A “great leap backwards”

UNICEF report: 2.6 million more children in poverty in developed countries since 2008

Andre Damon
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The number of children in poverty in developed countries has increased by 2.6 million since 2008, according to a report published Tuesday by the United Nations Children’s Fund (UNICEF). The report, titled *Children of the Recession*, states that there are 76.5 million children in poverty in the 41 countries surveyed by UNICEF.

The study documents the devastating impact that the 2008 financial crash and subsequent austerity measures have had on the well-being of children, and makes clear that despite official proclamations of economic recovery, the most vulnerable sections of society are far worse off now than they were before the crash. Young people have been made to bear a disproportionate burden of the economic crisis, with poverty rates increasing more rapidly for young people than for other age groups.

Between 2008 and 2013, the rate of child poverty increased by 2 percentage points in the United States and by 3 percentage points in France. But even these substantial increases were dwarfed by the increase in countries such as Spain, where the rate of child poverty grew by 8 percentage points; Ireland, where it grew by ten percentage points; Greece, where it grew by 17 percentage points; and Iceland, where it more than doubled, surging from 11.2 percent to 31.6 percent.

The report notes that, “rising numbers of children and their families have experienced difficulty in satisfying their most basic material and educational needs.” It adds that, “unemployment rates not seen since the Great Depression of the 1930s have left many families unable to provide the care, protection and opportunities to which children are entitled.”

“The stock market may be going up, but the social safety net has not recovered,” said Alexandra Yuster, chief of social inclusion and policy at UNICEF, in a telephone interview Tuesday. “The fact is that the economic recovery has not resulted in declines in joblessness, which affects both young people and their parents,” she added.

As an example, Ms. Yuster noted that the budget for the Temporary Aid for Needy Families (TANF) program in the United States was slashed both before and after the 2008 financial crash. “The program had a budget of $30 billion in 1994, reaching 5 million people,” she said, “but its funding had been reduced to $10 billion, allowing it to reach only 2 million people, by 2010.”

The report states that the ability of governments to provide social services in some of the countries most affected by the 2008 crash has been “hindered by the weight of the conditions imposed on them by the financial markets and the providers of financial assistance.” As a condition for emergency funding by the International Monetary Fund to pay for their massive bank bailouts, countries such as Greece, Portugal and Cyprus were forced to slash spending on social services. The cuts have had a dramatic impact on the well-being of children.

Since 2008, the share of households with children that are not able to afford one meal with meat, chicken or fish every other day has more than doubled in Estonia, Greece, Iceland and Italy. Jeffrey O’Malley, UNICEF’s head of global policy and strategy, said these findings reflected a “great leap backwards.”

“Twenty-five years after the Convention on the Rights of the Child became international law, many of its commitments remain unrealized, and the developed countries most capable of delivering on them are losing ground," notes the report. "The Great Recession... has inflicted the economic crisis on children."

The report adds that, "the gap between rich and poor families has widened in an alarming number of industrialized countries. For many of these children, once again place of birth may determine their rights and opportunities in life."

UNICEF found that the share of young people not in education, employment or training (NEET) has risen dramatically. Some 7.5 million young people in the European Union were not in education, employment or training in 2013--nearly a million more than in 2008.

In the United States, the share of NEETs has grown by 3 percentage points, putting the US squarely in the company of the countries most severely affected by the crisis. In Italy, NEETs have increased by 5.6 percentage points; in Greece, by 8.9 percentage points; and in Cyprus, by 9 percentage points. The percentage of NEETS in these latter countries has grown by 30 percent or more.

In the countries most exposed to the economic crisis, "The number of 15- to 24-year-olds in part-time work or who are underemployed has tripled," the report states.

These changes have had a dramatic impact on the individual well-being of young people. The report notes that in Greece, the share of young people surveyed who said they "experienced stress today" jumped from 49 per cent in 2006 to 74 percent in 2013. In the United States, "the share of respondents that have experienced not having enough money to buy food doubled, from 10 per cent to 20 percent."

The growth of social misery has not been confined to the countries most associated with austerity programs. The report states that between 2008 and 2013, "the use of food banks by families in Canada increased by 23 percent."

Six years after the 2008 crash, there has been no recovery for the great majority of the world's population. Even as the wealth of the super-rich continues to soar, tens of millions remain unemployed in North America, Europe and Japan. Wages continue to be driven down and social services slashed.

There is supposedly no money to feed, house or educate children, but unlimited funds are made available to the financial markets by the world's central banks. More and more billions are being squandered on imperialist wars and rearmament, as the major powers, led by the United States, hurtle toward a new world war.

This state of affairs is an indictment of capitalism and demonstrates the need for its overthrow and replacement by socialism.