

EVERYONE COUNTS

BACKGROUND NOTES FOR TEACHERS

INEQUALITY

What do we mean by inequality?

In *Everyone Counts*, inequality refers to wide differences in a population in terms of their wealth, their income and their access to essential services such as health and education. These differences can occur between communities within the same country, or between countries. Inequality can also apply to unequal opportunities (life chances) and outcomes.

Many academic studies, including the Young Lives research, reveal that although a country's income (GDP) may grow and there may be signs that poverty is falling overall, this can disguise continued or worsening inequalities within the population. The study has revealed that there can be wide differences in levels of income, health and education between different ethnic groups, boys and girls, and between communities living in different locations, where people in urban areas fare better than those living in rural ones.ⁱ

Economic inequality can be measured in terms of wealth (what a household owns) and in terms of income (what a household earns). Inequality of opportunities refers to unequal distribution of 'life chances', such as unequal access to services like education and healthcare or exclusion from employment opportunities. Inequality of outcomes refers to the unequal distribution of variables such as wealth, income, or educational attainment.

Why is inequality a problem?

While some people argue that economic inequality may be necessary to spur growth and prosperity, extreme inequality causes problems. A widening gap between rich and poor is now being seen in many countries all around the world. Seven out of ten people in the world live in countries where economic inequality has increased in the last 30 years. Taking the entire wealth of the planet and dividing it into two, almost half would go to the richest 1 per cent; the other half to the remaining 99 per cent. Inequality is increasing in the UK: the richest five families in the UK are now wealthier than the bottom 20 per cent of the population (12.6 million people).ⁱⁱ

Inequality challenges the innate sense of fairness most people feel but there are other reasons why extreme inequality is a problem. Among them, the fact that extreme inequality – where wealthy elites dominate economic and political power – limits the opportunities poorer people have in life. Rich elites often use their wealth to influence governing institutions and political outcomes so that the economy is run in their interests rather than the broader interests of the rest of society. Others remain excluded and are unable to gain the power necessary to be part of political and economic decision-making.ⁱⁱⁱ

Young Lives and inequality

The majority of the families in the Young Lives study are poor, or relatively poor. Over the 12 years since the children and their families were first interviewed in 2002, the economic situation in all of the countries in which they live has improved. Between 1995 and 2010, Gross National Income (GNI) per capita grew by 91 per cent in Ethiopia, 122 per cent in India, 61 per cent in Peru and 145 per cent in Viet Nam. Overall, the researchers have found that the Young Lives families also became less poor during this period. Many families have noticed an improvement in living conditions and infrastructure such as electricity, safe water, toilets and roads.ⁱ

However, the Young Lives team has also found that inequality has grown over this time. There is an increasing gap between rich and poor, rural and urban, boys and girls, and ethnic majority and minorities. In all four countries, researchers found that the same children often face multiple disadvantages based on where they live, what ethnic or caste group they come from, and whether they are girls or boys. As children get older, the differences between them increase, including those between boys and girls. Overall, the Young Lives study has seen how inequality undermines the development of human potential, with children from disadvantaged families quickly falling behind in terms of early learning and other outcomes.^{iv}

A whole range of variables such as income, healthcare, nutrition and education have been measured in the Young Lives study, but this resource largely focuses on inequalities in how children spend their time. Everyone Counts focuses on two particular factors which affect children's time use in the four study countries: gender and geographical location.

The effect of gender on children's time use

Young Lives research has found that there are differences in the ways in which boys and girls spend their time. Typically girls spend longer caring for others and domestic tasks whereas boys spend more time in unpaid work for family farms or businesses. However, while the tasks undertaken tend to be different for boys and girls, the amount of time spent in paid and unpaid work is similar between boys and girls. They also spend a similar amount of time in school, but girls have less time for studying at home - a factor which may impede progress at school. Time use data from Andhra Pradesh tell a different story, with the burden of paid and unpaid work falls disproportionately on girls who spend nearly an hour and a half more working per day.^v

The Young Lives research found that gender differences become more significant as children get older, but boys are not always advantaged over girls. For example, though girls might miss out on school because they are involved in domestic chores, looking after younger siblings or early marriage, older boys might miss out on school because of their potential to earn money from paid employment.^{iv v}

Overall, Young Lives findings do show examples of girls experiencing disadvantages but the research also challenges assumptions about gender inequalities, showing instead that gender is one of a series of inequalities, including poverty, geographical location, ethnicity or caste status, which can impact negatively on both girls' and boys' life chances.

The effect of geographical location on children's time use

Children living in rural areas spend more time on household work, caring responsibilities, and unpaid and paid work, with less time in school or studying. The difference in time spent in school and studying, and in paid work, is larger between children in urban and rural environments than between boys and girls.^v

Overall, Young Lives research found significant differences in children's opportunities and life outcomes as a result of geographical location: children living in urban areas are generally doing better than those in rural settings, where poverty levels tend to be higher. One reason for this is that access to essential services such as healthcare and good schools is better in urban areas. Therefore not only are children healthier, they also progress faster in their education.

However, in all Young Lives countries apart from Peru, poverty is falling in rural areas faster than in urban areas. Peru is the exception because rural families have migrated to the cities and they face many challenges as they settle into their new location such as finding work and developing support networks.ⁱ

What can be done about inequality?

In a world where most countries face widening income disparities and economic inequality is thriving, all four Young Lives countries and the UK face the challenge of making economic growth inclusive across geographical area, ethnic groups and gender.ⁱ The Young Lives project concludes that since inequalities have many dimensions, so too must the response. Therefore fair and impartial economic growth policies and free education and health services underpinned by social protection all have a role to play.^{iv}

Free public health and education services are a strong weapon in the fight against economic inequality because they benefit the poorest most. They lessen the effect of a wide income distribution by providing a 'virtual income' for the poorest people because they no longer have to pay for these services themselves.^{vi}

Furthermore, if unequal countries invest in health and education through raising funds from taxation where the rate of tax rises as income rises, there is a double benefit for poorer families. Firstly they gain by paying less (or no) tax and secondly they benefit from free health and education services – a virtual income which can exceed their own income.^{vi}

Investing in free education and health is also a proven way to tackle the gender inequality that keeps women and girls out of the classroom and prevents them from learning to read and write. Free public services are an investment in a fairer future for everyone, and prioritising these services is crucial for enabling a society to be run in the interests of the many rather than the interests of the privileged few.^{vi}

COUNTRY INFORMATION

Country context: Ethiopia

Ethiopia is Africa's oldest independent country but remains one of the world's poorest, although progress has been made in recent years. Child mortality has fallen, access to healthcare has improved and advances have been made in expanding primary education. The economy has experienced a trend of sustained economic growth following the reform programmes implemented since 1991 when the military government was ousted. In recent years, the economy has grown by around 11 per cent a year. More than 60 per cent of government spending now goes to what the Government calls pro-poor sectors, namely education, health, roads, water and agriculture. The economy is still largely dominated by agriculture, which is highly sensitive to rainfall: drought affects up to 13 million people. Ethiopia has low rates of urbanisation and most people make their living as subsistence farmers.

Despite significant investment to increase enrolment in primary schools, they are often poorly staffed and equipped. There are large differences in children's attendance between urban and rural locations, between boys and girls, and between and within regions. Overall adult literacy is low, at 31 per cent for rural and 74 per cent for urban residents.

Poverty is more concentrated in rural areas than in urban areas, but more rural households have been able to move out of poverty than urban ones. Time children spend working is higher in rural areas than urban ones while time they spend on studying is higher in urban areas.

- One in every 13 children dies before reaching their first birthday, while one in every eight does not survive until they are 5 years old.
- Nearly one in two children under 5 are stunted (short for their age), 11 per cent are wasted (thin for their height) and 38 per cent underweight.

Country context: Peru

Peru is now considered a 'high human development' country, rich in natural resources. For the last decade, the economy has been growing at over 5 per cent each year. Even during 2009, when most of the world economy stagnated or deteriorated, growth continued in Peru, although at a slower rate.

But the country's strong economic performance has not been matched in terms of poverty reduction. Social expenditure is low, although there are a number of government programmes targeted at the poor. There are widening gaps between different sectors of the population, especially between Spanish-speaking and indigenous populations and between people living in urban and rural areas. Levels of poverty, infant mortality, maternal mortality and malnourishment are twice as high among indigenous groups as national averages; there are nearly three times more people living in poverty in rural areas than urban ones.

Migration from rural to urban areas is common. About 30 per cent of the population lives in the capital city, Lima, and 55 per cent lives on the narrow coastline (including Lima).

- The number of children who work is high. Boys are more likely to be employed in paid activities and girls more likely to work in the home.
- Of the 3.8 million Peruvians living in extreme poverty, 1.2 million are children.
- Children living in the poorest areas (city slums, the Andean Highlands and the Amazon rainforest) are ten times more likely to die before the age of five than children from the richest 20 per cent of families.

Country context: India

India is a country of huge inequalities, with the second-largest number of the world's billionaires but also 25 per cent of the world's poor. Over the last few years, India has seen impressive economic growth and even during the global recession in 2009, the economy grew at a rate of seven per cent of GDP. However, inflation is a big problem, especially for poor people.

- Malnutrition is more common in India than in sub-Saharan Africa.
- More children under 5 die from preventable diseases than in any other country.

Many of India's inequalities are tied to gender and caste: women and girls still face multiple discrimination. The caste system, which dates back many thousands of years, is still extremely important in everyday life, with what the Government calls Scheduled Castes (otherwise known as Dalits) and Scheduled Tribes (otherwise known as adivasis, India's indigenous peoples) the most disadvantaged communities. This is despite the fact that discrimination on the basis of caste is now illegal, and various measures have been introduced to empower disadvantaged groups and give them better access to opportunities.

Andhra Pradesh and Telangana, in southern India, have almost 85 million inhabitants between them, 7 per cent of the Indian population. The economy is still largely agricultural, although the joint capital of the two states, Hyderabad, is one of the leading centres of technology revolution. Andhra Pradesh was the role model for several new government initiatives during the 1990s to eliminate poverty and has made considerable progress.

- Rural poverty fell by over 35% between 1973/4 and 2004/5.
- Unlike in other Young Lives countries, poverty is higher in Andhra Pradesh and Telangana in urban rather than rural areas.
- 76 per cent of men in Andhra Pradesh and Telangana were literate in 2011 compared with 60 per cent of women. Only 66 per cent of girls aged 6-17 attend school, compared with 77 per cent of boys.

Country context: Viet Nam

There are 54 different ethnic groups in Viet Nam. For most, living conditions have steadily improved since the 1990s. Vietnam is now considered a 'medium human development' country. Average life expectancy is 75.

The government is gradually moving the country from being a centrally planned Communist state to a market-oriented economy. It has introduced a number of programmes to address poverty and social deprivation, and much foreign aid has also been targeted at poverty reduction.

The country was badly affected by the global recession in 2009. Food prices increased and exports went down. There are widening gaps between rich and poor, and between the majority ethnic Kinh and the country's many minority populations.

- The number of people living below the official poverty line continues to decline, but this masks a big gap in poverty rates between majority and minority groups.
- In 2008, only 9 per cent of the ethnic majority population was poor, but almost half the ethnic minority population.
- Gender discrimination continues to undermine the well-being of women and children.
- Among under-5s, 5 per cent are underweight, 8 per cent are wasted (thin for height) and 32 per cent are stunted (short for their age).
- Enrolment rates at primary school are 97 per cent. Boys are more likely than girls to leave school before completing secondary level.

Sources

Source for all four country descriptions is *Changing Lives in a Changing World: Young Lives children growing up* (Young Lives, 2012)

ⁱ Round 3 Survey Reports for Ethiopia, India, Peru and Viet Nam (Young Lives, 2011)

ⁱⁱ A Tale of Two Britains (Oxfam, 2014)

ⁱⁱⁱ Oxfam, 2014

^{iv} What Inequality Means for Children: Evidence from Young Lives (Young Lives, 2013)

^v Poverty and Gender Inequalities: Evidence from Young Lives (Young Lives, 2011)

^{vi} Working for the Many (Oxfam, 2014)