



*Voices of the Vulnerable*

RECOVERY  
FROM  
THE  
GROUND  
UP





# **Harnessing innovation to protect the vulnerable during global crises**



## **MESSAGE FROM THE SECRETARY-GENERAL**

In the face of the global financial crisis a number of developing countries have proven to be remarkably resilient – if judged purely in terms of economic growth. At the same time, it appears that the burden of coping has been borne disproportionately by poor and vulnerable people. This reality is poorly understood as it tends to fall below the radar of most traditional monitoring systems.

The qualitative findings presented in this report reveal that even where countries have been resilient and are returning to growth, the day-to-day costs of the crisis have been high for many households. Furthermore, where immediate impacts appear not to have been severe, the ongoing erosion of resilience has the potential to damage longer-term development prospects.

Assessments of the impacts of the crisis and the resulting vulnerabilities cannot be based solely on macroeconomic indicators. Measures of countries' overall economic output do tell a story, but one that is incomplete. To shed more light on what has actually been happening on the ground, this report draws on three kinds of evidence: limited and slowly emerging statistical data, projections and scenario work by major international organisations, and qualitative reports from both informed observers and the poor and vulnerable themselves.

The report assesses how people living in poverty and vulnerability have experienced the global crisis since the last *Voices of the Vulnerable* in 2009. Many of the themes that emerged in last year's report have been confirmed. We continue to hear accounts of lost employment, unaffordability of nutritious food, disproportionately high costs of coping for children, young adults and women, and growing tensions arising within families and communities as they try to make ends meet. In many places, the challenges

of the food, fuel and financial crises are compounded by other crises, including political instability and environmental pressures.

While there is now talk of a global recovery getting underway, the evidence is still inconclusive. Experience from previous crises tells us that major recessions work themselves out through waves of impact. Europe's sovereign debt crisis has introduced a cautious tone to debates on where we stand on the path to global recovery. Much is at stake, and uncertainties abound.

Are we finally emerging, like survivors of a hurricane, to assess the extent of the damage and the needs of our neighbours, or are we standing in the eye of a storm? As the major developed economies seek to consolidate their public finances, there is a risk that a 'second wave' of recession or economic stagnation could be headed our way. Should this occur, the impacts on vulnerable populations in developing countries would be all the more severe in light of their already weakened capacity to cope with shocks.

What is clear, however, is that there is much left to play out in the lives of the world's poorest and most vulnerable. The resilience of many countries and businesses is in part due to sound economic policies, but much of it has been paid for in the form of sacrifices at the household level. We cannot take the costs of coping for granted.

As our attention shifts to recovery, the following principles must guide our discussion:

## RECOVERY FOR ALL

Just as households have borne much of the brunt of coping during the crisis, they now run the risk of being left behind by the recovery. Global stabilisation and recovery debates must take into consideration the specific needs of vulnerable populations.

## BUILD BACK BETTER

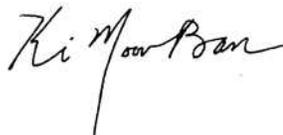
There is mounting evidence that the crisis is severely eroding the resilience of many population groups. Future support must be dedicated not just to meeting short-term needs but also to developing new and innovative strategies for building sustainable community resilience.

## IMPROVE GLOBAL AGILITY

As this crisis has demonstrated, decision makers face an information gap in the early days of a crisis, when they are forced to act in the absence of timely and accurate information. Emerging technologies present us with the means to respond sooner and more effectively than ever before. The United Nations is developing “Global Pulse”, a new system to monitor the early impacts of global crises on vulnerable populations. I call upon the international community to support this effort.

Now is the time for major efforts by the international community to rebuild the resilience of the poor and vulnerable. There is a clear need for vigilance and a dedicated course of action to ensure that the world’s poorest and most vulnerable are not excluded from global strategies for recovery.

**Real recovery means recovery for all.**



**BAN Ki-moon**

Secretary-General of the United Nations



Dhaka, Bangladesh: 33 year old Amural crushes up bricks and stones to be used in concrete. Economic hardship means that her nine year old daughter is also forced to work with her to support their family.

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# **BENEATH THE RADAR: THE EVERYDAY COSTS OF COPING**





# WHERE DO WE STAND?

**W**e are receiving mixed messages on the state of the global economy. Some countries are reported to be coming out of recession, but for others recovery remains fragile or uncertain. Amid these messages there continue to be reports from the grassroots on the everyday costs of coping. These reports come from a wide range of countries, including those thought to have weathered the crisis well.

Economies have been more resilient than we might have expected, but the picture at the household level seems less bright. Compared with a year ago, for many poor and vulnerable people the situation is less one of acute economic shock than one of adaptation to chronic hardship.

**This mixed picture indicates that we need to refine our perspective on where we stand:**

**First**, many developing economies have demonstrated a surprising level of resilience to the global crisis. But this should not overshadow the fact that some developing countries have not fared so well.

**Second**, reports of macroeconomic resilience tell us little about the impacts of the crisis on poor and vulnerable populations within countries.



Bishkek, Kyrgyzstan: Workers from Lev Tolstoy street in Bishkek, nicknamed "the street of the unemployed", rush to a car hoping for a day's work.  
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# WHAT WE HAVE FOUND

**A**lthough there have been substantial stimulus efforts in many countries, the evidence suggests that these have not always ‘trickled down’ to meet the immediate needs of the poor and most vulnerable. Despite the scale of the stimulus packages, struggling households have borne a disproportionate burden. In fact, findings from the ground suggest that the resilience of national economies praised by many observers is fuelled in large part by the coping strategies that households had to adopt, and that this coping has not come without a cost. Some coping strategies have resulted in already poor households becoming poorer still. Other households, including the aspiring middle classes, are now far more vulnerable to further shocks.

Hard data is still scarce. The findings of this report emerge from multiple sources of evidence, including from national governments, UN system agencies, academia, and civil society. All are grounded in people’s accounts of the direct impacts of the crisis on their everyday lives.

**The report has scoured and sifted through this evidence to identify three main themes:**

- 1 Longer-term costs of coping.** The difficult, short-term choices that households had to make to cope with economic hardship are undermining their development prospects in the longer term.
- 2 Depleted resilience.** The high costs of coping are likely to have weakened populations’ resilience, leaving them more vulnerable to future shocks.
- 3 Shifting vulnerabilities.** Waves of impact have restructured relationships within households and communities, producing new patterns of vulnerability.

# WORKING HARDER FOR LESS

**T**he compound crises of recent years have made it harder for poor and vulnerable people to earn a decent living. In 2009, roughly 34 million more people were jobless than in 2007.<sup>1</sup> Around 10 million of the new jobless are young people, with global estimates of youth unemployment reaching 13.4% in 2009 up from 12.1% in 2008 – the largest rise since global estimates began in 1991.

Globally, there have been no net differences in unemployment between men and women. But within countries, men and women have been affected differently depending on gender-specific employment patterns within sectors.

■ Reports from Cambodia and Bangladesh report that female workers were hit hardest by the downturn in global demand for garments.<sup>2</sup>

■ However, a 2009 survey of exporting firms in East and Southeast Asia shows that young male migrant workers were more likely to face job losses than women.<sup>3</sup>

■ Official reports from Egypt indicate that unemployment increased from 18.8% to 23.3% for women over the 12 months to June 2009. During the same period of time, however, unemployment fell slightly for men from 5.4% to 5.2%.<sup>4</sup>

## HIDDEN UNDER-EMPLOYMENT AND WORSENING CONDITIONS AT WORK

While increases in unemployment may not appear to be as bad as some had feared at the start of the crisis, workers' testimonies indicate that official employment figures mask a growing trend towards under-employment. For many workers the crisis has meant serious changes in the quality – as well as quantity – of jobs.

For example, workers across Asia have had to work shorter hours and part-time, as firms struggle to keep operating through the recession. In Bangladesh, Cambodia, Indonesia, Laos, Mongolia, Thailand and Vietnam, workers have had to cope with a drop in earnings of up to 50%.<sup>5</sup>

Some countries have seen export manufacturing recover quickly from the global recession. Yet there are also signs that the recovery has brought increased pressure on export-oriented firms to raise productivity and increase labour flexibility. For example, contract workers in Indonesia report that competition for jobs has become fiercer, recruitment rules tighter and pressure to raise productivity has increased. At the same time, contracts have become shorter and less secure, and there are fewer allowances or other benefits.<sup>6</sup>



Tamil Nadu, India: Female workers at a textile factory in Tirupur. The global textile industry has been particularly hard hit as a result of the economic crisis.  
© 2007 Atul Loke/Panos

*Voices of the vulnerable:*

## **a migrant worker's account of the crisis in Jakarta, Indonesia<sup>7</sup>**

In 2006, 23 year old Pujiati migrated to work in an industrial complex outside Jakarta. Her first job was for a year in an electronics factory. When it closed in 2007, she got a three-month contract at another factory, later extended to six months. By the end of that contract, the global financial crisis had started, and Pujiati was unemployed for six months. At one point, Pujiati 'lost hope' and planned to return home to Malang. But her landlord helped her get a new job.

In her current factory, she receives a basic wage of 650,000 rupiahs (\$71 USD)<sup>8</sup> every fortnight, with no allowances. She often works the nightshift. Pujiati finds it impossible to save and difficult to remit money to her parents, but recently had to scrape together 400,000 rupiahs (\$44 USD) for their medical expenses.

Concerned about job security, and constrained by her low wage, she lives more frugally than before the crisis, eating little and rarely going out. She feels her health has worsened in her new job and is anxious about the impact of her irregular nightshifts.



Alexandra, South Africa: Wellington, 29, (foreground) unemployed, passes time with friends on a street in the township of Alexandra. Increasing youth unemployment has resulted in a growing sense of disillusionment among many young men.  
© 2009 Benedicte Kurzen/VII Mentor Program

*Voices of the vulnerable:*

## **a former fruit and vegetable vendor in Lusaka, Zambia<sup>9</sup>**

I used to sell fruits and vegetables by the roadside. I am a mother of eight children and have been a widow since 2004. [When my husband died] I came back to the city and continued selling fruit and vegetables, but I stopped because I was not making much profit. I had no money for the bus as I had to travel for longer distances. The police were harassing us and taking away our vegetables because we had no trading licence. I tried making scones at home, but there was always need for cash in the home. I was not getting much out of the scones.

I noticed that women were crushing stones in Kalingalinga in order to make gravel which they sold. I also decided to try my luck. I started pounding stones and my children helped me to collect the stones and we would sell them. We have been making good money, as much as K 600,000 (118 USD) a month. In the past few months, I have noticed more people have joined in the trade. I know I will no longer make as much money as I used to do. Life has not been easy.

## THE INCREASINGLY CROWDED INFORMAL SECTOR

In times of economic hardship people often compensate for lost jobs or income by seeking out casual work or setting up small businesses. Evidence from the current crisis confirms this. With the informal sector already absorbing around 60% of workers globally,<sup>10</sup> there are however serious limits to the extent to which it will be able to ‘cushion’ people from the crisis.

One reason for why the informal sector may not provide a safety net at this time is that informal activities on which particularly poorer people rely have themselves been hit hard. For example, waste pickers in Chile, Colombia and India have experienced the fastest and most severe downturn among informal sector occupations, reporting a decline of 85% in their volume of work in the first half of 2009. In late 2008, Delhi waste pickers saw a decrease in prices of between 27% and 42%. In 2009, Chilean waste pickers in Santiago were selling recycled metals at prices as much as 70% lower than before the crisis. In Bogotá, Colombia, copper prices dropped by 85%.<sup>11</sup>

Women street vendors, home-based workers and waste pickers in Chile, India, Indonesia, Kenya, Malawi, Pakistan, Peru and South Africa report more competitors – mostly women – working in their sectors than before the crisis hit.<sup>12</sup> Four out of five street vendors, two thirds of home-based workers and half of waste pickers were faced with new entrants to their sectors.

In Lusaka, traders reported in 2010 that they were being pushed out of their sector, partly by people with other income sources.<sup>13</sup>

A home-based worker in Thailand reported price competition from new vendors selling products at 59 baht (2 USD) which she had previously retailed at 199 baht (6 USD).<sup>14</sup>

In Vietnam, it is returning migrants who have been adding to the competition. One seller relates: *‘It is OK for a couple of people to open restaurants, or start a business in dealing pigs, paddy rice husking, mechanical services or construction. But if all migrants return and do the same things, it would be a disaster. There would be no customers.’*<sup>15</sup>

Past crises provide many examples of people’s resourcefulness and entrepreneurial spirit. But there is still much to learn about how policies can create a more enabling environment for the informal sector. As the financial crisis has matured into a recession, diversification into informal opportunities has meant that for many, both old and new entrants, it has become increasingly hard to earn a living.

## WOMEN AS 'SHOCK ABSORBERS' OF THE CRISIS

The pressure is particularly great for women. Adapting to job insecurity, more competition, and lower earnings is costing people – usually women – far greater time and effort. For many women living in poverty, providing for families at a time of high food prices and other economic pressures has meant working longer hours, travelling further (typically by foot, with fuel and transport prices still high) and generally working harder.

For women who are already 'time-poor', new responsibilities to contribute to household income have brought increased stress with often negative impacts for their health. Many women appear to be struggling to keep up with domestic responsibilities while often taking on additional or new income activities.

In Lango Baya, near the coast in Kenya, women have changed their timetables to adapt to the downturn. Many start work before 5am, preparing meals and getting children ready for school before travelling long distances to work as traders or vendors, returning home to a full domestic workload again each night.<sup>16</sup>

There are also reports of a growing number of women entering paid work in societies with more traditional gender roles. One Sana'a woman explained that it was less a matter of choice than of feeling forced to work: *'Like being in a room with no windows and no doors and you are suffocating, you have got to do something to get out of it.'*<sup>17</sup>

In Romania, *'women still having a job have many more responsibilities to deal with within a reduced budget. There is no hope for a better life... working women are overwhelmed and have no time for themselves and the stress is terrible.'*<sup>18</sup>

## FALLING REAL WAGES

A theme commonly voiced across many countries is that earnings and wages have not kept pace with the high and volatile costs of household essentials. Casual workers have been particularly hit. Firm-level surveys in China, Indonesia, the Philippines, Thailand and Vietnam show that real wages in 2009 have declined far more for temporary than permanent workers.<sup>19</sup>

Elsewhere, private and public sector workers report that slight rises in basic wage rates have been offset by reduced benefits. In the informal sector, rising competition has meant lower profits as inputs and other costs have risen while prices are being forced down to retain customers.

In Zambia, professionals have seen nominal wage rises since 2007, with teachers' monthly take home pay increasing from a range of 672,000 to 1,193,000 (133 to 236 USD) to a range of 1,145,300 to 1,831,600 (226 to 362 USD) in 2010.

Yet lower paid informal workers have only gained very slightly, if at all: farm workers' daily rates ranged from 3,000 to 15,000 (0.60 to 3 USD) in 2007, but were only 5,000 to 15,000 (1 to 3 USD) in 2010.<sup>20</sup>



*Voices of the vulnerable:*

## **a woman in Ahmadabad, India, who had lost her job in a plastics factory<sup>21</sup>**

The factory shut down a year back. The factory owners said, 'Due to the current financial crisis we are unable to sell our goods and hence there is no work for anyone' ... For the past 3 months we have been borrowing money in order to meet our household expenses. My husband suffered a heart attack due to mounting worries as a result of our financial situation ... During the times the factories were in operation, our income was good. Now, there is no money to meet medical expenses during sickness.



Nakuru, Kenya: 12 year old Elizabeth, from Lenana school, waits to receive her new school uniform. While there are no reports of dramatic increases of school dropout rates as a result of the global economic downturn, there are indications that attendance is becoming more erratic.  
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# STRUGGLING TO INVEST IN THE FUTURE

In contrast to previous crises, little evidence has emerged so far of sharp increases in school dropout rates. This could well be a result of the global push to promote 'Education for All', as many countries have waived primary education fees over the last decade. However, evidence from a range of countries suggests that school attendance has become more erratic.

In Delhi, waste pickers keep their children in school despite great hardship, but children are leaving classes early to go to work. In one instance, a father built a shack from which his children could sell peanuts after school hours.<sup>22</sup>

Monitoring data from Nepal suggests that attendance rates have been sensitive to food prices. Children are less likely to want to walk to school or focus on learning when hungry, or if they lack appropriate clothing or school materials.<sup>23</sup>

In Sana'a, the mother of six children reported that her children were taking turns to wear the one pair of shoes they owned to school.<sup>24</sup>

Reports from Ghana suggest that sudden reductions in remittance flows have made it difficult to pay school fees on time, so children sometimes return to school late.<sup>25</sup>

There are also concerns that drop out rates could significantly increase later during the transition from primary to secondary school. In addition, the crisis may have significant downstream consequences. For example, under-nutrition, particularly in infants during the first two years of life, can have significant impacts on cognitive capacities and early childhood development.<sup>26</sup>

# PAYING MORE FOR LESS

**R**eports from many countries suggest that a nutritious diet – and sometimes the fuel with which to prepare it – has become more difficult to afford for many people. Women in some countries are replacing costly gas or kerosene with fire wood for cooking, adding to their burden of labour and potential health problems. Testimonies highlight that people regard how well they eat as the single best indicator of their wellbeing.

Food prices remain a large concern. Local findings are consistent with global reports that prices continue to be higher than in the pre-food price crisis period of late-2007/early-2008.<sup>27</sup> Droughts in large parts of East Africa have caused increases in hunger in 2009. Better harvests are expected in 2010 as rainfalls returned, but hunger now looms in parts of the Sahel, including Niger.

## **Qualitative reports from the field provide a mixed picture.**

In some places, access to food has improved slightly over the last year. School children in Nairobi, Kenya, reported that their households were eating two meals a day, compared with only one a year before.<sup>28</sup>

But in other parts of Kenya the situation remains a cause for concern. In Lango Baya, most people were still eating only one daily meal of ugali and vegetables.<sup>29</sup>

People living with HIV/AIDS reported that they ate twice daily, but that this was inadequate: their doctors told them they needed to eat more regularly if their antiretroviral drugs were to work.<sup>30</sup>

Across the Kenyan households interviewed, children were reported to be fed first, with adults sharing the remaining food without preference being given to men. A local leader described the situation as follows: ‘some people go for two days or even more without lighting a fire in their home, meaning they have no food to cook on such days.’<sup>31</sup>

With food and fuel less affordable, early reports indicate that women are becoming less likely to travel for antenatal care and being less well-nourished during pregnancy, although hard data are yet to emerge. As household budgets are squeezed, there are also signs of increased pressure on free public services.

Breast-feeding and early infant nutrition levels are also likely to be affected. One woman in Sana’a told how she was trying to nourish her visibly underfed infant on tea and cheap biscuits, as she was no longer able to afford milk. Her own breast milk had dried up because of qat, which she chewed as an appetite suppressant.<sup>32</sup>



Chalbi Desert, Kenya: Women gather in Kalacha village to listen to aid workers. The global economic crisis has exacerbated the effects of a three year drought in the area.  
© 2008 Frederic Courbet/Panos

## *Voices of the vulnerable*

# a woman in Fiji recounts her story<sup>33</sup>

Emily knows what living in poverty feels like. The Fijian woman, who is in her sixties, has to manage on 60 Fiji dollars (30 USD) a month provided by the Social Welfare Office. Since her son died two years ago, she has not been able to work. Facing increasing living costs and lack of opportunities, Emily struggles every day to make ends meet: 'The prices for food and bus fares have gone up. Now I can no longer buy biscuit or noodles. Before I used to buy three litres of kerosene, now I can only buy two litres. Today it is the 14th day of the month, and I have no more kerosene. Sometimes I have to collect firewood and cook on the fire outside the house. And some days I don't eat.'



Bishkek, Kyrgyzstan: Gulmira and Joldoshbek live with their three children in a small room with no windows in an old disused brick factory. They moved a few years ago from Naryn in search of work, but only Gulmira could find a job. His salary is not enough to feed the whole family.  
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*Voices of the vulnerable:*

## **a woman in Bishkek, Kyrgyzstan**<sup>34</sup>

Now we buy ... inferior flour, less meat ... For our family of 6 people we take 1.2 kilos of meat a month, we add a bit of it to dishes, just to pretend there is meat ... The whole family's income now goes to food, very rarely do we buy clothes for our children ... When the electricity prices increase, frankly, I do not know what we will do ... I already got a lot of debts!

# LIVING TOGETHER IS BECOMING HARDER

**C**ommunity-level evidence suggests that the compound crises of the past years have put strains on social cohesion, giving rise to new social tensions and limiting the spaces in which people come together.

For many, it is neighbours, relatives and others in the community on whom they depend most for the small cash or food loans that make it possible to get by on a day-to-day basis. But everywhere, it seems to be getting harder to call on local help, as the impact of the crisis has been wide as well as deep – with even the middle classes becoming significantly worse off in many places.

■ People, who depend on begging for their livelihoods, including disabled and older people, find that they have to travel further for assistance that was once freely given as part of religious obligations. They also reported having to endure more abuse than they previously experienced.<sup>35</sup>

■ In Kyrgyzstan, increased migration as a response to the crisis means that families are forced to leave children in institutional care, with reports that some children are suffering from inadequate care and psychological stress.<sup>36</sup>

■ In both Kenya and Zambia, rising alcohol abuse is a concern. In several places, there are reports of strains on men as expected breadwinners, conflict over gender roles and family breakdown.<sup>37</sup>

■ The crisis seems to have pushed some households to the limits of their capacities to cope: from Nairobi, there are emerging reports of parents abandoning domestic responsibilities in favour of drink.<sup>38</sup>

But there are also some positive reports. Where food inflation has come down substantially, societies seem to be mending relationships that had been weakened by the sequence of shocks in 2008-09.

■ In Kalimantan, Indonesia, local savings and loans groups are being revived – although not yet fully recovered – after a period when several had suspended activity.<sup>39</sup>

■ In Dhaka, Bangladesh, a sufi shrine that feeds and houses the poorest and most desperate has seen a rise in its donations in 2010, while the numbers of those seeking assistance remains steady.<sup>40</sup>

# RISING CRIME AND VIOLENCE

**T**he relationship between crime and hardship is far from straightforward. Yet reports from some communities give grounds for concern that the crisis may be putting pressures on some – particularly those marginalised from the economy – to challenge laws and norms in ways that put serious pressures on community cohesion. For example, reports of rising crime seem to have become more common in some locations.

In rural Cambodia, theft was viewed as widespread and on the rise in 2009: *'We think that theft is increasing because of hardship in the area... but we are not afraid of it anymore because we are living in empty houses... we have nothing for them to steal'*. One person said: *'I have no idea what to do for a living... maybe I am going to be a thief myself!'*<sup>41</sup>

In Nairobi and Dhaka, there were reports that neighbourhoods set up new community policing initiatives to tackle rising crime.<sup>42</sup>

Violence, antisocial behaviour and drug and alcohol abuse also seem to be on the rise in some of the worst-hit communities, accompanied in some places by the breakdown of families and social norms.

In Bangkok, there were concerns about rising drug abuse and a belief that drug-dealing was an increasingly attractive income opportunity.<sup>43</sup>

In Cambodia, Kenya and Zambia, people suggested that the downturn had led to increasing levels of sex work.

In Sana'a, women expressed concerns about rising crime, violence and qat consumption.

A report from Bahrain describes 'increasing numbers of millionaires, and a shrinking middle and impoverished lower class'. A growing sense of unfairness, rather than absolute poverty, has led to 'repeated confrontations and tension between impoverished communities and security forces, especially in the villages.'



Goma, Democratic Republic of Congo: A thief who tried to snatch a mobile phone is arrested by the police. The relationship between economic hardship and crime is complex. However, reports from several countries seem to indicate rising levels of criminal activity.  
© Teun Voeten 2009

*Voices of the vulnerable:*

## **a girl in Nairobi describes her family life in times of increased economic stress<sup>44</sup>**

My parents do not care whether there is food in the house or not. The only thing they care about is drinking, hurling insults at each other and fighting ... My sister and I have slept in the cold so many times that we lost count. My dad sometimes comes home and just decides that he does not want to see us ... We haven't cooked a single meal in our home for a whole week and this may not happen soon.

As we speak, my mother was chased away by my father last night after their usual fights. I am even very scared to go home as my father was very annoyed last night.



# LOOKING TOWARDS RECOVERY: RECOMMENDATIONS

The international community must seize the opportunity to implement policies that not only put the poor and vulnerable firmly on the path to recovery but also begin building capacity for greater resilience to future shocks.

To do so, however, we must understand how successive shocks have eroded population's resilience since the onset of the crisis. What, exactly, has changed? Which interventions have made a difference at household level? And why?

This report puts forward three recommendations >>

# 1

*Recommendation 1*

# RECOVERY FOR ALL

**Just as households have borne much of the brunt of resilience during the crisis, they now run the risk of being left behind by the recovery. Global stabilisation and recovery debates must take into consideration the specific needs of vulnerable populations.**

There is clear evidence that coping with the crisis is depleting the resilience of individuals and households in many countries. Their ability to cope with future rounds of global shocks has been considerably weakened. It is already apparent from different country reports that many relationships are being restructured as a consequence of the crises: between men and women in households; between young people and others in communities; between employers and employees; and between government and businesses. The crisis is producing significant structural changes in societies – and we can expect it to continue to do so over the coming years.

One particularly important aspect of these changes is that it is making some groups who were previously living comfortably more vulnerable. It is also deepening and altering the nature of the poverty experienced by many who were already vulnerable. A key challenge as the crisis evolves will be in charting and responding to shifting patterns of poverty and vulnerability.

Three sections of the population have been particularly hard hit: children, young adults and women. There are compelling reasons to be concerned about the longer term impacts of the crisis on these particular groups.

The consequences for infants and children of under-nutrition, reduced access to healthcare or intermittent education are often irreversible. They can lead to increases in child mortality, stunted growth or educational underachievement. The marginalisation of an increasing number of young people often comes with significant costs: it deprives society of an important engine of growth and can in some cases result in dangerous disaffection. Due to the larger role of women in coping strategies at the household level, there is a danger that the crisis could take a toll on women's health and wellbeing. Given women's central role in ensuring household resilience, it could also further undermine many families' future.

# 2

## *Recommendation 2*

**BUILD  
BACK  
BETTER**

**There is mounting evidence that the crisis is severely eroding the resilience of many population groups. Future support must be dedicated not just to meeting short-term needs but also to developing new and innovative strategies for sustainable community resilience.**

Performance has been mixed in terms of how successful countries have been in cushioning the impacts of the crisis on their populations. In some cases, the impact of assistance has been significant while in others it appears to have been irrelevant to household struggles. Well targeted social protection programmes have been an important factor for success. Countries that had social protection measures already in place before the crisis have generally been more effective given their ability to expand or extend their interventions. The crisis offers an opportunity to review what has worked and what has not.

The report's findings point to three priorities that will help address short-term needs while rebuilding population's longer-term resilience:

■ Social protection measures need to ensure access to adequate nutrition, education and healthcare for vulnerable groups, especially women and children.

■ Households need to be supported in ways that protect them from making harmful trade-offs between competing present needs and future development investments.

■ Communities – weakened by the crisis – need assistance to reconstruct social cohesion and build emerging community mechanisms of social support, paying particular attention to the reintegration of youth.

# 3

## *Recommendation 3*

**IMPROVE  
NATIONAL  
AND  
GLOBAL  
AGILITY**

**As this crisis has demonstrated, decision makers face an information gap in the early days of a crisis, when they are forced to act in the absence of timely and accurate information. Emerging technologies present us with a remarkable opportunity to respond swiftly and effectively before it is too late. The United Nations is developing “Global Pulse”, a new system to monitor the early impacts of global crises on vulnerable populations. I call upon the international community to support this effort.**

Over the past decade, the international community has put in place an impressive number of sector-specific global monitoring mechanisms. However, it has become clear in the context of recent global crises that there are few mechanisms that are able to capture the immediate impacts of global shocks on vulnerable populations. As a result, decision makers find themselves having to make difficult decisions in an information vacuum.

The global community has asked the United Nations to help fill this vacuum by establishing a mechanism to monitor the impact of global crises on the poorest and most vulnerable. Global Pulse will harness innovation to create a network that enables decision makers to respond rapidly and effectively to emerging crises. This new technology-based service will draw on lessons from past and present global crises to develop the means to detect early impacts of future shocks in time to protect the vulnerable.

Global Pulse will bring together new and existing data, the latest advances in analysis, and cutting-edge technologies to link together vulnerable communities, local and national governments, and global development organisations through actionable real-time information. The software supporting Global Pulse will be free and open source and will draw on common data standards, ongoing data collection efforts, and pre-existing technologies wherever possible. Global Pulse will be built as a collaborative ‘public innovation’ initiative, tapping into innovative ideas from Member States, UN agency partners, development practitioners and technologists from around the world.

The United Nations will be establishing a network of Regional Pulse Labs to build Global Pulse from the ground up. Preliminary design of the technology for Global Pulse is already underway, and the first demonstrations of the technology will be brought online for testing in 2011.<sup>45</sup>

# ENDNOTES

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