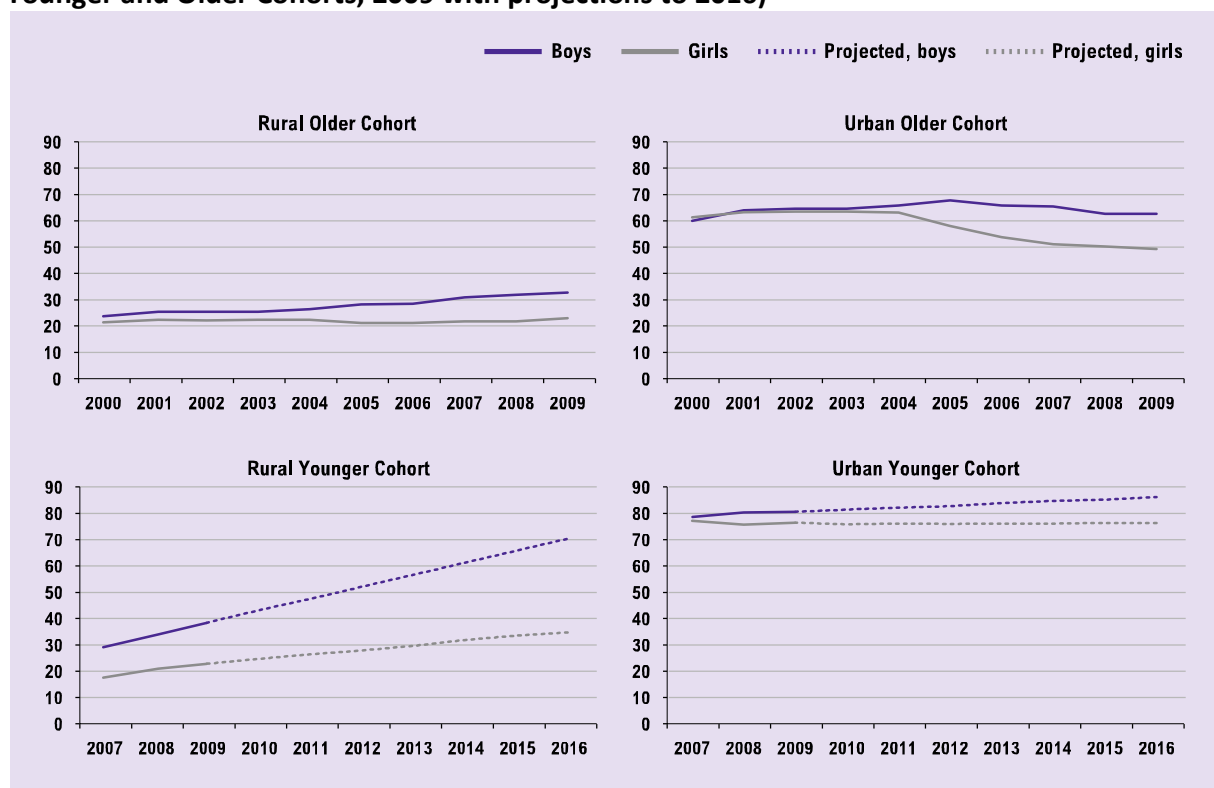
groups are especially at risk because of language and cultural barriers as well as inaccessibility of services, with the consequence that they start to feel excluded from the schooling system even before they enter primary school<sup>lxv</sup>. These data relates to Younger Cohort children's experiences up to 2006, and more recent reforms (especially in Peru and Ethiopia) will hopefully be improving the situation.

### **Impact of the private sector**

In Andhra Pradesh, rapid growth in 'low-fee' private schools (starting with kindergarten classes for children as young as 3 years old) adds an additional dimension to Young Lives evidence on early educational inequalities. Even the poorest urban families (and increasing numbers of rural families) are 'voting with their feet' in favour of private schools, pointing to a crisis in the public-sector school system, which is failing to meet parental expectations on quality and accountability, despite teachers being better qualified and a great deal better paid than their private-school counterparts. While some argue that the low-fee private sector offers an important alternative for these families, and can contribute to Education For All goals, there are major risks to equity, unless and until major government reforms (to regulate and subsidise places for poor children) are implemented and/or public sector schools are reformed<sup>lxvi</sup>.

Pre-school provision available under the long-established government programme (the Integrated Child Development Services, ICDS) was still being used by the majority of rural and especially poor rural families in Andhra Pradesh (when surveyed in 2006). But the majority of families in urban areas were already opting to pay for a private pre-school (including a 34% of the very poorest quintile)<sup>lxvii</sup>. These early public-private divisions are the foundation of children's diverging educational trajectories through primary schooling and beyond. When these Younger Cohort children were followed up during the early stages of primary school in 2009, 44% of Young Lives sample of 7 to 8 year olds were reported to be attending a private school (a jump from 24% private school attendance among the Older Cohort when they were the same age, seven years earlier in 2002). Not surprisingly, capacity to access private schooling was closely linked to household wealth, ethnicity/caste, urban or rural location, and parental education levels. Young Lives research has also identified the impact of intra-household choices about type of school, in increasing gender-linked inequalities. Figure 11 shows that for the Older Cohort the gender gap in choice of private over government school only opened up around the end of primary school. But for the Younger Cohort, a 9% gender gap was already evident by age 8 for the poorest rural sample. Figure 11 also shows the ways this gender divide in school use could widen during later childhood, if current trends were to continue.

**Figure 11. Growth in private sector schools is associated with gender differences (AP India, Younger and Older Cohorts, 2009 with projections to 2016)**



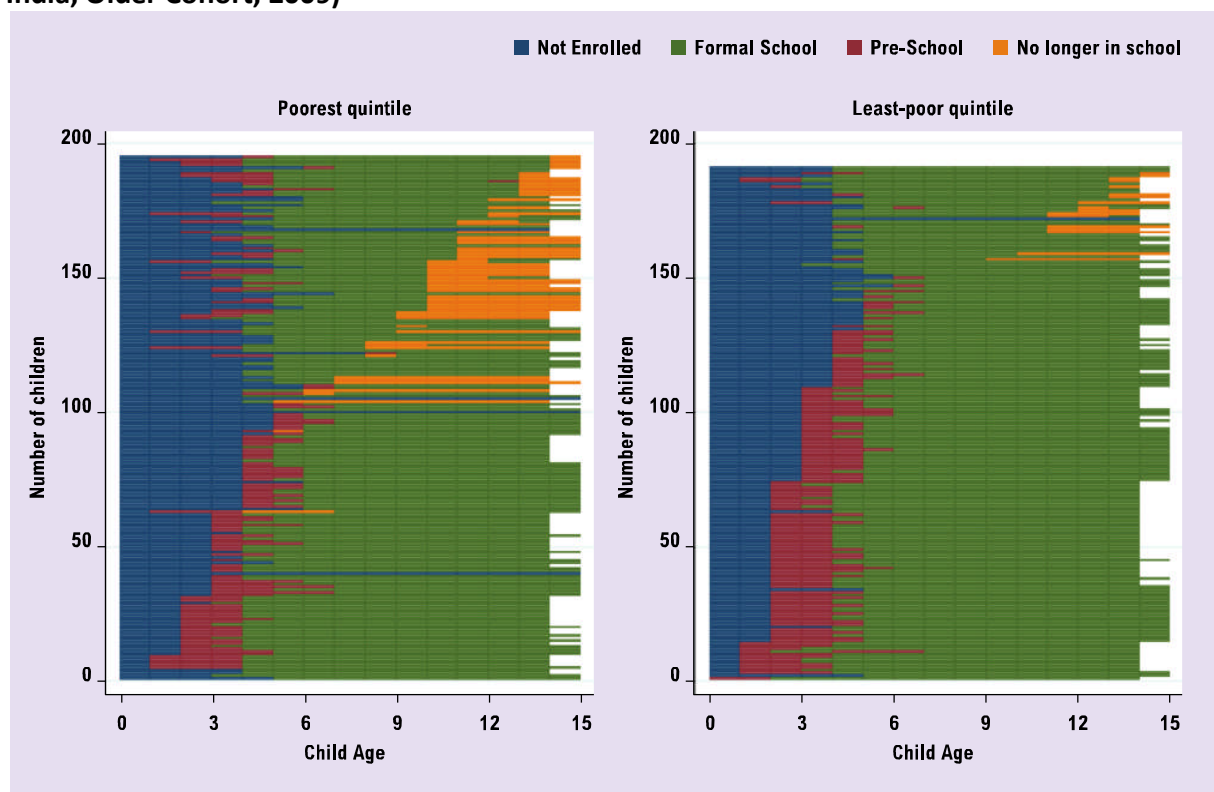
These findings are linked to other evidence from parents in Andhra Pradesh who report choosing to invest more in boys' education<sup>lxviii</sup>. Equivalent trends are found for health, with families opting for private healthcare due to perceived poor quality of public provision of healthcare in AP India<sup>lxix</sup>. But private healthcare (like private schooling) can create large household debts, in the absence of government subsidies, thus fuelling inequalities, as well as further impoverishing already poor households.

### **Inequalities in school access**

While primary school enrolment has been relatively high in all four of the study countries, children growing up in rural areas are still less likely to be enrolled in school than children in urban areas in Ethiopia, Andhra Pradesh and Vietnam. Ethnicity is a further predictor of enrolment gaps, particularly in Vietnam. In Andhra Pradesh, household wealth is a key factor in school enrolment. Figure 12 plots the school histories for individual children, comparing those in the bottom (poorest) and top (least poor) quintile in the sample. Each line represents a child, with the chart demonstrating the marked wealth-linked inequalities in access to education with the poorest children less likely to access pre-school and more likely to leave school earlier than less poor children.



**Figure 12. School enrolment by child age for poorest and least-poor household quintiles (AP India, Older Cohort, 2009)**



Note: School history data runs to either 14 or 15, due to variation in Young Lives children's ages at 2009 survey.

Perhaps even more significant are the inequalities in children's progression through school. Although 90% of 15 year olds in Ethiopia reported still being enrolled in school, only 18% of had completed primary school by that age<sup>lxx</sup>. In Peru, 61% of Older Cohort children in the poorest quintile had repeated a grade by 2009, compared to 38% of children in the wealthiest quintile<sup>lxxi</sup>.

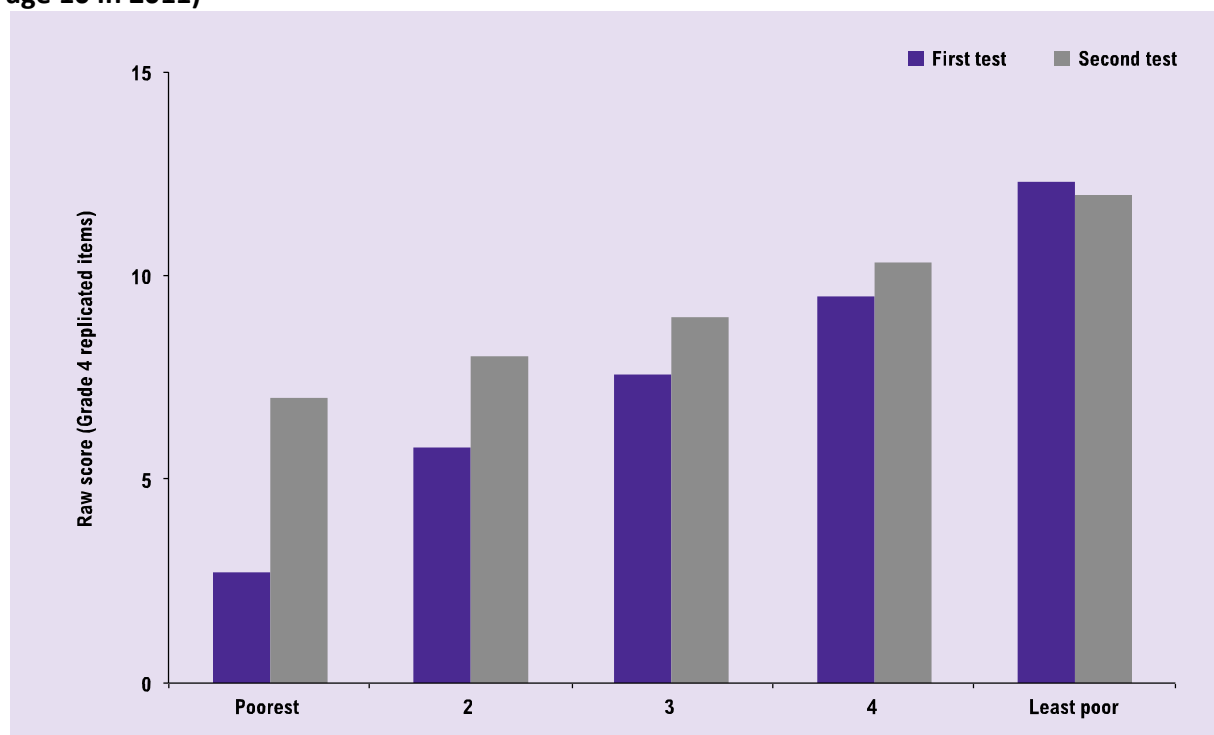
Late enrolment, infrequent attendance, slow progression through school (age-for-grade), including grade repetition, as well as early drop-out from school are all more common among disadvantaged groups. Frost and Rolleston<sup>lxxii</sup> identified three main determinant factors in a child being closer to the 'expected' age for grade in Ethiopia: having a caregiver who could read, being in a wealthier household, and being taller at Round 1 of data collection in 2002. Establishing children's correct age-grade is especially tricky in Ethiopia, in the absence of universal birth registration. Since children's age may be unknown (or contested), teachers commonly employ a crude maturational indicator of school readiness: they rely on the changing ratio of head size to limb length, and admit children only when they are able to stretch their left arm over their head and touch their right ear, thereby excluding children whose physical maturation is delayed<sup>lxxiii</sup>.

## **Evidence for school effectiveness**

With three rounds of data, Young Lives researchers have analysed how inequalities in school achievement have evolved over time. As noted earlier, large gaps open up by the early years of schooling, but these appear to ‘plateau’ in middle childhood when most children are in school, and widen again during later years of schooling. Gaps in education outcomes relate to household wealth in all four countries, but disparities at the age of 12 were generally predicted by previous test scores at age 8 (with no additional negative effect of wealth at that point)<sup>lxxiv</sup>. This suggests some compensatory or levelling effect of schooling during middle childhood, but the same study found that the inequalities in education outcomes widened again during the later years of schooling, when pressures to drop out rise, especially because of rising costs (including opportunity costs of labour).

While much Young Lives evidence draws attention to the risk that inequitable school systems amplify inequalities, much depends on the governance systems that ensure access to quality teaching for disadvantaged children. Initial analysis from Young Lives school-effectiveness research in Vietnam gives some evidence on the ability of a school system to bring children from disadvantaged backgrounds up to the level expected by its curricula. Children who did less well on a maths test at around 10 years old (disproportionately those from less advantaged backgrounds) made most progress (Figure 11)<sup>lxxv</sup>. One interpretation of these results links to the observation that Vietnamese teaching was focused on the class (as a whole) achieving to an acceptable level, rather than increasing the stretch of the most able individuals. Further the Vietnamese curricula appeared well suited to appropriately develop children’s ability, rather than being over-ambitious. It is also apparent that the qualification levels of teachers in poorer areas tend to be quite similar to those teaching in more advantaged areas, which is probably due to centralised teacher training system.

**Figure 13. Progress in maths test scores over school year (2011-12) (Vietnam, Younger Cohort, age 10 in 2011)**



Note: The sample has been divided into quintiles on a 'home background index', with the 'poorest' showing the biggest gains in maths score. This index is based on indicators known to be associated with educational disadvantage, notably minority group membership, parents' language and literacy in Vietnamese, as well as household environment (including number of meals per day, books in the home, telephone, internet etc).

## Summary

- Children and parents have high expectations that school education will be transformative, but for most there is a mismatch with realistic opportunities.
- Early childhood education and primary schooling frequently does not seem to live up to its promise to reduce inequalities, and may actually reinforce other forms of disadvantage.
- Growth in low-cost private schools in AP India appears to risk widening existing inequalities, including between boys and girls.
- Young Lives evidence from Vietnam also draws attention to that ways that school systems focussed on supporting all children can be effective in narrowing achievement gaps.

## Message 8: Social protection programmes can reduce disadvantage, but impacts are often complex, some may be unintended and they may not always benefit children

### Potential of social protection initiatives

Social protection has had much recent, attention, including the new ILO labour standard on national floors of social protection<sup>lxxxvi</sup>. Others, including UNICEF, have sought to evaluate the consequences of social protection for children<sup>lxxxvii</sup>. There is therefore considerable consensus about the potential of social protection in supporting more equitable development, although current systems are often weak and with low coverage<sup>lxxxviii</sup>. The impact of policy innovation in Ethiopia, AP India and Peru since 2000 has been monitored by tracking experiences of Young Lives households and children.

Overall, our data show the potential for social protection in helping to mitigate broader inequalities, and in improving the success of other social policies<sup>lxxxix</sup>. For example, analysis of receipt of Midday Meal Scheme in AP (provided in government-run primary schools) found protective effects on the nutrition of 5 year olds. Positive impacts were particularly large when households were in drought-affected areas<sup>lxxx</sup>. 2009 data relating to the Mahatma Gandhi National Rural Employment Guarantee Act scheme (MGNREGA) shows its rural focus makes it relatively effective at reaching those affected by environmental shocks (about 6 in 7 households which reported being affected by an environmental shock also reported access to MGNREGA)<sup>lxxxi</sup>. Analysis of 2006 data also found suggestive evidence that MGNREGA was having insurance effects, with households with agricultural livelihoods both more likely to register but less likely to use the scheme<sup>lxxxii</sup>. Qualitative evidence also suggests that having the option of MGNREGA work had enabled some labourers (including women) to turn down very low paid work<sup>lxxxiii</sup>.

### Evaluating the effects of social protection

However, Young Lives evidence highlights some policy concerns that need to be borne in mind in improving the impact of social protection schemes for children. A key point is that the level of transfers matter in supporting poor families. Studies of the Ethiopian Productive Safety Net Programme (a public works scheme) have argued that despite protecting children from hunger, evidence of positive impacts on children was hard to find and transfer payments had been undermined by wider inflation<sup>lxxxiv</sup>. Qualitative analysis of differences in the implementation of MGNREGA between several communities showing that perceptions of mismanagement undermined trust, highlighting the importance of effective governance in maintaining public support for social protection programmes<sup>lxxxv</sup>. Additionally researchers report lack of information or awareness about social protection in the Juntos scheme<sup>lxxxvi</sup>. This lack of awareness both limits people's capacity to benefit from schemes and to challenge poor implementation. Evidence from AP India<sup>lxxxvii</sup> suggests that households that reported having influential social networks or contacts were more likely to benefit, which may suggest nepotism (or possibly corruption), and certainly highlights a challenge in extending information and access to socially marginalised groups.

Evidence shows that social protection schemes can also alter how children use their time in practice. Increased household income may reduce the chances of children needing to work (and so increase time studying or on other activities). However, if social protection schemes increase parent's work (for example through public works), this may result in children having to do more work or substitute for parents' work. Research on the Ethiopia Productive Safety Net programme argues that this substitution effect exists but might be reduced by greater use of direct payments (not conditional on parents' work)<sup>lxxxviii</sup>. Finally, although policymakers often see narrow targeting as an efficient use of resources, evidence from Ethiopia in 2006 found it hard to identify clear differences in poor communities between beneficiaries and non-beneficiaries<sup>lxxxix</sup>. Targeting families may also be counter-cultural in communities where sharing across households is common. Qualitative evidence on perceptions of the Juntos cash conditional transfer programme (which has an area-based as well as household targeting element) suggested those in non-entitled communities viewed themselves as equally poor as beneficiaries<sup>xc</sup> and so narrow entitlement 'cliff edges' can create inter-community tensions. Additionally poverty-based targeting is also likely to identify groups who may experience other stigma or discrimination (such as minority groups) which may reinforce existing stigma.

## Summary

- Social protection is a key way of underpinning pro-poor policy. Positive examples exist within Young Lives countries of the way in which social protection can make inroads to improve the outcomes of children.
- Social protection can have adverse consequences for children, especially where it is poorly designed or implemented.
- Very narrow targeting, focused on the most marginalised groups, is unlikely to achieve wide population support for schemes.

## Conclusions and policy implications

1. Inequalities in the circumstances facing different groups of children feed through into systematic inequalities in children's outcomes. Differences in children's outcomes in turn undermine later equality of opportunity. Since inequality of opportunity wastes talent, so this is a loss of potential for national development.
2. Children's circumstances strongly predict their opportunities to learn during the early years. Children who score well on early tests and who are from poorer families quickly fall behind compared to their more advantaged peers. There is some evidence that these processes plateau during middle childhood, possibly due to universal schooling. Background characteristics again become important during later childhood, showing that policy which addresses circumstances outside (as well as inside) the school gates is important to longer-term human capital development.
3. During early childhood, socio-economic and household characteristics are much stronger determinants of children's development than gender. Gender differences become more marked during middle and later childhood. They take different forms within and between countries, and do not always favour boys. They are often shaped by parents' (and increasingly children's) expectations of how choices or investments will pay off in later life. Policy aimed at reducing gender-based differences needs to engage with the context that influences parents' and children's choices as well as discrimination *per se*.
4. The damaging impact of early malnutrition on later child development is well established. Since more marginalised groups experience worse early life conditions, under-nutrition is common in these groups. Prevention is better than cure, so improving early life conditions therefore ought to be a core priority for pro-equity policy. But for children who experience stunting in the early years, initial findings do suggest some hope that policy (for example by subsequent investments in nutrition or care, targeted especially to the most vulnerable) might at least partially mitigate the negative effects of early life deprivation.
5. Inequalities also open up during middle and later childhood. Gender differences grow over this period, shaped by diverging expectations for girls and boys, which are in turn framed by the socio-economic circumstances of the household. Pressure to work is increasingly felt by older children from poor families, competing with schooling. The flexibility of schooling to meet the needs of children combining work and school will help retain those who may otherwise leave early. Family illness and death impact strongly on children's responsibilities for caring, as well as on poverty levels, reducing children's ability to engage with schooling.
6. The ways children actually experience poverty and inequality tends to be neglected in research, policy and programmes. Subjective well-being is an important indicator of inequality. The social distance that inequalities can create affects how children feel about themselves, and their opportunities later in life. If children who feel ashamed

about their circumstances withdraw from schooling, this subjective experience both reflects 'objective' circumstances and is a route through which future inequalities are perpetuated.

7. Parents and children have high hopes of schooling as transformative for their future life chances. Most often there is a mismatch between expectations of education, availability of quality schooling and realistic employment prospects. The extent to which school realises its potential to reduce inequalities is very variable. In Andhra Pradesh, growth of low-fee private schooling risks widening some inequalities (notably an increasing number of boys, over girls, accessing private schools), but school effectiveness research in Vietnam shows lower ability and more disadvantaged children 'catching up'. Both examples draw attention to the importance of governance of school systems, including the private sector, and as well the teacher quality and well-planned curricula.
8. Social protection has considerable potential to help support access to health and education policies. Coverage, good design and ensuring systems are accessible are important policy challenges. Building sustainable systems of social protection, however, need also to account how policy is perceived by beneficiaries and non-beneficiaries alike.

In short, since the nature, and consequences of inequality are multidimensional, so too must be the response. Growth policies, equitable education and health, underpinned by effective social protection all have a role to play. Policies focused on the earliest years of life are crucial in reducing inequality, but Young Lives longitudinal research also draws attention to other key policy opportunities during middle and later childhood.

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