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From Security to Uncertainty: the Impact of Economic Change on Child Welfare in Central Asia

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Abstract

Children are at the heart of Central Asian culture. Two out of every five inhabitants of the region are aged under 18. Yet relatively little has been written about the impact of recent political economic and social change on their welfare. This paper discusses the possible pathways between macroeconomic change and child welfare and develops a typology of the risks that children may face at different stages of the lifecycle. Adopting a multi-dimensional view of child well-being, trends in both *economic* measures of poverty, based on incomes and expenditures, and selected *capability-based* indicators **B** reflecting the health and survival, and the education and personal development of children and their social inclusion/exclusion **B** are then examined. Not all the news is bad but the data show that the human cost of economic transition has been high and children, far from being protected from its impact, have been amongst those who have suffered the most.

Key words: poverty, child welfare, Central Asia, transition.

1. Introduction

There is a growing literature on the welfare impact of economic transition in Central and Eastern Europe (CEE) and the former Soviet Union (FSU) (Falkingham et al., 1997; Milanovic, 1998; UNDP, 2000). Most has concentrated on household welfare.[1] This paper, however, takes as its focus the effect of recent economic changes on the welfare of *children*.

Why children? Firstly, children are worthy of attention in terms of their numerical significance. The five Central Asian Republics (CARs) together contain over 23 million people aged under 18, and children constitute two-fifths of the region's population. Secondly, and much more importantly, today's children are tomorrow's adults. The experiences of today's young people will, to a large degree, determine the shape of the region's future. As such it is essential to understand how the recent economic transition has affected the risks they face during their own transition through childhood to adulthood. Any lost development during the period of childhood cannot easily be re-couped later in life, resulting in a generation at risk of social exclusion.

This paper takes a multi-dimensional view of child well-being. The indicators discussed include both *economic* measures of poverty based on incomes and expenditures and selected *capability-based* indicators **B** reflecting the health and survival, and the education and personal development of children and the degree of social inclusion/exclusion. We begin in Section 2 with a brief discussion of the demographic significance of children in the Central Asian context. This is followed by a discussion of recent macroeconomic changes and the possible ways in which these changes

[1] The UNICEF MONEE Project Regional Monitoring Reports are a notable exception to this.

may impact upon the welfare of children in Section 3. The available evidence concerning recent trends in the material poverty of children in Central Asia is reviewed in Section 4, and trends in capability welfare in Section 5.

2. Children in Central Asia

Children are at the heart of Central Asian society and culture. The five Central Asian Republics (CARs) together contain over 23 million people aged under 18, and children make up between 35 per cent (in Kazakhstan) and 48 per cent (Tajikistan) of the national populations. These youthful Central Asian populations contrast sharply with those of the European republics of the FSU and CEE, where children account for between a fifth and quarter of the population.

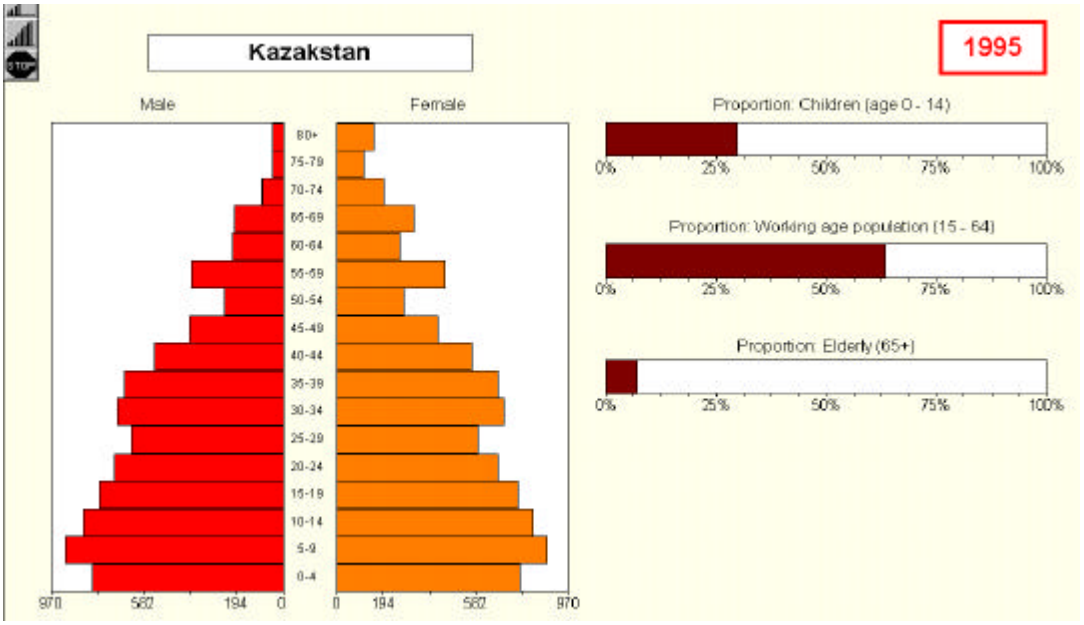
The demographic importance of children within Central Asia is illustrated by Figure 1, which shows the age and sex structure of the population for each Republic using the 1996 UN population estimates. All the Republics, with the exception of Kazakhstan, exhibit the classic pyramid-shaped age structure – typical of 'young' developing countries.

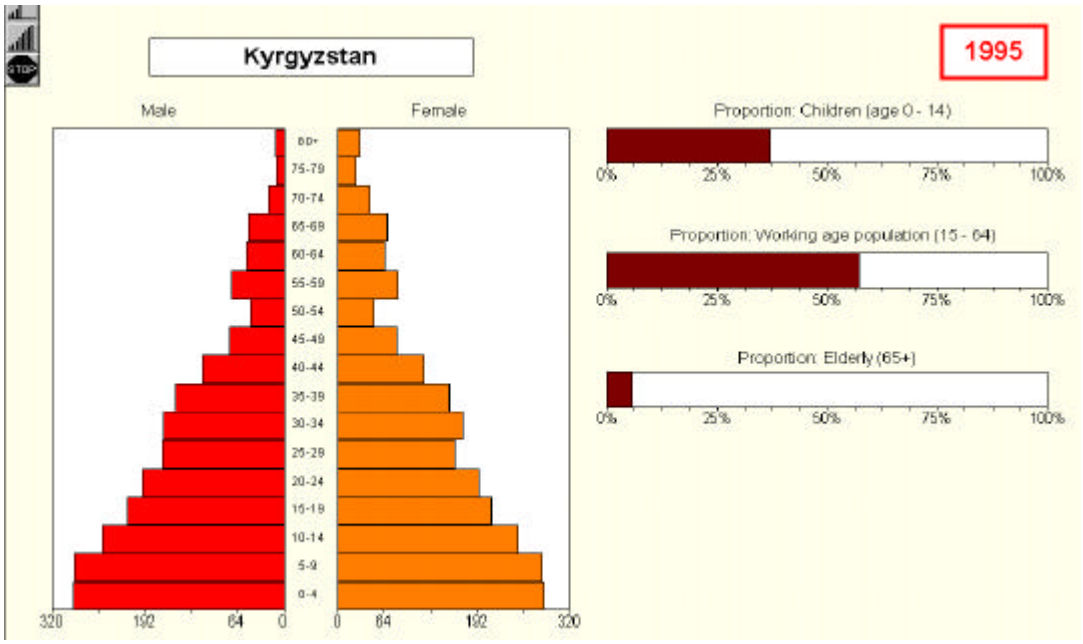
This is due to both the relatively high fertility of the CARs, with women in the region (at least until 1990) typically giving birth to 4-5 children; and relatively low infant mortality, which reinforces the young age structure of the population through the greater survival of babies into infancy. Kazakhstan has a youthful rather than young population. Fertility is somewhat lower than elsewhere in the region, with a total fertility rate of 2.9 even in 1980.[2] This lower fertility is due to differences in the fertility behaviour of different ethnic groups within the population, with Slavic women having fewer children than the Kazaks and women of other Central Asian ethnicities. Nevertheless, even in Kazakhstan children constitute a third of the total population.

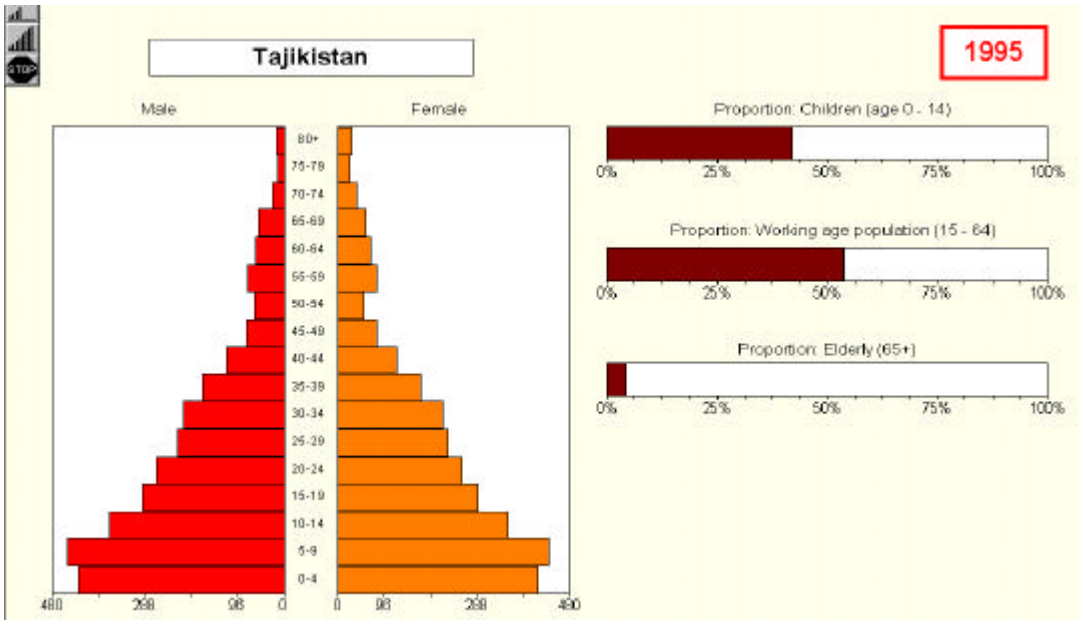
The pyramids also show the imprint of recent and past changes in fertility on the populations of the CAR. For example, the small size of the cohort currently aged 50-54 in all countries, shown by the inward dip (or waist) in the pyramid, is primarily the result of low fertility (and high infant mortality) during the Second World War. There is also evidence of the recent fall in fertility, with an inward dip at the base of the pyramid clearly visible in the pyramids for Kazakhstan and Tajikistan and the levelling off of the sides for the other CAR.

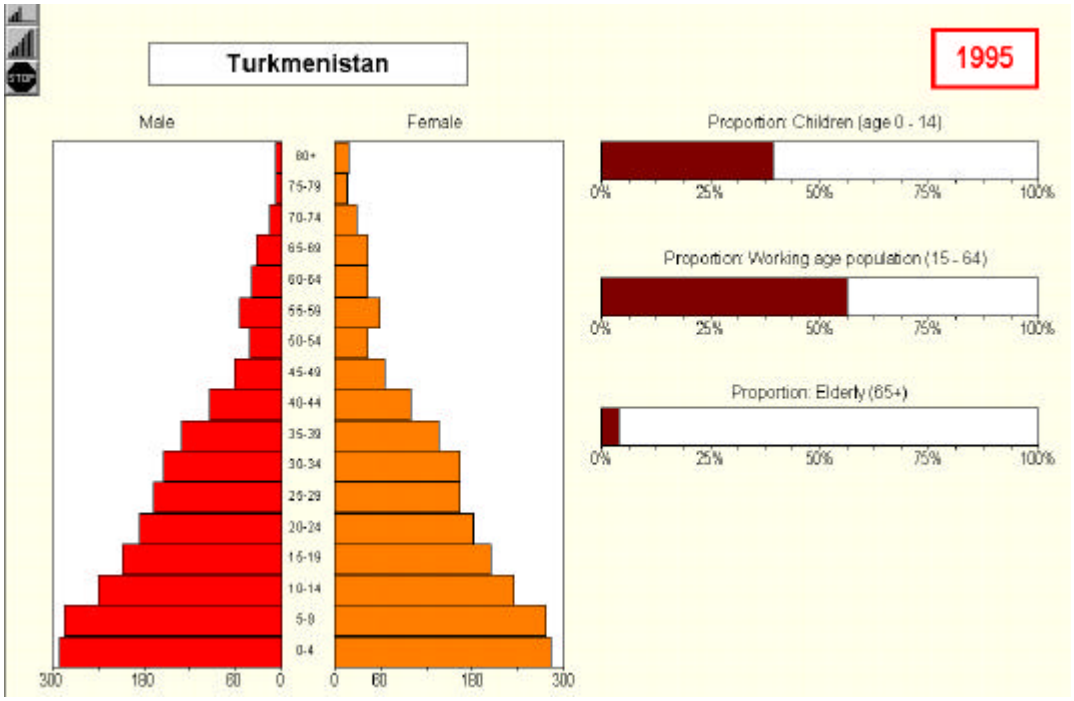
[2] The total fertility rate (TFR) is a measure of the number of children a woman would have if she gave birth at the prevailing age-specific rates across her entire reproductive lifetime. Thus it is a hypothetical measure as in reality women do not live their entire reproductive period in one year. Nevertheless it provides a useful summary measure.

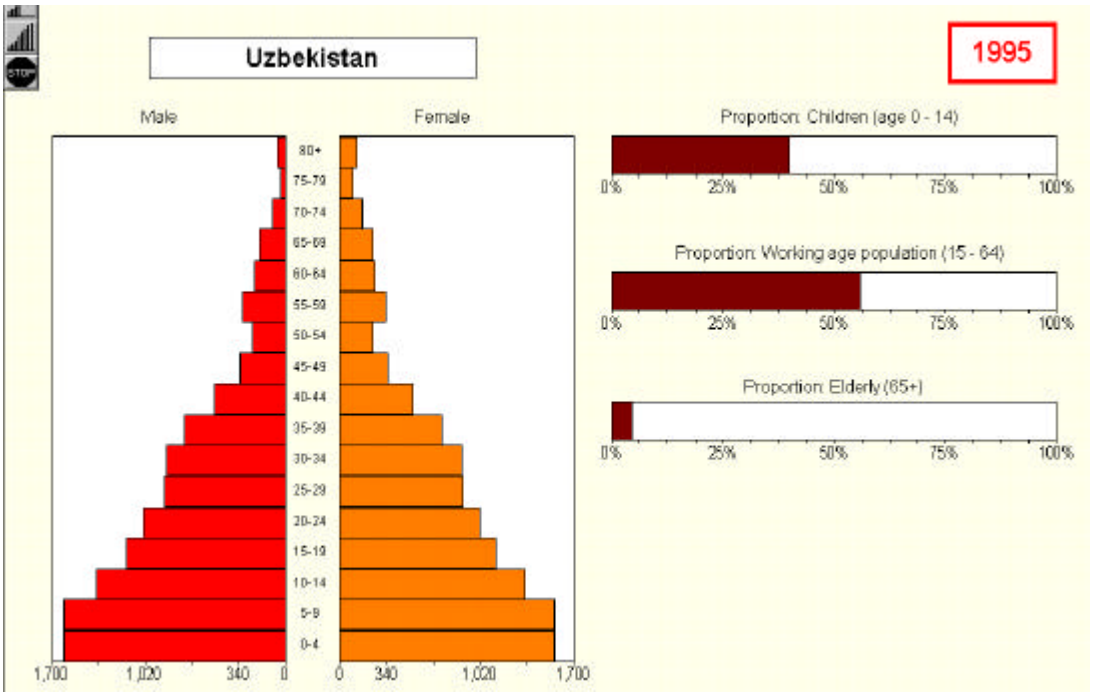
Figure 1: *Age structure of the populations of the Central Asian Republics, 1995*







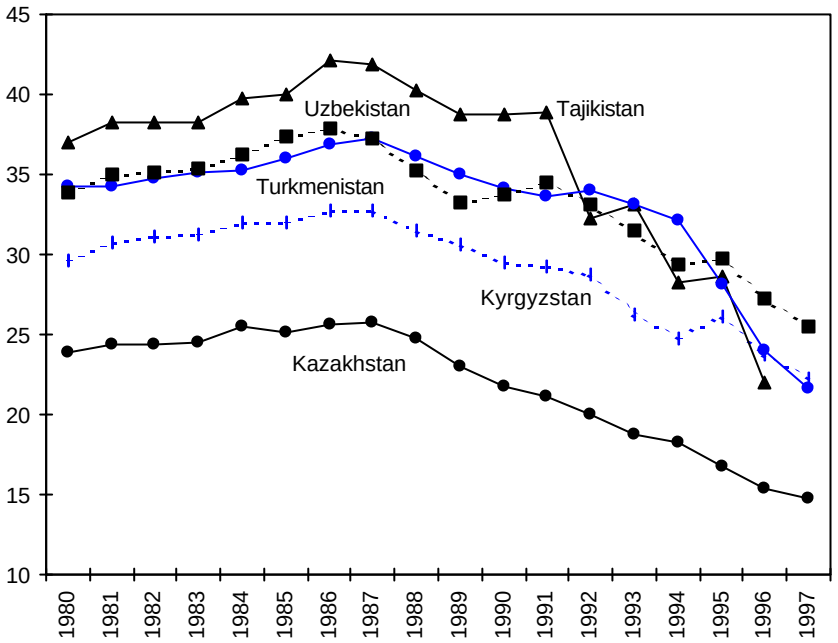




Source: Demographic 96, using UN 1996 Population estimates.

Figure 2 shows that the birth rate has been declining in all the CARs since the late 1980s. However the speed of the decline accelerated during the early 1990s following independence. The birth rate has fallen by between a quarter in Uzbekistan and one-half in Tajikistan.

Figure 2: *Crude birth rates in Central Asia 1980-96 (births per thousand persons)*



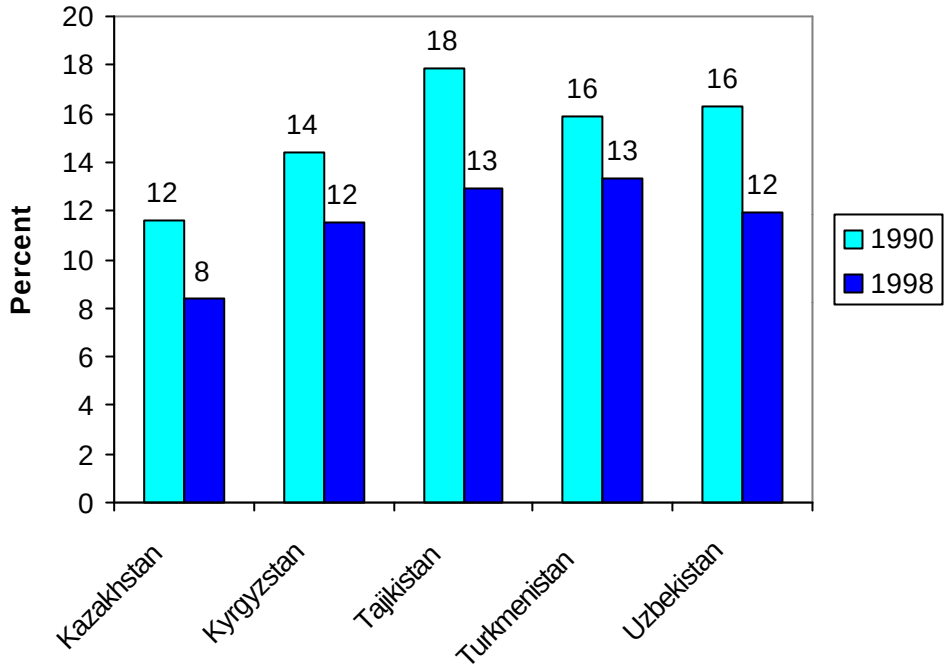
Source: TransMONEE database, UNICEF.

The fall in births has resulted in a sharp drop in both the number of children under five and the share of 0-4 year olds in the total population (Figure 3). This trend has been most marked in Tajikistan where children under five made up 18 per cent of the population of in 1990, but by 1998 they constituted 'just' 13.5 per cent.

This section has served to highlight the importance of children in the Central Asian context. Despite recent declines in the birth rate, children under age five still constitute one out of every ten people in Central Asia, and children under 16 account for two out of every five people. Given this, any economic change which impacts upon the population will by definition affect children. Equally any change that affects children will also touch the majority of households. In Kyrgyzstan, in 1996, 70 per cent of households contained at least one child under 16[3] and 86 per cent of individuals lived in a household containing at least one child under 16. Below we review recent macroeconomic trends in Central Asia and the transmission mechanisms whereby such changes may affect children and families.

[3] 50 per cent of households contained at least one child aged 0-7 and 46 per cent of households contained at least one child aged 0-6. (The 4 percentage point drop between households with a child aged 0-7 and 0-6 reflects the fall in fertility in 1989/90.)

Figure 3: *Share of children aged under five in the total population, Central Asia 1990-98*



Source: TransMONEE database, UNICEF.

3. Macroeconomic change and child welfare

▪ 3.1 *Recent macroeconomic trends*

During the Soviet period Central Asia received large transfers from the Central Government. It is estimated that such transfers represented around 10 per cent of regional gross domestic product (Bauer et al., 1998). The withdrawal of subsidies from Moscow following independence combined with the interruption of inter-republican trade within the former USSR and the impact of tight government stabilisation policies, resulted in a severe economic depression across the region. There were signs of recovery in the mid 1990s but the recent turmoil in the Russian economy, with the subsequent loss of the region's export markets to Russia and exchange rate instability following the collapse of the rouble, has halted this progress.

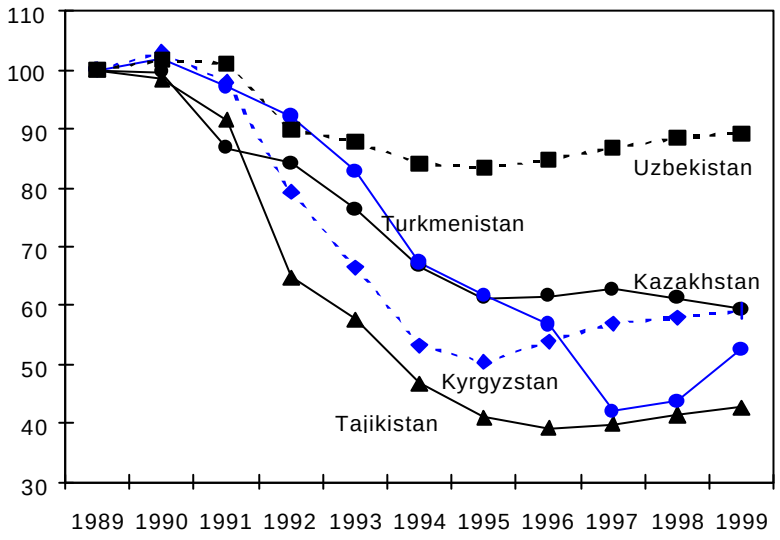
The general picture since independence has, therefore, been one of falling output **B** a smaller 'cake'; declining real wages and growing unemployment leading to rising inequality - a more unevenly shared cake; and a drop in real government expenditure on social services **B** resulting in a smaller slice of the cake to fund expenditures on children.

Falling output

Figure 4 shows the change in real GDP since 1989.[4] Growth was negative in all countries in the region up to 1995, since when there was been a gradual reversal of fortunes, with the exception of Turkmenistan which experienced a 25 per cent drop in GDP in 1997. Recovery has been slow and, despite recent improvements, real output remains significantly *below* pre-transition levels. In 1998 real GDP was still below half its pre-transition level in Tajikistan and Turkmenistan and a third below in Kyrgyzstan and Kazakhstan.

The recent crisis in Russia has had a negative impact on the region's economic performance. Growth rates in 1998 have been several percentage points below the forecasts made one year earlier, and GDP growth was actually negative in Kazakhstan – reflecting the country's heavy reliance on trade with Russia.[5] Forecasts show continued stalled recovery in all countries for 1999 except Turkmenistan, which is expected to bounce back from the dramatic collapse in 1997 due to the recent resumption of gas exports to Ukraine.

Figure 4: *Cumulative change in real GDP in Central Asia, 1989-99 (1989=100)*



Source: 1989-98 from TransMONEE database, UNICEF; projections for 1999 from EBRD Transition Report Update, April 1999.

The diversity of experience in Figure 4 reflects the fact that the CARs vary greatly in their initial resource endowments and have also followed different policy directions since independence. Kazakhstan and Turkmenistan possess the most favourable endowments for long-term growth, with considerable oil and gas reserves. However, exploitation has been hampered by the lack of

[4]There are considerable problems in compiling a consistent series of data on economic performance across time, both due to changes in definition and variation in data quality. Absolute numbers should perhaps be treated with caution. However, the overall trends are clear.

[5] EBRD (1999) estimates that Russia accounts for 30 per cent of Kazakhstan's foreign trade.

infrastructure – and in particular pipelines to markets outside the FSU. Tajikistan has abundant hydroelectric reserves, as well as substantial deposits of coal, gold and silver. Until recently, however the country has been engaged in a protracted civil war; and since the establishment of peace, problems of accessibility to both reserves and markets have hindered exploitation. The other main export commodity in the region is cotton. Uzbekistan is the world's fifth largest cotton producer and second largest cotton exporter and also has significant gold reserves. Unlike energy reserves, both of these commodities are easy to export and Uzbekistan has benefited from the buoyant international market for both cotton and gold. This goes some way towards explaining the comparatively small loss of output experiences by Uzbekistan in contrast to the other CARs.

Furthermore, the *pace* of transition has not been consistent across the region and this is evident in the diversity of trends in GDP and the other indicators in Table 1. Kyrgyzstan and Kazakhstan were quick to embrace market reform and liberalized prices in 1992-3. Privatization of small and medium enterprises is now well advanced in both countries (EBRD, 1999). In December 1998, Kyrgyzstan became the first country in the FSU to join the WTO. In contrast Uzbekistan and Turkmenistan have been slow, some may even say reluctant, to reform, whilst in Tajikistan reform was delayed by civil war. However, since the signing of the peace agreement in mid 1997, the privatisation process in Tajikistan has accelerated. It is notable that Uzbekistan, the slowest reformer, has also suffered the lowest loss of output. It remains to be seen whether the gradual strategy pursued by Uzbekistan has long-term costs in terms of the potential for economic growth which will outweigh the short-term benefits (Pomfret, 1999).

Table 1: *Selected macroeconomic indicators in Central Asia since independence*

	Real GDP (Index 1991=100)		Price inflation (% change in end year consumer prices)		Real wages (Index 1991=100)		Registered unemployment (%)	
	1993	1998	1993	1998	1994	1997	1993	1998
Kazakhstan	87	65	2169	2	32.9	36.6	0.6	4.1[1]
Kyrgyzstan	68	65	1363	18	59.4	49.1	0.2	3.2[1]
Tajikistan	63	44	7344	3		5.0[2]	1.2	3.1
Turkmenistan	85	46	9750	20	52.9	30.9		3.0[3]
Uzbekistan	87	88	885	40			0.3	0.6

Source: EBRD Transition Report Update (1999).

Notes: [1]1997, [2] estimate in Mills (1998), [3]1995.

Growing unemployment

The falls in output have been accompanied by a reduction in employment opportunities and the emergence of unemployment across the region. The labour market was initially slow to adapt and registered unemployment remained low in all countries. However since 1994 it has increased, considerably despite the return to positive growth in most of the CAR. It should be noted that the figures on *registered* unemployment in Table 1 represent only a fraction of *real* unemployment in the CAR. For many people there is little incentive to register as few are entitled to any benefits and few vacancies are available. Furthermore, official registered unemployment does not take account of the very extensive underemployment in many state owned enterprises and agricultural collectives. Many employees are still on the 'payroll' even though they have not been paid for several months or, in extreme cases, years. The true level of unemployment is thought to be much higher. Using the ILO definition of unemployed[6], unemployment is estimated to be around:

30% in Tajikistan (Mills, 1998)
20% in Kyrgyzstan (EBRD, 1998)
11% for men and 6 % for women in Uzbekistan (Coudouel, 1998),
6% in Kazakhstan (World Bank, 1998).

There is some evidence that women are disproportionately bearing the cost of a shrinking labour market. Women's labour force participation rates in the Soviet period were much higher than in other industrialized countries. Since independence however, a greater proportion of female employees have been laid off and more are 'on leave without pay' than their male counter-parts. In Kazakhstan in 1995, 60 per cent of the people 'discharged' from state enterprises were women (Tadjbakhsh, 1999) whilst in Kyrgyzstan an ILO survey found that women accounted for nearly two-thirds of the job loss (Evans-Klock and Samorodov, 1998). The same ILO survey also found that for every three employed women in Kyrgyzstan, one was listed as being on maternity leave. It is argued that many, and most likely *most*, of the women listed as on maternity leave could more properly be classified as either having left the labour force or in disguised unemployment (op. cit. p.62).

Once out of work, women experience greater difficulty in re-entering the labour market. Evans-Klock and Samorodov (1998) report clear evidence of gender bias in hiring decisions. On average, women were hired for just one out of every four new jobs in Kyrgyzstan, with no significant difference in hiring preferences between privatized and state enterprises. The ILO survey

[6] The ILO definition of unemployed counts as unemployed all those aged 16 and over who are without a job, are available to start work in the next two weeks and who have been seeking a job in the last four weeks or are waiting to start a job already obtained.

also found that when in work, women were much less likely than men to receive training from their employers. In Kyrgyzstan one out of two employees were women, but on average only one in four trainees were women.

Rising unemployment has resulted in a growth in the number of children living in households where one or more members are unemployed, and the emergence of workless households, i.e. where no member of the household is gainfully employed (either because of unemployment or being out of the labour market). Using the ILO definition of work, in Kyrgyzstan in 1996 a staggering 34 per cent of children aged less than 10 lived in a household where no-one was employed (author's own analysis of the KLSS). This trend is of concern for several reasons, the most obvious being the association with the risk of children being poor. Furthermore the lack of connection with the labour market may negatively affect both children's aspirations, in terms of future employment, and the contacts and networks available to them for securing employment. Lack of work may also result in increased tension within the family with subsequent negative impact on psycho-social well-being of the children.

Falling real wages

Real wages have declined even further than real output. It is estimated that in Tajikistan average real wages in 1998 were only 2 per cent of their pre-1989 level! Elsewhere the level of real wages has fallen to between a third to a half of their pre-independence value, except in Uzbekistan where the latest IMF estimates show the average wage in 1997 was worth 123 per cent that in 1991 (IMF, 1998).

Again there is some evidence that women's wages have fallen more than men's. In the Soviet period a high proportion of public sector workers were women (especially in education and health). These are the sectors now where wages have not been paid and where real pay rates have suffered the greatest fall in value.

Lower real wage levels have obvious implications for child welfare in terms of the material resources available to families. Furthermore, there is evidence that a greater proportion of income earned and controlled by women is spent on children than income earned by men. Thus the greater decline in the relative value of women's wages may mean that the proportion of household resources 'enjoyed' by children may also be shrinking.

Rising inequality

In common with other countries in transition, the CAR have witnessed a rise in the inequality of incomes. In the Soviet Union the overall distribution of income was much more egalitarian than in most market economies (Atkinson and Micklewright, 1992; Milanovic, 1998). In 1989 it is estimated that the

Gini Coefficients[7] for per capita income in the CAR, calculated from the Family Budget Surveys, ranged from 0.29 in Kyrgyzstan and Kazakhstan to 0.31 in Tajikistan and Turkmenistan, with Uzbekistan occupying a middle position of 0.30. By 1993 the Gini coefficient had increased to 0.33 in Kazakhstan and Uzbekistan, 0.35 in Kyrgyzstan and 0.36 in Turkmenistan. To put these figures into perspective, the increase in inequality in Kyrgyzstan, where the coefficient increased by 0.017 per annum, occurred at a rate *two and a half times* as fast as that recorded in the fastest inequality-increasing Western countries in the 1980s. The level of inequality in 1993 with a Gini coefficient of 0.35 overtook that of India (0.34 in 1992).

The growth in income inequality is the result of a number of factors including:

- Restructuring of economic activity and greater proportion of income coming from the private sector;
- A shift in the distribution of wages;
- The growth of open unemployment;
- The redistribution of wealth and privatization of state assets.

Other dimensions of inequality have also grown. As we have already noted, gender disparities have widened as women's employment opportunities and wages have deteriorated relative to men's. In addition to decline in the economic sphere, women's participation in public life has also contracted – in 1989 30 per cent of parliamentarians were women, by 1998 women deputies had fallen to just 5 per cent across the region (Tadjbakhsh, 1999). This may have a negative impact on child welfare as power structures dominated by men may be less sensitive to issues viewed to be women's responsibility such as child rearing and other reproductive functions. Furthermore, reduced female participation may adversely affect girl children in terms of role models and their aspirations.

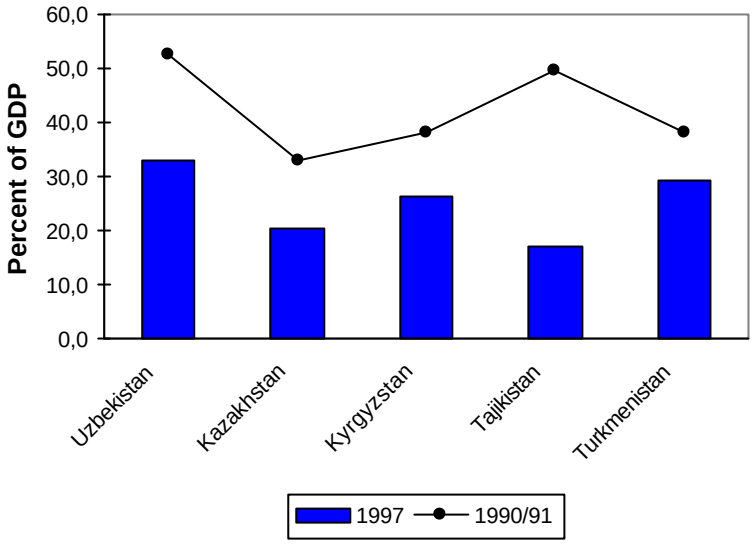
Falling government expenditure

The fall in GDP has been accompanied by a growing *incapacity* of governments throughout the region to mobilize resources. Government revenues have fallen due to the loss of union budget transfers and the erosion of the tax base due to declining output. The ability to raise taxes has been further hampered by the dramatic growth of the informal sector. For example, tax collection rates reached a low of about 13 per cent of GDP in Kazakhstan in 1997 (EBRD, 1998). As a result of lower revenues, and despite all

[7] The Gini coefficient is a summary measure of inequality. 0.00 implies perfect equality where every observation has the same income; 1.00 perfect inequality where the last observation has all the income.

countries in the region running fiscal deficits, government expenditures as a share of GDP have fallen sharply (Figure 5).

Figure 5: *General Government expenditures as a per cent of GDP, 1990-97.*



Source: TransMONEE database, UNICEF.

Between 1991 and 1997 government expenditures as a share of GDP in Tajikistan fell by nearly two-thirds from 50 per cent to 17 per cent. Elsewhere proportionate declines have ranged from around a third in Uzbekistan to a fifth in Kyrgyzstan. The picture for Turkmenistan is complicated by the dramatic fall in GDP in 1996-7. In 1995, government expenditures accounted for just 12.5 per cent of GDP.

The collapse in GDP *combined* with lower government spending has meant that real allocations to the social sectors have declined precipitously. Spending on social protection has fallen dramatically whilst the level of real spending on health and education sectors has declined sharply to between only a *quarter* to a *third* of pre-independence levels. This has important implications for child welfare, as children are the main beneficiaries of social spending.

Prior to independence, a wide variety of cash transfer payments were provided and it is estimated that social transfers made up 14 per cent of total gross income (Atkinson and Micklewright, 1992). The majority of these payments were for families with children, including: one-off birth payment, payments for mothers on maternity or child-care leave, monthly allowances for children aged 0-18 months and 1.5-16 years; additional benefits for single

mothers and mothers of more than 4 children; payment for expenses related to the education of disabled children and several others.[8]

Table 2: *Selected indicators of change in social spending over time*

	Govt. expenditure as % GDP		Social Security Spending as % GDP		Education Spending as % GDP		Health Care Spending as % GDP	
	1991	1997	1991	1996	1991	1996	1991	1996
Kazakhstan	32.9	20.3	4.9	0.6	7.6	3.2	4.4	2.7
Kyrgyzstan	30.3	26.3	5.5	3.8	8.0 [1]	5.4	5.0	2.9
Tajikistan	49.6	17.0	3.0 [2]	0.2 [4]	11.1 [2]	3.3	6.0	1.1 [3]
Turkmenistan	38.2	29.2	3.2	0.8	9.6	2.8	5.0	1.5 [3]
Uzbekistan	52.7	32.8	7.7	2.5	10.2 [2]	7.4 [3]	5.9	3.1

Sources: Column 1 EBRD (1999); Columns 2 & 3 Mehrotra (1999); Column 4 TransMONEE Database, UNICEF (1999).

Note: [1]1990; [2]1992; [3]1995; [4]1997.

The economic dislocation during transmission has weakened the ability to continue to provide a universal system of benefits to all families with children. Table 2 shows government spending on social protection has declined sharply. With fewer resources and a growing number of people in 'need', targeting of family allowances has now been introduced in all the countries - with payments in most cases being limited to families where the per capita income is less than some notional subsistence level (often the minimum wage). In addition the real value of the benefits paid has fallen.

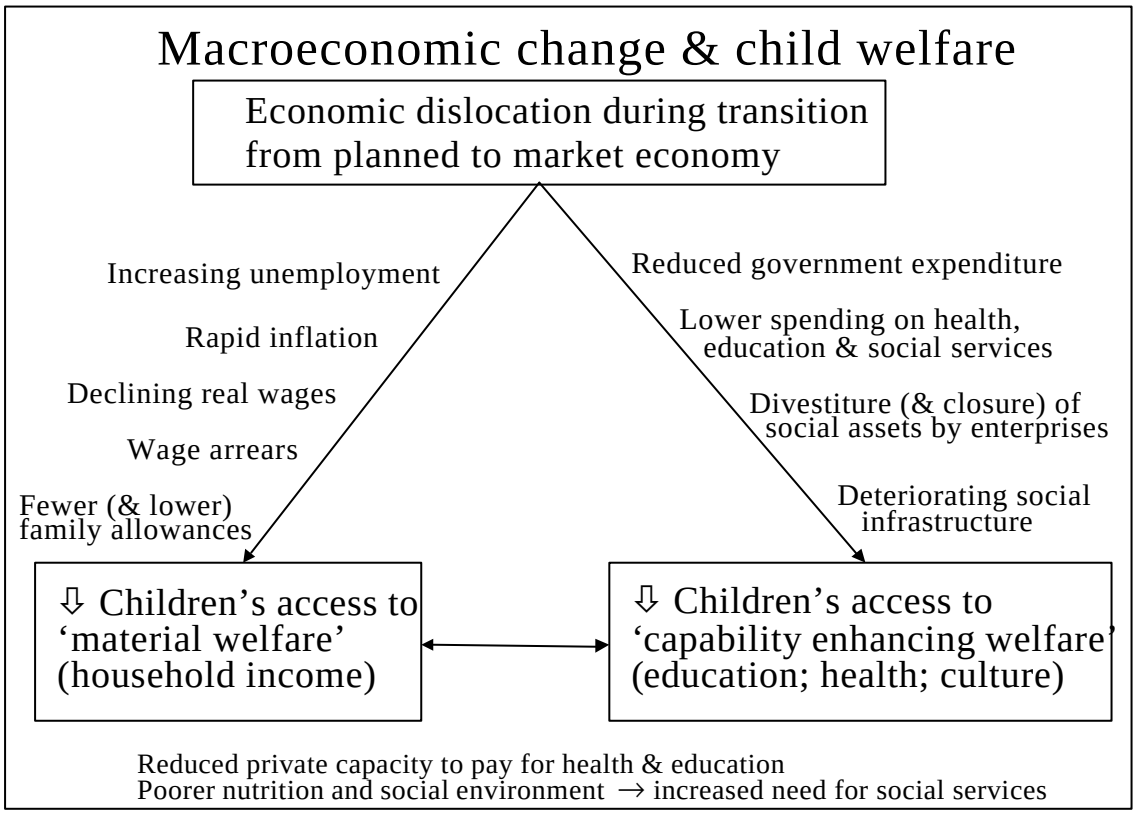
The tightening of eligibility criteria for family benefits has meant that many children living in low-income families are now excluded from state support. These include those just above the entitlement threshold – the 'near poor'. As cash income tends to be taken as the main welfare indicator, children whose families are just above the threshold and who have no access to land and other non-cash income may, in fact, be worse off than those with an income just below the threshold but with some land. Therefore many children may be in desperate need of material support, but ineligible for any benefits.

[8] The other main group of beneficiaries was older people, with a range of old age and work related pensions.

▪ 3.2 *The welfare impact of macroeconomic change – possible transmission mechanisms*

Figure 6 illustrates the mechanisms by which recent macroeconomic changes may impact upon the well-being of children and their families. First there is the direct impact on the level of material well-being enjoyed by children as measured by household income.[9] Increasing unemployment, rapid inflation, growing wage arrears and declining real wages when they are paid, as well as tighter eligibility for family allowances and lower levels of benefit when in payment, all combine to reduce the resources available to households and increase the risk of child poverty.

Figure 6: *Macroeconomic change and child welfare*



Second, reduced government expenditures on social services along with the closure of some services that were previously provided by the enterprise (e.g. kindergartens) and deteriorating social infrastructure (roads, transport etc.) reduce the 'benefits-in-kind' that children and households receive. The outcome of lower government spending on social services such as education and basic health care may either result in a drop in quality or a drop in quantity or both. One possible response is that providers (schools, hospitals, doctors and teachers) may turn to their clients to make good the shortfall in public spending by introducing charges for services such as textbooks, school

[9] Caveats need to be borne in mind about distribution of resources *within* the household as well as the level of household income.

meals, immunizations, drugs and regular health checks. If families are not in a position to pay these charges, this may result in children's loss of access to health and education and a consequent drop in child 'capability' well-being, the definition of which is discussed later.

Furthermore, lower household income may itself result in poor child nutrition. Deteriorating child health may in turn then increase the need for health care services, which are already under resource pressure and which families cannot afford to purchase, so setting up a vicious circle of 'increased need and reduced ability to pay'. The combination of lower household resources *and* lower government expenditure will impact upon children differently at different stages of the lifecycle – although low household income and 'living in poverty' will affect all members negatively regardless of age.

Figure 7 attempts to develop a typology of the risks across the lifecycle that may result from lower public and private spending on social services and their possible outcomes and indicators. The list is far from complete but serves to emphasize the important relationship between macroeconomic change and child welfare.

Figure 7: *Typology of risks across the lifecycle*

Age	Risks	Outcomes	Indicators
0-1	↓ pre and ante natal care	↑ morbidity and mortality	Low birth weight Infant mortality rate
1-4	↓ immunization ↓ pre-school provision ↓ milk kitchens	↑ morbidity ↓ nutritional status	Immunization rates Child mortality rate Anthropometric measures
5-9	↓ access to 'free' education (↑ charges; ↑ bus fares; ↑ cost of uniform; ↓ family income) ↓ school meals ↓ child sanatoria	↓ school enrolment ↓ school attendance ↓ learning achievement ↓ nutritional status ↑ morbidity	Enrolment rates Test scores Age-specific mortality rates
10-14	↓ access to 'free' education ↑ school absenteeism as ↑ family labour (synergy with ↓ family income) ↓ summer pioneer camps	↓ school enrolment ↓ school attendance ↓ learning achievement ↑ morbidity	Enrolment rates Test scores Age-specific mortality rates
15-19	↓ participation in schooling beyond compulsory period (synergy with ↓ family income) ↓ vocational training ↓ youth clubs	↓ qualifications ↓ job opportunities ↑ youth unemployment ↑ informal activity ↑ disillusion & social exclusion ↑ drug & alcohol abuse; ↑ sexual activity;	Qualifications Youth unemployment rates Suicide rate Juvenile crime rates Teen pregnancy rate STD incidence & prevalence

The key risks for younger children flow from reduced access to health care services combined with low income and the main outcomes are poorer health and nutrition status. As children get older, risks are increasingly connected to reduced access to both education and health spending. Outcomes on schooling are three-fold. Firstly decreased access may reduce enrolment. Parents who are unable to afford the cost of textbooks, uniforms, or even shoes, may simply withdraw their children altogether. Secondly, even if enrolled, children may not actually attend school regularly: either for the reasons given above or because the children are needed as family labour (working in the home looking after younger children, or working on family land or in the hired labour market to supplement household income). Finally, children may be enrolled and be attending school, but may not actually be learning anything. The teacher may be absent on a second job (that actually pays wages), or there may be no textbooks, it may be too cold to concentrate due to lack of heat, or the child may be anaemic and/or malnourished and too lethargic to learn.

Finally, older children also face the risk of lower participation **B** in education, the labour market and civil society **B** and the subsequent outcome of increased feelings of social exclusion and a rise in anti-social behaviour.

Below we go on to look at the evidence for recent changes in both material and capability welfare of children using some of the indicators highlighted above.

4. Material Poverty

▪ 4.1 *Poverty in Central Asia*

Prior to independence, the Central Asian Republics were amongst the poorest in the FSU. Atkinson and Micklewright (1992), using data from the Family Budget Surveys (FBS) and taking a per capita income of less than 75 rubles as the national 'poverty threshold', estimated that for the FSU as a whole 31 million people, or 11 per cent of the population, were poor by this standard. However, within Central Asia over half (51%) of those living in Tajikistan were poor by this standard; 44 per cent in Uzbekistan; 35 per cent in Turkmenistan; 33 per cent in Kyrgyzstan and 16 per cent in Kazakhstan. Thus even before the turmoil of the early 1990s a significant proportion of the population were surviving on a low income. Since the break-up of the Soviet Union the absolute number of people, as well as the proportion of the population, who are poor has increased. In addition to exacerbating the disadvantage of the 'old poor' **B** pensioners, families with large numbers of children and single parent families children (Braithwaite, 1995), the economic dislocation of transition has also given rise to *new* groups of poor, including the families of workers 'on leave without pay', the long-term unemployed,

agricultural workers, young people in search of their first job, and a growing number of refugees, both economic refugees and persons displaced as a result of civil conflict.

Since 1993, World Bank sponsored *Living Standard Measurement Surveys* have been held in four of the Republics – Kazakhstan, Kyrgyzstan, Turkmenistan and Tajikistan.[10] The LSMS are nationally representative multi-purpose surveys which collect detailed information on a range of topics, including income, expenditure and consumption as well as use of education health and employment. The strength of such surveys is that they allow detailed analysis of the determinants of various outcomes as well as the measurement of living standards. As Grosh (1991) notes, an LSMS survey permits analysis of links between different aspects of household well-being, for example "the impact of education on nutrition, the effect of health on employment, and the relationship between income and fertility". Thus they allow us to look at both incomes and outcomes.

Table 3 presents some information on the incidence of poverty for Kazakhstan (1996) and Kyrgyzstan (1993 and 1996). In all three surveys, and in contrast to the results from the FBS mentioned earlier, household *expenditure* rather than *income* has been taken as the welfare indicator. However, the definition of the poverty line varied between the two countries, hence the numbers are not directly comparable cross-nationally.

Table 3: *Poverty indicators in the Central Asia Republics*

	Poverty rate (% poor)	Gini coefficient
Kazakhstan (1996 KLSS) [1]		
Households		0.35
Individuals	34.6	
Kyrgyzstan (Spring 1996 KLSS) [2]		
Households	60.5	0.46
Individuals	68.7	
Kyrgyzstan (1993 KLSS) [2]		
Households	39.7	0.58
Individuals	45.4	

Notes: [1]Welfare indicator: per capita household expenditure. Poverty line: Government's subsistence minimum (prozhitochnyi minimum) for single adult. [2]Welfare indicator: total household expenditure. Poverty line: household specific 'high cost' poverty basket (reflecting composition of household by sex and age).

Sources: World Bank, 1995, 1998; Mimeo: Kyrgyzstan Analysis Report, Spring 1996 LSMS.

Nevertheless, the survey evidence clearly shows an increase in the incidence of poverty in Kyrgyzstan (the only country for which there is

[10] Unfortunately data are not yet available for Tajikistan as fieldwork has just been completed (June 1999), and the data file for Turkmenistan is not publicly released.

currently survey data over time), from 40 per cent in 1993 to 61 per cent in 1996. Over a third of individuals are estimated to be living below the subsistence level in Kazakhstan in 1996.

Elsewhere in the region poverty is also widespread. Uzbekistan appears to be in the most favourable position with overall incidence of poverty with 'only' 30 per cent of the population being poor in 1995, estimated from a household survey conducted by the European University Institute (Coudouel, 1998). The 1996 UNDP Human Development Report for Turkmenistan estimates that over half the population are poor. There is as yet no reliable evidence of the extent and depth of poverty in Tajikistan, although a recent survey carried out by ECHO in August 1997 found one in every six households to be 'food insecure' (Freckleton, 1997). It is estimated that as many as 85 per cent of the population of 6 million could be considered poor, and of these 700,000 (12%) are extremely poor and a further 300,000 (or 5% of the population) are 'helplessly destitute' (Mills, 1998).

Of course, poverty rates depend both upon the poverty line chosen and the definition of income (or expenditure) that is compared against this line. Nevertheless, the above data indicate that a significant proportion of people in Central Asia are surviving on a low level of material resources.

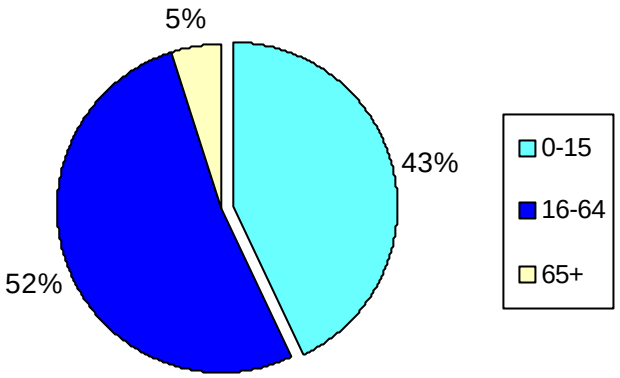
▪ 4.2 *Child poverty*

Given that children make up 40 per cent of the population of the region, even without further information it would be safe to say child poverty is likely to be a common problem. However, evidence from available survey data shows that poor households are generally larger than non-poor households; and that households with *a large number of children* are *most* at risk of poverty.

In Kazakhstan those households in the bottom fifth of the income distribution had, on average, two-thirds more children than those at the top of the distribution. Families with young children were disproportionately represented in the lower quintiles, with over 40 per cent of bottom quintile households having small children compared to less than a quarter of all households (World Bank, 1998). Thus it appears that children are *more* at risk of living in poverty than other groups.

Little of the available published data is analyzed by age groups. Figure 8 shows the age composition of those living in poverty in Kyrgyzstan in 1996. Although children under 16 constituted 37 per cent of the total survey population, they made up 43 per cent of the poor.

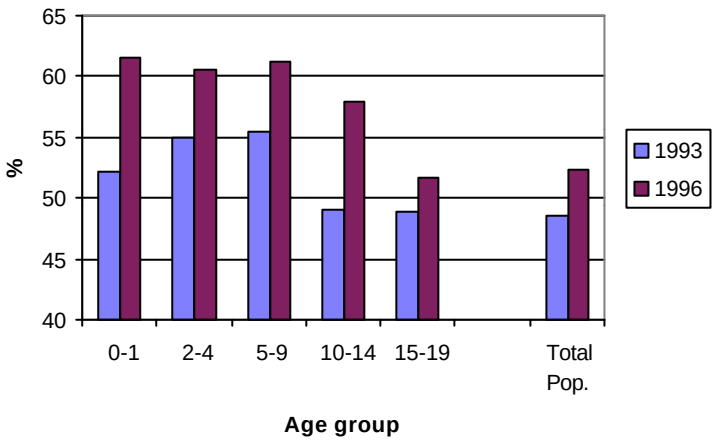
Figure 8: *Composition of the 'poor' by age, Kyrgyzstan 1996*



Source: Author's own analysis of KLSS 1996.

Figure 9, shows the incidence of poverty amongst children of different age groups using data from the LSMS for Kyrgyzstan.

Figure 9: *Proportion of children living in poverty, Kyrgyzstan 1993-96*



Source: Author's own analysis of KMPS (1993) and KLSS (1996).

There are several points to note:

- The poverty rate is higher amongst children than in the population in general.
- Younger children are more likely to be poor than older children.
- Child poverty rates increased between 1993-96

The risk of a child living in poverty in not, however the same for urban and rural children. Table 4 shows that :

- Rural children are more likely to be poor, and more likely to be *severely* poor, than children living in urban areas.
- In Kyrgyzstan between 1993 and 1996, child poverty remained roughly constant in urban areas, but increased significantly in rural areas. However the proportion of children living in severe poverty (below half of the subsistence minimum) fell in both urban and rural areas.

Table 4*: Proportion of children living in poverty and severe poverty by place of residence, Kyrgyzstan 1993-1996*

Age Group	1993				1996			
	Poverty rate (%)		Severe poverty (%)		Poverty rate (%)		Severe poverty (%)	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
0-1	43.1	55.4	20.2	29.7	36.5	69.3	8.1	26.1
2-4	39.4	60.4	16.0	33.9	41.5	66.3	11.1	27.4
5-9	41.3	61.7	17.5	35.3	41.6	68.0	12.2	28.0
All < 10	**41.1**	**60.1**	**17.5**	**33.8**	**40.8**	**67.7**	**11.3**	**27.5**
10-14	36.9	54.7	15.7	28.1	35.9	67.1	11.9	29.4
15-19	30.6	58.2	11.1	31.7	32.9	60.0	10.0	26.3
All < 20	37.4	58.4	15.4	32.0	37.4	65.9	11.1	27.7
Total Pop.	33.4	56.7	12.8	30.3	33.8	61.0	9.1	25.0

N.B. Table 4 uses per capita household expenditure as the welfare indicator, so results are not directly comparable with those in Table 3. Severe poverty is defined as having a per capita expenditure below 50 per cent of the subsistence minimum.

Source: Author's own analysis of KMPS 1993 and KLSS 1996.

5. Capability Poverty

Increasingly it is being recognised that material resources, or rather lack thereof, reflect just one, albeit very important, dimension of poverty. Monetary measures fail to capture other important aspects of individual's well-being such as community resources, social relations, culture, personal security and the natural environment. Dreze and Sen (1995) have defined *capabilities* as the alternative combinations of 'functionings' - or 'doings and beings' a person achieves – from which a person can choose. Micklewright and Stewart (1999) identify four key functionings that a child needs to lead what Amartya Sen has referred to as a 'good life': material well-being, health and survival, education and personal development, and social inclusion/participation.

McKinley (1997) has proposed a system of complementary poverty measures which focus on *capability* poverty, incorporating access to public services, assets and employment, as well as *income* poverty, covering the ability to 'purchase' food, clothing and shelter. *Capability* poverty focuses on

an individual's capacity to live a healthy life, free of avoidable morbidity, having adequately nourishment, being informed and knowledgeable, being capable of reproduction, enjoying personal security, and being able to freely and actively participate in society. Material resources at some level are generally necessary for some of these activities but they alone are not sufficient. Therefore capability poverty goes beyond income poverty in terms of measuring actual well-being.

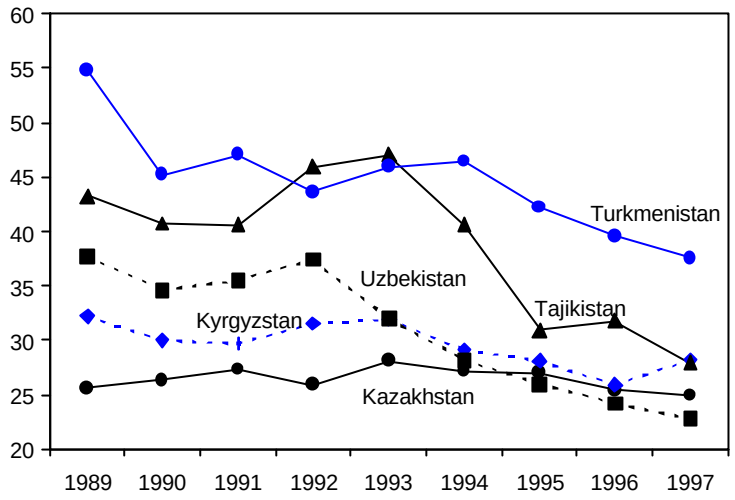
Capability poverty can be measured *directly* in terms of capabilities themselves: e.g. the percentage of children who are underweight; or *indirectly* in terms of access to opportunities, or the means of capabilities, such as access to trained health personnel at birth, and access to education and other public services. With the introduction of charges for health care, textbooks, school lunches and bus fares many children's access to basic social services has been severely eroded and it is likely that this will be reflected in a deterioration of the indicators of child capability poverty. Following the approach adopted in Figure 7 (presented in Section 3 above), the evidence is now examined for recent trends in capability poverty for children at different stages of the life course.

▪ 5.1 *Children under 1*

Infant mortality

The ultimate indicator of capability poverty is mortality. As Sen (1998) points out, other 'capabilities' are contingent on being alive. Figure 10 presents information on the level and trend in infant mortality in the CARs. There are two things to note. Firstly, infant mortality rates (IMR) in the region are relatively high compared to elsewhere in the FSU and CEE. For example, in 1997 IMR in the CARs varied from 22.8 per 1,000 live births in Uzbekistan to 37.5/1000 in Turkmenistan. These compare with rates of 17.2/1000 in Russia, 15.4/1000 in Armenia, 14.0/1000 in Ukraine and 10.2/1000 in Poland (UNICEF, 1999). Secondly, although still relatively high, recorded infant mortality has fallen in all Republics since Independence.

Figure 10: *Infant mortality rates in Central Asia, 1989-1997 (deaths under age 1 per 1,000 live births)*



Source: TransMONEE database, UNICEF.

The trend in IMR has not been uniform across the region. IMR rose in Tajikistan between 1991 and 1993 and since then has fallen dramatically. 1993 marked the zenith of the fighting in the civil war. The decline since then may in part reflect an actual improvement and in part may be due to a worsening of reporting procedures. The introduction of a charge for registering births and deaths has caused the absolute number of events being reported to drop significantly. Because IMR is the only demographic indicator that depends on both births and deaths, the effect of such a charge on IMR is ambiguous.

Concerns over the accuracy of reported IMR are not limited to Tajikistan. Becker, Hemley and Urzhumova (1996) investigated the trends in Kazakhstan and concluded that infant mortality rates in the mid-1990s were underestimated due to under reporting. IMR may also be underestimated due to definitional differences. The official figures on IMR for the CARs are calculated using the Soviet definition of a 'live birth' which tends to under-estimate IMR as compared to the WHO definition. Estimates from the recent Demographic and Health Surveys indicate rates that are significantly higher than the official figures, with IMR of 40/1000 for Kazakhstan in 1995; 49/1000 Uzbekistan, 1996; and 61/1000 Kyrgyzstan, 1997. Such figures compared with IMR of 44/1000 in Nicaragua, 47/1000 in Indonesia and 57/1000 in Egypt (UNDP, 1998).

Low birth weight

Low birth weight has an adverse effect on child survival and development and is also thought to be an important risk factor for a number of adult diseases including diabetes and heart disease (WHO, 1998). Low birth weight is also an indication of the health and nutritional status of the mother during pregnancy. Low birth weight is defined as a weight at birth of less than 2500g irrespective of gestational age.

Evidence on low birth weight babies as a proportion of all births in Central Asia is mixed. The share of low birth weight babies has risen from 5.0 per cent in Kazakhstan in 1990 to 6 per cent in 1996; and from 3.9 per cent in 1989 in Turkmenistan to 4.6 per cent in 1993 but since then has fallen back (UNICEF, 1999). These rates are low by international standards, as WHO estimates the incidence of low birth weight infants between 11-16 per cent in Africa, 10-12 per cent in Latin America and 32 per cent in South Asia (WHO, 1998).

▪ 5.2 *Children under five*

Under-five mortality

WHO (1998) notes that the strongest immediate determinants of under-five mortality rates are the living conditions of families, the prevalence of infectious disease agents and the nutritional status of the child. Although under-five mortality rates in Central Asia are high in comparison to other parts of the FSU and CEE (Table 5), there is no evidence that they have been deteriorating over time. Lower spending on health services does not appear to have adversely affected immunization rates for polio, DPT or measles amongst the under twos which have remained high. The trends in material poverty noted above may, however, be impacting upon children's nutritional status, with subsequent long-term developmental consequences.

Table 5*: Under-five mortality rate, 1997*

	Under-five mortality rate (1997)
Kazakhstan	39
Kyrgyzstan	46
Tajikistan	75
Turkmenistan	74
Uzbekistan	57
Russian Federation	36
Armenia	27
Ukraine	21
Poland	18

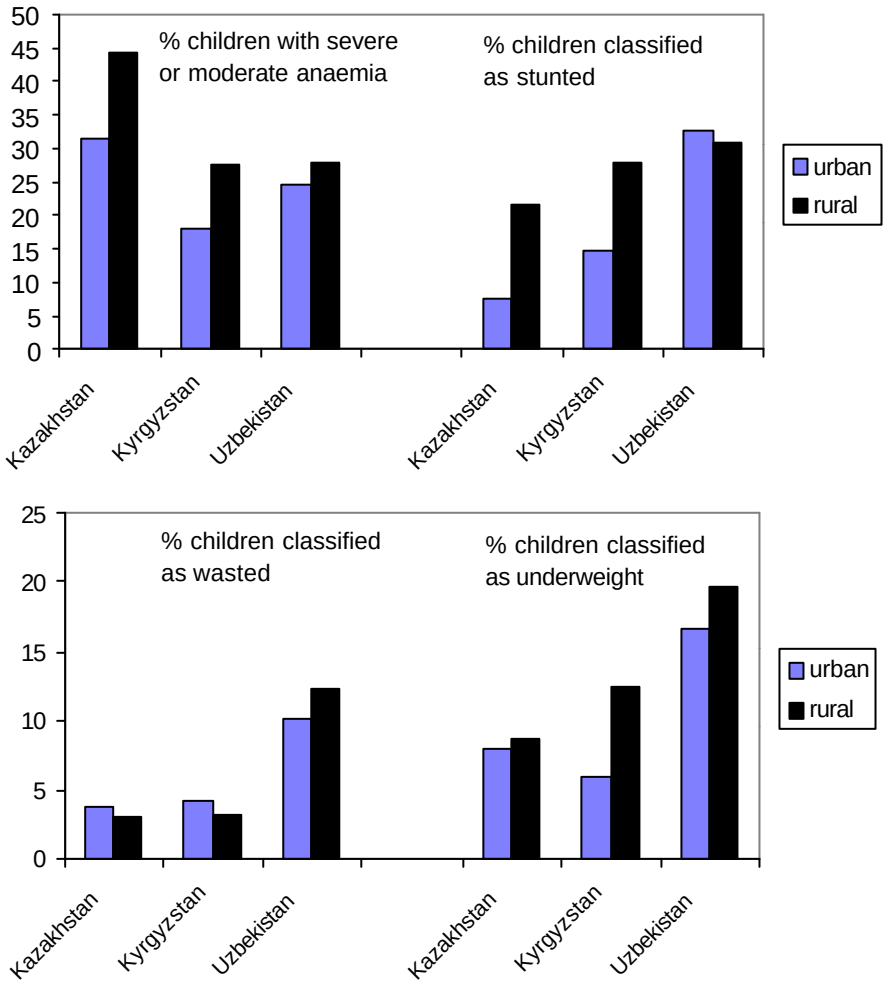
Source: Table A1, WHO (1998).

Nutritional status

The Demographic and Health Surveys contain valuable information on the nutritional status of young children (aged under 36 months) for the three Republics in which the surveys have been conducted. Figure 11 below shows information for the three standard indices of physical growth: height-for-age (per cent stunted reflects *chronic* undernutrition), weight-for-height (per cent wasted reflects *acute* or recent malnutrition), and weight-for-age (per cent under-weight is a good overall indicator of the child population's nutritional health). In a healthy, well-nourished population of children, it is expected that 2.3 per cent of children will fall below two standard deviations of the reference population and will be classified as stunted, wasted or underweight. The figures also present data on the proportion of children under three with moderate or severe anaemia.

It is clear from Figure 11 that the nutritional status of children in the CARs is a major cause for concern. The percentage of children classified as stunted is significantly greater than the WHO standard of 2.3 per cent in all instances.

Figure 11: *Nutritional status of children in Kazakhstan, Kyrgyzstan and Uzbekistan*



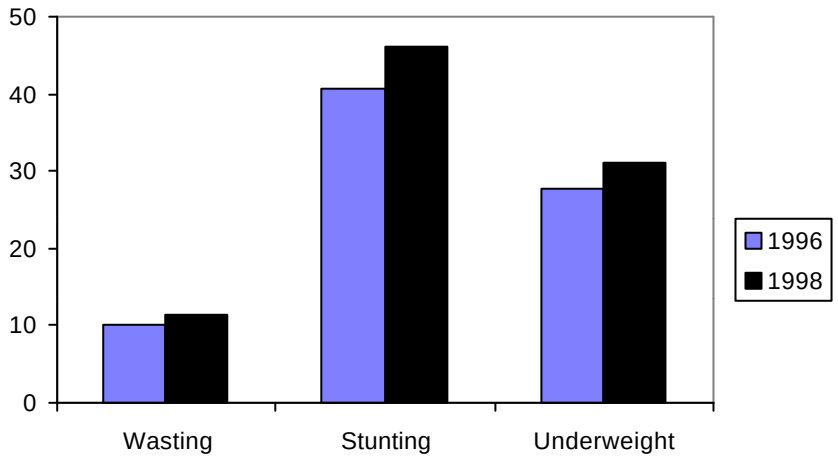
Source: Kazakhstan DHS 1995, Uzbekistan DHS 1996, The Kyrgyz Republic DHS 1997.

Forty-four per cent of children under 3 years old suffered from moderate or severe anaemia in rural areas in Kazakhstan in 1995 and nearly a third in urban areas. Elsewhere in the region the proportion ranges from a fifth to a quarter.

It is interesting (or perhaps worrying) to note that the proportion of children classified as stunted or wasted is highest in Uzbekistan. Yet on other (economic) indicators Uzbekistan appears better off than her neighbours. Ismail and Micklewright (1997), using an alternative dataset, report lower levels of malnutrition which are perhaps more in line with other evidence for Uzbekistan than those from the DHS.

Data from a recent survey by German Agro Action on the nutritional status of children in Tajikistan paint a disquieting picture (Schumacher, 1998). On all measures children's nutritional status has worsened over the last 2 years, and on each measure the position in Tajikistan is significantly worse than elsewhere, although the data in Figure 12 is not directly comparable with Figure 11, as it refers to children under-five. Furthermore the sampling procedures also differ. Nevertheless, over four out of every ten children in Tajikistan are stunted (compared to 16 per cent in Kazakhstan and 25 per cent Kyrgyzstan), over one in ten are wasted and three in ten are underweight.

Figure 12: *The prevalence of malnutrition amongst children under five in Tajikistan, 1996-98*



Source: Schumacher, 1998. German Agro Action, Nutrition, Health and Food Security Survey.

What of other outcomes which are related to government social spending as well as family resources? The decrease in real spending on education, combined with the divestiture of social assets from the newly privatized enterprises has resulted in a fall in the proportion of children under five enrolled in pre-school (see Table 6 below).

Prior to independence attendance at kindergarten was widespread. About one half of children in the target age group were enrolled at kindergartens in Kazakhstan, and around a third in Uzbekistan, Turkmenistan and Kyrgyzstan. Enrolment was lowest in Tajikistan at less than one sixth. Since independence, rates have fallen dramatically in both Kyrgyzstan and Kazakhstan to a quarter of the level in 1989. This is in part due to the closure of enterprise based (employer-provided) kindergartens. However, enrolments have fallen by more than the drop in capacity suggesting a fall in demand for kindergarten places as well as their supply (Klugman et al., 1997).

The decline in enrolment in kindergartens is of particular concern given the part that they can play in raising child welfare, both in terms of freeing the parent to participate in other activities, specifically paid employment, and the developmental value of pre-school education, as well as their role in health interventions.

▪ *5.3 Children 5 to 14*

Enrolment rates

The countries of the FSU, including Central Asia, began the transition with near-universal literacy. Table 2 showed the drop in government expenditure on both education and health services. These falls in real spending are in turn reflected in the changes in enrolment rates presented below. The trends shown in Table 6 indicate that several of the countries of Central Asia have suffered serious reversals in education between 1989 and 1997.

Table 6: *Changes in school enrolment rates (% of the relevant age group) in Central Asia, 1989-1997*

	Kindergarten net enrolment rate (percentage of 3-6 year olds)			Basic education gross enrolment rate (percentage of 7-15 year olds)		
	1989	1997	% change 1989-97	1989	1997	% change 1989-97
Kazakhstan	52.2	11.7	-78%	93.9	89.2	-5%
Kyrgyzstan	31.3	7.0	-78%	92.5	89.2	-4%
Tajikistan	16.7	7.7[1]	-54%	94.1	85.5	-9%
Turkmenistan	36.0	21.0	-42%	94.3	83.1	-12%
Uzbekistan	38.5	22.7[1]	-41%	92.2	89.7	-3%

Source: TransMONEE database UNICEF.

Notes: [1]1996.

The most worrying trend is the decline in the proportion of children aged 3-6 enrolled in pre-primary school.

Basic education continues to be compulsory throughout the CAR, and enrolment rates for 7-15 year olds have remained high, although they have declined from the near universal levels of the Soviet era. In Turkmenistan enrolment in primary schools fell by a worrying 12 per cent between 1991 and 1997.

School attendance

Enrolment rates tell only part of the story. There is a growing problem of declining school attendance. In part this is due to increased child labour, particularly in rural areas. However, the poverty of families has also become a barrier to school attendance. The meaning of 'free' education has shifted. The real costs of education faced by families have risen as the cost of textbooks, supplies, meals and transportation are increasingly being passed onto the student, with the result that many poor parents can no longer afford to send their children to school. When children in Kyrgyzstan were asked why they had discontinued with their studies, the majority (68%) reported that they had finished/graduated. However amongst those who gave other reasons, *over half* said they had to leave school to earn money to live and 5 per cent said it 'cost too much'

▪ *5.4 Children 15 to 19*

Education

Enrolment rates have also fallen in post-compulsory education establishments. The proportion of 15-18 year olds attending general secondary schools has fallen by just over 10 per cent in Kyrgyzstan, Kazakhstan and Turkmenistan and by a quarter in Uzbekistan. Perhaps of greater concern, however, is the drop in technical and vocational enrolment. There have been substantial declines across the region with enrolment rates down by over two-thirds in Turkmenistan, a half in Kyrgyzstan and 39 per cent in Kazakhstan and Tajikistan.

One of the reasons for the fall in enrolment in technical and vocational establishments is that the skills they provide are increasingly seen as irrelevant. The system is still largely geared up to train young people for positions needed under the central planning system. Training is generally oriented towards obsolete Soviet technology and not the new skills needed in a market economy such as accountancy, marketing and management.

Table 7: *Changes in secondary, technical and vocational school enrolment rates (% of 15-18 year olds) in Central Asia, 1989-1997*

	General secondary enrolment rate (percentage of 15-18 year olds)			Technical & vocational enrolment rate (percentage of 15-18 year olds)		
	1989	1997	% change 1989-97	1989	1997	% change 1989-97
Kazakhstan	30.4	26.5	-13%	42.4	25.7[3]	-39%
Kyrgyzstan	36.6[1]	32.4	-11%	27.3	13.2	-52%
Tajikistan	41.5	22.5	-46%	20.2	12.4[2]	-39%
Turkmenistan	39.0	34.4[2]	-12%	25.8	7.9	-69%
Uzbekistan	37.5	28.6	-24%	32.4	n/a	

Source: TransMONEE database UNICEF.

Notes: [1] 1990; [2] 1995; [3] 1996.

The combined effect is significantly fewer 15-18 year olds in education. The question then is - has the labour market been able to absorb this extra supply?

Youth unemployment rates

In the past youth unemployment was virtually unknown. Young people were allocated to jobs after finishing education as part of the central planning process (Evans-Klock and Samorodov, 1998). Since independence this mechanism has broken down. Public enterprises are increasingly unable to take on new staff and competition for jobs with new private businesses is fierce.

As we saw in Table 1, unemployment in general has risen across the region. There is little evidence on official unemployment rates by age, which makes it difficult to judge whether younger workers have suffered disproportionate job losses during the economic recession. However, data from the two rounds of the ILO surveys in Kyrgyzstan in 1992 and 1995 show that the share of young workers (defined as under 25) in employment had dropped substantially. In 1992 they made up a quarter of the work force, but by 1995 they constituted only one fifth (Evans-Klock and Samorodov, 1998). In Kazakhstan, in 1996, young people aged below 20 accounted for 15 per cent of all registered unemployment.

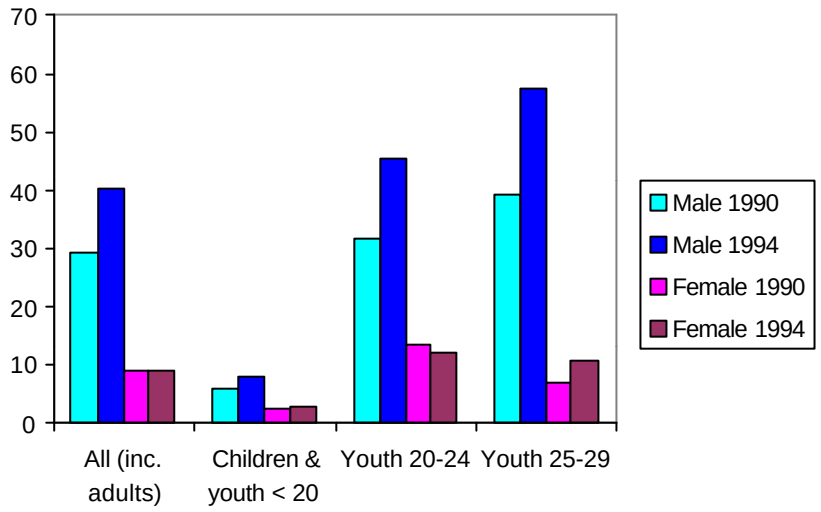
▪ *5.5 Growing social exclusion?*

The combined impact of lower household income, greater school absenteeism, fewer job prospects and an uncertain future has resulted in an increase in anomie. The rise in the number of young people who feel alienated from society and unable to cope with the multiple problems of unemployment, poverty, family tension and breakdown is reflected in a number of recent trends:

- Rise in alcoholism and drug abuse among children & young people
- Rise in suicide rate
- Increase in juvenile crime rates
- Increase in teenage pregnancy

Figure 13 shows a disturbing increase in suicides committed by children and teenagers in Kazakhstan. From a level of 6.1 suicides per 100,000 children under age 20 in 1990 for boys and 2.6 for girls, by 1994 the incidence had increased to 7.8 for boys and 3.0 for girls (Bauer et al., 1998). The increase was even greater for young men in their 20s.

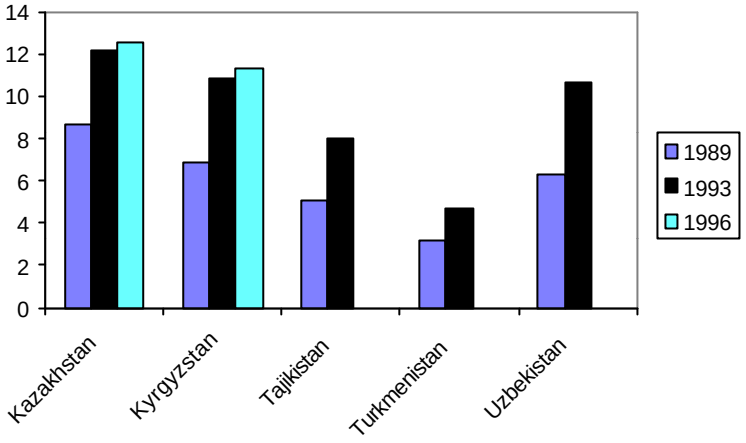
Figure 13: *Suicide rate among children and young adults in Kazakhstan, 1990-94*



Source: Graph 22, Bauer et al. (1998).

A similar rise in adolescent male suicide rates has been found in Russia, with rates rising from 8.9/100,000 in 1990 to 13.4/100,000 in 1997 (UNICEF, 1999). Elsewhere in Central Asia, suicide rates are much lower than in Kazakhstan. Nevertheless there is some evidence of an increase in psychological stress amongst teenagers. In the city of Khudjand in Tajikistan a telephone hot-line has been set up by the 'Association of Business Women' (a local NGO) for young women who have or are contemplating attempted suicide. The main reason cited by callers in 1996/7 was 'depression' (43%) followed by 'the difficult material situation of the family' (30%).

Figure 14*: Share of births to women under 20, Central Asia 1989-96*



Source: TransMONEE database UNICEF.

The growth in teenage pregnancy reflects an underlying increase in unsafe sexual activity. The DHS found that 1 per cent of 15-19 year old women in Kazakhstan had already had an induced abortion. Pregnancy is only one outcome of such activity. STDs is another. And following in the wake of STDs is HIV.

6. Conclusion

Much has been written on the meaning of transition. Economists when referring to transition usually mean the shift from a centrally planned economy to a market orientation. In political terms the 'transition' may be one from dictatorship to democracy. From a welfare perspective the current transition in Central Asia is from a universal welfare state to a ›residual‹ one and from an equitable distribution of income to rising inequality. However, from a child's perspective the recent transition may simply be from a position of *security* to one of *uncertainty***.**

The human cost of economic transition has been high. Children, far from being protected from its impact, have been amongst those who have suffered the most. Child poverty rates exceed those of the general population. Child nutritional status is poor and levels of stunting and wasting are now more akin to those observed in parts of sub-Saharan Africa.

Yet infant mortality has fallen and remains low in comparison to other low and middle income countries. Immunization programs have continued near universal coverage and primary school enrolments have been maintained at a reasonably high level. However, there are signs that the combined impact of low social spending *and* low household income is beginning to take its toll. Children whose families are not able to contribute towards their education or health care costs face the risk of being excluded from access to these vital

services. And even where they do gain access to them, the quality of the learning experience is endangered by other factors. It is not sufficient to sit in a cold school building to learn. Older children face the prospect of leaving school to enter an uncertain labour market. Job opportunities are scarce and training often inappropriate. Home life for some children is also not as secure as in the past, as financial pressures fuel domestic tensions.

Given that in the Central Asian region children take pride of place within the family and, culturally, children are prioritized within the family's hierarchy of needs, the observed levels of malnutrition amongst young children and growing absences from school are indicators of a society in severe distress. Families alone have been unable to protect children from the negative outcomes associated with transition. Governments in Central Asia need to intervene, both to protect the future human capital of their countries, and to minimize the multiple risks of material and capability poverty children face during transition. We need to ensure that the transition children experience is one that offers both opportunity and freedom and not simply uncertainty and insecurity.

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