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Background Note

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The global economic crisis and impacts on children and caregivers: emerging evidence and possible policy responses in the Middle East and North Africa

By Nicola Jones, Caroline Harper, Sara Pantuliano and Sara Pavanello

The financial crisis, which began in mid-2008 in the developed world, has had a major adverse impact on economic performance in Europe and North America in particular, causing many Organisation for Economic Co-operation and Development (OECD) countries to enter recession. While initial signs are emerging that macroeconomic indicators of the global downturn in Europe and Asia have started to stabilise (EIU, 2009), the effects on poverty and vulnerability in both the developed and the developing world are likely to reverberate for some time. World Bank estimates (16 September 2009), revised sharply upwards from initial calculations, suggest that slower economic growth owing to the current economic crisis will leave 89 million more people than expected on less than $1.25 a day by end-2010 (World Bank, 2009a). According to figures released earlier in 2009, another 53 million will be pushed into less-than-$2-a-day poverty (World Bank, 2009b). This is over and above the 130-155 million people pushed into poverty in 2008 because of soaring food and fuel prices. There may be very early signs of recovery in developed countries, but repercussions in many developing countries remain severe.

Experience of previous crises points to the importance of considering the impacts on children and their caregivers. Increases in child mortality and morbidity, child labour and exploitation and violence against children and women as well as declines in school attendance and the quality of education, nurture, care and emotional wellbeing can all be traced to times of economic crisis (Harper et al., 2009; Hossain et al., 2009). This Background Note explores these questions in relation to the Middle East and North Africa (MENA) region, building on a more in-depth analysis of the response to the crisis in six countries including Egypt, Jordan, Morocco, Saudi Arabia, Sudan and Yemen. The paper presents a framework for analysing the impact of shocks on children in the different contexts in the region, reviews existing evidence on the fallout of the crisis and suggests initial policy implications.

The impact pathways of the Triple F crisis

The 'Triple F' (financial, food and fuel) crisis has had very varied effects across the region. This diversity is a result of highly different pre-crisis macroeconomic contexts (including dependence on oil prices, workers' remittances, tourism, foreign direct investment (FDI) and levels of integration with world trade); varied political and governance contexts (ranging from conflict and transitional societies to polities experiencing a range of social challenges, such as high unemployment and a youth bulge); as well as a range of policy responses undertaken by governments in the region to mitigate the adverse effects of the crisis. While economies in the region appear to have coped relatively well overall in the short term compared with emerging markets in other regions (e.g. Africa and Asia), in the mid to long term a prolonged slowdown carries the potential for social and political instability in MENA countries.

Recent evidence on the impacts of the crisis in developing countries indicates that, for low-income countries (LICs), the effects of the crisis have included: **reduced financial flows**, whereby net financial flows to developing countries may fall by as much as $300 billion in two years, equivalent to a 25% drop (te Velde, 2008); **decreased remittances**, anticipated to fall by between 5% and 7% in LICs in 2009, which

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could cause significant hardship, especially given that some countries are extremely dependent on remittance flows for foreign exchange and to augment household income (World Bank, 2009b); **declines in trade volumes and changes in terms of trade**, which could hit some countries severely (terms of trade losses for Yemen, for example, exceeded 5% of gross domestic product (GDP) in 2008 (ibid)); and **reduced aid flows**. Increased budget pressures in richer countries create concurrent risks that aid budgets will be cut and that the value of commitments in dollar terms could decline. These effects have been compounded by pre-existing **increases in food and fuel prices**. Food prices in August 2009 were 57.6% higher than in the same period of 2005, and energy prices were 27.5% higher. The impact has been most severe for the poor, for whom expenditures on food and fuel often represent more than 50% of spending (ibid).

Intermediate crisis effects include **declining investment in public services**, for which the World Bank (2009b) estimates that financing shortfalls to cover core spending on health, education, safety nets and infrastructure amount to $11.6 billion for the poorest countries; **unemployment**, with layoffs initially in export-oriented industries, cuts in working hours and a shift towards the informal sector; **diminished consumption capacity**; and **reduced access to credit**. Women are particularly vulnerable to any credit crunch in the microfinance sector, where they comprise 85% of the poorest 93 million microfinance borrowers across the globe (ibid).

Governmental policy responses in turn shape the way in which these intermediate effects affect household functioning. A key measure undertaken by a number of governments to date has been a fiscal stimulus package, although many countries struggle to afford this and cannot protect core spending on public services or spend directly to protect jobs and vulnerable people. Different effects of the crisis, and measures undertaken by governments to mitigate them, shape children's experiences of poverty through reduced household incomes and purchasing power, increased household stresses and intra-household dynamics and household composition factors. Intra-household conditions have wide-ranging effects: reduced consumption, protection and time contribute to the above-mentioned declining child wellbeing outcomes. Identifying the scale and duration of these potential effects at each level is clearly important. Experience from previous crises indicates a range of often interlinked **potential impacts on children**. These include increases in child mortality and morbidity, child labour, child exploitation, violence against children and women and other forms of abuse, alongside declines in school attendance and in the quality of education, nurture, care and emotional wellbeing. Many of these impacts have long-term, life-long and sometimes intergenerational implications.

MENA before the crisis

The MENA region comprises a diverse range of countries with greatly differing economic, social and political conditions. These countries face varying levels of dependence on international economic changes in aid, exports, imports, FDI and remittances. Those with substantial oil revenues (GCC (Gulf Cooperation Council) countries) such as Saudi Arabia, Kuwait, Qatar and the United Arab Emirates (UAE)) have some financial cushioning from shocks, although they are, nevertheless, experiencing a sharp downturn in revenue. Elsewhere, in countries without substantial financial capacity, the drop in economic growth is more acutely felt. Countries such as Lebanon, Jordan, Syria, the Occupied Palestinian Territories (OPT), Egypt, Morocco, Syria and Tunisia are, in general, highly exposed to Western European markets, in terms of exports and labour, and therefore remittances. Some of these countries export oil, but the percentage of GDP derived from oil is modest compared to countries such as Saudi Arabia, where oil revenues represent the largest share of GDP. The 2009 World Bank's Global Economic Prospects' vulnerability index (a weighted measure of the exposure of a country to developments in sovereign spreads, equity markets and exchange rates, as well as in gross capital inflows) indicates that Lebanon, Syria, Jordan and Egypt are among the most vulnerable countries in the region, although the level of vulnerability of these economies is still low in contrast with the average exposure found in other regions (World Bank, 2009b).

A general picture of the macroeconomic health of countries in the region prior to the onset of the crisis can be obtained by comparing the average level of macroeconomic indicators between 1990-1994 and 2000-2004. These trend data help us to ascertain the magnitude and depth of a given country's vulnerability to the Triple F crisis and to observe whether changes in aid, trade, remittances and financial flows (the four key macro-level variables under examination) have been fluctuating throughout time or have been stable and are therefore more indicative of fundamental characteristics of the economy.

Aid dependence: During the period 1990-2004, all MENA countries, with the exception of the OPT, experienced a significant fall in aid. By 2004, (again, with the exception of the OPT, Iraq (post-war) and Yemen), the region was characterised by a low level of aid dependence. This indicates that, although one of the risks of the current economic crisis is declining aid flows, this is likely to be a significant concern for only a small minority of countries within the region.

Trade flows: Exports from MENA countries increased over the 1990s and 2000s, although the relative importance of exports to national GDP varied widely between countries with very high levels of dependence on exports (Bahrain, UAE and Qatar) to countries poorly integrated in terms of export markets (Lebanon, the OPT and Sudan). Given that international export opportunities have contracted since the onset of the crisis, the dependence of many MENA countries on commodity exports is obviously a source of concern. Conversely, import levels fell during the same time period in most countries. Low dependence on imports may suggest that a country is self-dependent and, therefore, unlikely to be exposed to rising prices in the context of international price hikes, but may also reflect the fact that a country is unable to afford to buy from abroad, so each country case would need to be examined carefully.

Foreign direct investment: The change in the level of FDI between 1990-1994 and 2000-2004 was minute. Overall dependence on FDI was relatively low compared with other developing countries, most economies having an average FDI below 5% of GDP between 2000 and 2004, and the regional average being 1.3%. This figure rose to 3.69% for the most recent five-year period with available data (i.e. 2003-2007), with countries such as Jordan and Lebanon enjoying FDI average levels of 12% GDP during the same period. This suggests that, although declining global levels of FDI during the current crisis are not expected to impact the region as dramatically as in other regions, they could nevertheless have significant effects on some MENA countries and should be monitored carefully.

Remittances: The picture in the case of remittance levels is more mixed. While nine countries in the region have become less reliant on remittances since 1990, in five countries dependence on remittances has increased, with the biggest rise found in Jordan (6.7%). Jordan (21.7%), Lebanon (17.3%), Morocco (14.5%) and Yemen (12.2%) relied heavily on remittances between 2000 and 2004. This is obviously a dimension that should be considered carefully when assessing the social impacts of the crisis on children and caregivers.

Inflation levels: A number of countries experienced relatively high inflation levels, even pre-crisis, for instance Yemen (20% in 2006, although this declined to 10% in 2007), Egypt (9.3% in 2007) and Sudan (8.0% in 2007). High pre-crisis inflation levels indicate that governments lack the ability to control the inflation level and suggest that these countries are vulnerable to internationally derived price hikes.

Dependence on food imports and food aid: The extent to which countries are reliant on food imports is very mixed across the region. Between 2000 and 2004, Yemen (29.4%), Egypt (25.3%) and Algeria (24.7%) had a high level of dependence on food imports (measured as a percentage of total imports); the level was relatively low in the UAE (8.7%), Tunisia (8.8%) and Bahrain (10%). This suggests that the former countries were likely to be especially vulnerable to rising food prices during the 2007-2008 global food price crisis. The level of dependence on food aid in the region in the 2003-2005 period was relatively low overall, with the exceptions of Jordan and Sudan (around 7% of total consumption).

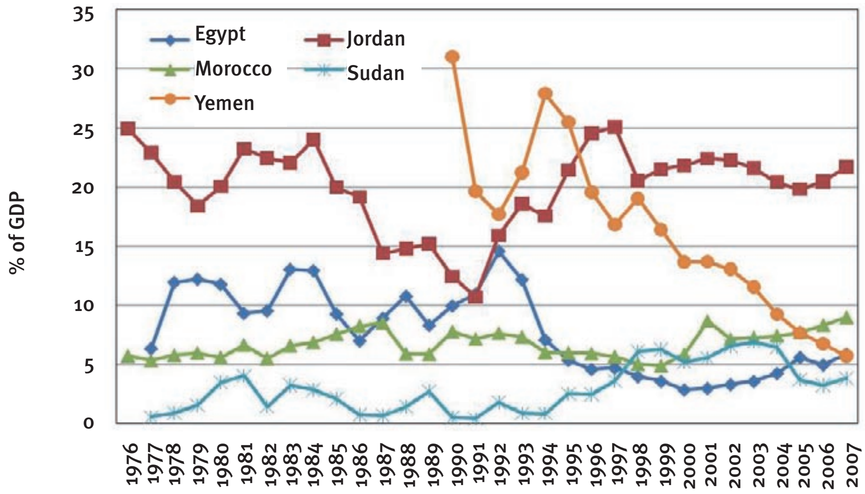
Food consumer price index: Food-dependent countries such as Egypt and Yemen were already experiencing high levels of inflation between 2005 and 2007, reflecting the rise in food prices globally since 2003-2004. In 2008, the largest increase was in Yemen, where prices rose more than threefold compared with 2000 levels. In Egypt and Jordan, the food price inflation index was 30% higher in 2007 than it was in 2000, with the major increases occurring between 2005 and 2007. This indicates that the impacts of the food price crises aggravated an already serious problem of food affordability.

The macro-economic impacts of the crisis

The effects of the crisis have varied across the MENA region as a result of the different pre-crisis dynamics in aid, trade, prices, remittances and financial flows outlined above. In Jordan, remittances account for almost one-fifth of GDP, and are an important contributor to the country's macroeconomic performance (Behrendt et al., 2009; Saleh and Fifield, 2009). Given the significant contribution that remittances play, both in macroeconomic terms and as an important informal social protection mechanism, the economic downturn in most remittance-sending regions, and in particular in Gulf countries, is estimated to have substantial negative repercussions on the Jordanian economy. Around 600,000 Jordanians work abroad, mainly in the Gulf countries: 260,000 in Saudi Arabia, 250,000 in the UAE, 42,000 in Kuwait and 27,000 in Qatar (Obeidat, 2009). According to the latest Central Bank of Jordan report (July 2009), remittances have decreased by 12% compared with the same month last year, an important factor being the increasing number of Jordanians working in the Gulf who have been laid off since the start of the economic crisis (ibid). Elsewhere, remittances are of lesser but still significant importance; for example, pre-crisis figures from 2007 show expatriate remittances at 8.96% of Morocco's GDP (World Development Indicators, 2008).

Those countries still experiencing GDP growth, such as Egypt at 4% (IMF, 2009), may be very exposed – in Egypt's case, for example, through drops in exports, tourism and Suez Canal revenues and significant reductions in FDI and remittances. For decades, Egypt has supplied professionals and workers to schools, hospitals, offices and construction sites of Gulf nations and other countries. There are also large Egyptian communities in both the US and Europe:

Figure 1: Remittances for selected MENA countries



Source: World Development Indicators.

the US alone is the source of about a third of private fund transfers to Egypt. However, remittance growth stopped in 2008, and a further decline is expected towards end-2009 (Saleh and Fifield, 2009).

Countries with high levels of poverty, such as Sudan, Yemen and Djibouti, are already coping with multiple problems, including conflict, and the economic crisis compounds pre-existing poverty and social tensions. Yemen is identified as a LIC suffering a particularly large shock (World Bank, 2009b), being hit hard by food price rises owing to its dependence on external supplies, terms of trade losses in excess of 5% of GDP, lower remittances and lower official development assistance (ODA).

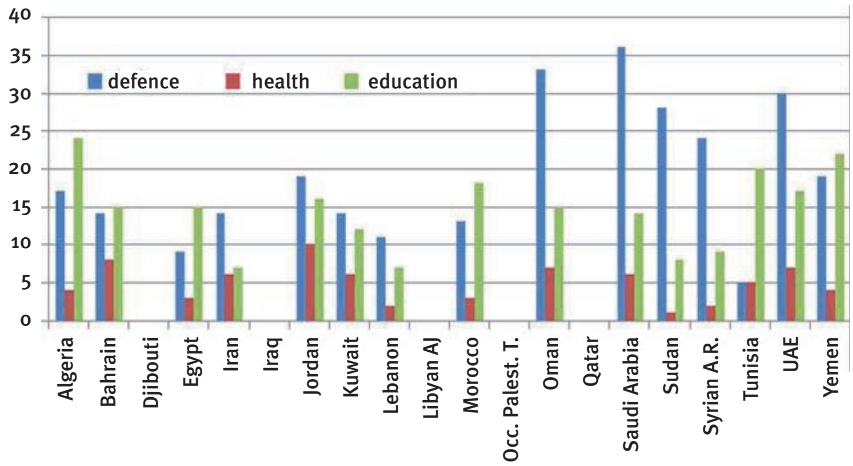
In the case of Sudan, the country is now considered one of 26 LICs that are 'highly vulnerable to the adverse effects associated with the global recession, mainly through its impact on trade' (ibid). The Government of Southern Sudan (GoSS) is reported to have been hit harder by the crisis than the Government of National Unity (GoNU), because of its higher dependency on oil revenues. According to one report, oil price drops have forced the GoSS 'to live on a quarter of the money it budgeted' (Sanders, 2009). Earlier this year, this led to the implementation of a 10% salary cut for senior officials and the approval for the first time of income tax on Southern Sudan's citizens, who are among the poorest people in Africa (ibid). Compounding the food price crisis in Sudan, late and possibly poor harvests are causing concern. It is thought that delayed and scarce harvests will increase pressure on staple food prices, reduce food access and potentially increase malnutrition levels, which are already chronically high. As part of the World Health Organization (WHO) response to the global food crisis, Sudan was classified as one of 21 countries suffering from acute or chronic malnutrition and at high risk of immense health implications (WHO, 2009). Given existing high levels of malnutrition and morbidity across Sudan, the Triple F crisis could have catastrophic impacts on the country.

The extent to which countries are able to respond to crisis depends also on existing investment in human development, service provision and social protection. In the MENA region, even with the economic growth experienced prior to the crisis, wealth and growth surpluses have not been channelled systematically into building strong industrial, infrastructural and human skills bases. As social protection and social safety net programmes have not been an area of significant investment, MENA countries entered the economic crisis with already inadequate social protection systems.

The impacts on children and their families

Food insecurity is an important issue across the region (although data are fragmented): Yemen, Egypt and Algeria import significant proportions of their food supply, at 29%, 25% and 27%, respectively. Such countries are particularly sensitive to food price increases, and evidence from Yemen, Egypt and Morocco suggests strongly that reduced nutrition is affecting child growth. Food aid, also sensitive to price increases, is important in both Jordan and Sudan. In Iraq and Jordan, refugees and internally displaced persons (IDPs) are cutting out nutritious food, and under-five nutrition in Oman is reported to be compromised. Similarly, as a result of rising food and fuel prices, the UN High Commissioner for Refugees (UNHCR) is finding it increasingly difficult to meet its funding needs to support Iraqi refugees in Jordan. For example, in 2007 a supplementary food package for a refugee family cost the agency $70, whereas in 2008 it cost $113. In 2008, therefore, UNHCR announced

Figure 2: Government spending (% of total expenditure) between 1997 and 2006 by sector for select MENA countries



Source: World Development Indicators (2009).

that it was being forced to reduce the caloric content of food packages from about 1300 calories per person per day to 1100 (Seeley, 2008).

Health and educational services already show some indications of being subject to cuts. Health services have remained worryingly static or even declined as a proportion of government expenditure over the 2000s, despite rising GDP levels in some countries and increasing investments in education and defence. This is of particular concern given the very poor health and nutrition indicators for many of the countries in the region. Morocco, for example, is already spending less than 5% of its total expenditure on health, and the state's ability to maintain even its basic health care policies is being challenged. At the same time, pressures on the system are likely to increase as migrants return home and the ability to pay for services declines.

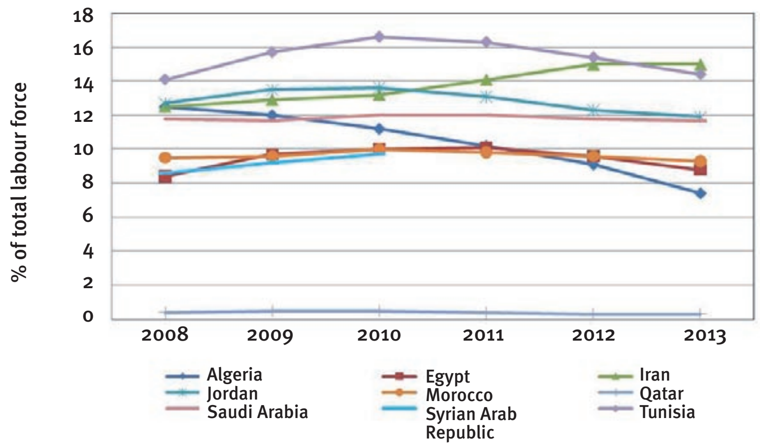
Education is often a casualty of recession, and children in Egypt, Sudan and Yemen have already been withdrawn from school because of an inability to pay school fees and higher transport costs. Pre-existing gender inequalities risk being exacerbated (in Yemen, 46% of girls complete primary school compared to 74% of boys). In a 2008 rapid assessment, some 18% of households in Yemen surveyed by the World Food Programme (WFP) confirmed that families had been compelled to take children out of school, the main reason cited being the current economic situation and inability to pay school fees.

The crisis also risks exacerbating **child protection** concerns. Exploitative and abusive child work, early marriage and domestic labour are significant features of the region. Data are notoriously difficult to find, but economic crisis can exacerbate such practices, and the withdrawal of children from school is indicative of an increase in such practices.

Migrants, refugees and internally displaced persons (IDPs) experience particular vulnerability in times of crisis. Domestic workers from Southeast Asia, of whom there are thought to be 1.5 million in the MENA region, may be vulnerable as they have little access to protection rights. Rising food and fuel prices have accelerated the impoverishment of many, and evidence from Iraq suggests increasing dependence on humanitarian assistance as a result. IDPs in Yemen are facing similar difficulties. The already vulnerable and impoverished Iraqi community in Jordan has been hardest hit by the recent economic crisis and soaring inflation (Palade, 2008). The majority of Iraqis were renting houses before the crisis, and a growing number of families have been forced to share apartments or even rooms because they are unable to afford spiralling rents (IOM, 2008). There is also growing evidence that the deteriorating economic situation of Iraqi families, coupled with rising costs of living, is forcing many children to leave school and look for menial jobs to contribute to the family income (ibid).

Unemployment is rising across the region, having reached 10% in Saudi Arabia (27% for women). In Egypt, job creation fell by 30% in December 2008 and unemployment now stands at 8.8%, while in Jordan unemployment has risen to 13%. Young people, in particular, are likely to be affected. In Egypt, 1.6 million youth are out of work – at 17%, this is double the national unemployment rate. Of these, 95% have a secondary education or higher, indicating a disconnect between expectations and job availability. Returning migrant workers are further compounding this problem. Given that evidence from other regions (e.g. East Asia) suggests clear links between increases in domestic violence and unemployment, family hardships and social unrest (e.g. Jones and Marsden, 2009), this will be an important area to monitor.

Figure 3: Unemployment forecasts (%) for select MENA countries



Source: EIU (2009).

Policy responses to date

Fiscal stimulus packages have been a favoured government response to the crisis in many developed and developing countries. In the MENA region, Egypt, Morocco and Saudi Arabia are protecting employment and the export sector. Saudi Arabia is subsidising the price of basic goods, increasing public wages and expanding health, education and agricultural projects. Several countries have sought to stabilise food prices by reducing import tariffs and imposing export tariffs on basic commodities and staples. Others, including Saudi Arabia, have invested in international agricultural production to try to meet their long-term domestic demand. Jordan has introduced price controls to encourage farmers to grow cereals and Egypt has expanded its food subsidy programme. Elsewhere, such as in Yemen, food aid and school feeding have played an important role in helping mitigate the impact of the crisis.

Social protection programmes, despite the caveats already mentioned, have provided income supplements to combat inflation, as is the case in Egypt. There are plans to do the same in Yemen, while Jordan has increased salaries of public sector employees, expanded cash payments to pensioners and others and targeted widows and orphans through its national aid fund. Several governments have increased cash transfers to vulnerable groups, including Yemen, Oman and Morocco. Support for refugees and IDPs (in Yemen), though, appears to be limited in these countries.

Overall, however, despite some substantial rescue packages, government responses have been criticised for being partial, for being focused only on a few sectors and for lacking long-term vision. For example, Egypt's food subsidy programme, which costs an estimated 2% of GDP (before the rise in food prices), neglects between one-quarter and one-third of the poor, with 83% of the value of food subsidies going to the non-poor (World Bank, 2005 in World Bank, 2009c). Meanwhile, rescue packages have failed to materialise in some countries.

Government responses to the crisis have not extended to refugees, whether Palestinians or Iraqis. International response has also been wanting. Agencies like the UN Relief and Works Agency (UNRWA) and UNHCR have been faced with a dual challenge: on the one hand soaring inflation has meant more people are in need of their assistance; on the other hand the economic downturn climate has translated into decreased funding, and available funds now have significantly less purchasing power.

Another lamentable aspect of the response has been the lack of attention to age- and gender-related issues, the latter perhaps unsurprisingly, given the region's lack of gender equality. Although the countries analysed in detail in the six case studies presented in the main report have all responded to the crisis, few responses have been child or gender sensitive. In most countries it is assumed that tackling household poverty will protect all members of the household, including women and children, despite ample research evidence to the contrary (e.g. Jones and Sumner, 2008).

The importance of age- and gender-sensitive responses

The crisis may present an opportunity to draw new attention to **gender inequalities**. Viewing issues of employment, income and remittances through a gender lens highlights the increased vulnerability of female-headed households as a result of the crisis. In Morocco, for example, 17% of Moroccan households are female-headed, and this figure is set to increase (World Bank, 2007). Reports from the wider MENA region indicate that the majority of female-headed households depend heavily on transfers from family and friends (rather than earned income) (ibid): 'Only 36% of female heads of households versus 71% of male heads of households receive their income from earnings'. The predicted decline in remittances, particularly from Spain, where Moroccans are the country's largest group of immigrants (UN, 2009), and where unemployment among Moroccan immigrants is at its highest rate of 21% (UNDP, 2009) could have serious financial implications for female-headed households.

Refugees and IDPs are particularly vulnerable and represent enormous challenges in terms of meeting humanitarian and development assistance needs. Many IDPs and refugees, for example in Jordan, Egypt and Sudan, live scattered among the large urban population, which makes them almost invisible to humanitarian organisations. Refugees are not allowed to work and the majority resort to finding employment in the informal sector, where they are at high risk of exploitative practices and abuse (IOM, 2008; UNHCR, 2009). In Jordan, the influx of Iraqi refugees has peaked at a time when food and fuel prices have risen and when large numbers of Jordanians have started to return from Gulf States, adding to the thousands looking for scarce jobs and creating hostility towards refugees among Jordanians (UNHCR, 2009). Violence and discrimination towards refugees extends to children in school (Dalen and Pedersen, 2007; Seeley, 2008).

The **shortfall in funding for humanitarian organisations** such as WFP and UNHCR has so far prevented humanitarian actors from stemming increased vulnerability, particularly for children and women. In countries with pre-existing high levels of poverty, insecurity, violence and governance failures (i.e. Sudan and Yemen but also Somalia and Djibouti), and the lack of international support risks exacerbating existing tensions. In Sudan, such tensions threaten to further undermine the already fragile North–South peace agreement. The shortfall may also precipitate a humanitarian crisis in parts of the country if the harvest fails this year as feared. There is an urgent need for the international community to help close the funding shortfall to address the immediate and longer-term needs of these populations.

Neglected and marginalised groups are notable by their absence in **available data**, which in turn perpetuates their invisibility. This is the case with migrant workers, their working conditions in the region and beyond, and the impact of reduced remittances on their children, wherever they live. This gap also applies to women and children in refugee and IDP populations, who are particularly vulnerable. Data on children's right to protection are notoriously difficult to collect, but analysis of past crises has indicated that child protection abuses can rise, including commercial sex work, harmful forms of child labour and sexual violence (Jones and Marsden, 2009). The prevalence in the region of girls' lower socio-cultural status and practices such as early marriage in some countries indicate that this is a priority area of focus. Much of the available data are neither age nor sex disaggregated, and there is an urgent need to invest in real-time monitoring. While macroeconomic indicators may improve, there is a time lag on the ground in terms of the onset of impacts and recovery, implying that the financial crisis should be considered as an opportunity to strengthen knowledge and data systems and monitor impacts. This would also apply to knowledge management systems across the region pertaining to donor and non-governmental organisation (NGO) responses to the crisis, information on which is sparse. This hampers coordination efforts among non-governmental agencies and between NGOs and governments. Such synergies are especially critical when resources are scarce.

Indications of withdrawal of **funding of core services** must also be a priority area of focus. Although many MENA countries have developed extensive social protection systems, they often suffer from institutional capacity gaps and inefficient resource allocation (World Bank, 2002). These pre-existing conditions have to be borne in mind when assessing the ability of formal social protection mechanisms to cushion vulnerable groups adequately from crisis situations. Existing protection systems need strengthening, and expenditure must be oriented towards servicing those in need, to prevent them from withdrawing from the service and, in the case of health, neglecting themselves and their children despite possible long-term consequences. Among other service-oriented interventions, there is a need for: greater investment in nutritional supplementation for both pre-school and school-age children; awareness raising about protection-related social services to which women and children can turn in the event of escalating family violence; and the introduction of education and health service fee waivers to enable the poorest continued access to services. The crisis can also be seen as an opportunity to reorient existing safety nets and services to promote greater equity across the population, as pre-crisis growth was not pro-poor in many countries.

As the alarmingly high youth unemployment rates indicate, **youth policy** has been neglected. Economic growth in Saudi Arabia, Jordan and Egypt, for example, did not translate into increased job opportunities for young people (and especially for young women) during the years preceding the economic crisis. This highlights the fact that the recent crisis has exacerbated existing structural problems, such as unemployment, in these countries. The significant youth bulge across the region would indicate that education and employment linkages for this group are a priority.

Finally, the crisis could also be usefully framed as an **opportunity** to strengthen policy attention towards poor and vulnerable children and their families. In some countries, oil revenues may enable the protection of social sector spending, but across the region, governments would be well advised to monitor the extent to which existing safety nets and services provide vulnerable families with adequate support in the context of crisis, and to invest in strengthening social protection and basic service infrastructure to provide more sustainable mechanisms in the mid to long term. Importantly, growth to date has been neither pro-poor nor pro-youth in many countries. In a number of countries (e.g. Yemen and Egypt), social protection mechanisms were already poor/problematic before the crisis (e.g. poor targeting mechanisms), and in many, the positive effects of growth have not addressed inequality and gender disparities sufficiently (e.g. Morocco, Yemen).

This highlights the need for meaningful efforts, both by governments and by international partners, to leverage the increased global and regional spotlight on poverty and vulnerability to support pro-poor growth, improve and strengthen social protection mechanisms, address gender inequalities and prioritise investments in and protection of children and young people. Children and young people comprise not only the largest population group across MENA, but also represent, through the quality of their wellbeing, the future potential of the region.

This Background Note is based on a UNICEF MENA Commissioned Report by Nicola Jones, Caroline Harper, Sara Pantuliano and Sara Pavanello, with Kim Kyunghoon, Shreya Mitra and Katie Chalcraft. Nicola Jones, Caroline Harper and Sara Pantuliano are Research Fellows at ODI, Sara Pavanello is a Research Officer and Kim Kyunghoon, Shreya Mitra and Katie Chalcraft provided research assistance. For more information, contact Nicola Jones, ODI Research Fellow (n.jones@odi.org.uk).

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