

## IMF austerity has consequences for children's health: study

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A small child in Mumbai, with a shaved head, eating bread with her hand. Credit: Wen-Yan King/Wikipedia

## Austerity policies imposed by the International Monetary Fund may



harm parents' ability to care for their children's health, according to a study published Monday.

The steep cuts in social spending the IMF often demands can curtail the availability of education, leaving parents poorer, less employable and more vulnerable to economic change, according to the study.

Those who do benefit from an education can suffer from reduced quality teaching—with notable consequences for the <u>health</u> of their <u>children</u>, according to the study published in the *Proceedings of the National Academy of Sciences*.

"In the absence of a (IMF) program, children living in an educated household have a reduced odds of being malnourished by 38 percent compared with children of uneducated households," the study's authors write.

However, the presence of IMF programs eroded "the protective effect of education against child malnourishment by no less than 17 percent in rural contexts," they said.

An IMF spokeswoman said Monday that the fund had not yet reviewed the new report and could not comment on it, but added that previous research had shown that health spending rises under IMF programs.

Produced by researchers at Cambridge and Oxford universities, as well as the University of Amsterdam and the University of Waikato in New Zealand, the study sampled data covering 2.8 billion people derived from studies conducted within five years of the year 2000 and covering 67 poor and middle-income countries.

"What we are observing in our study is a type of indirect effect," Adel Daoud, one of the report's authors from the Cambridge Judge Business



School at Cambridge University, told AFP.

"Our study shows that in those countries with an IMF program, parents in rural areas are struggling a bit more to care for children," he said. "In these groups, the levels of <u>child health</u> are indeed a bit lower than those exact same areas but without IMF programs."

The authors said they found no significant link between IMF programs and child health indicators, only the relationship between parental education and child health.

The results were more mixed for urban populations, where some advantages persisted for the children of educated parents.

IMF economists last year found that austerity had sometimes exacerbated income inequality, harming growth and stability. But the Washington-based fund said it remained committed to open and competitive markets and financial stability.

**More information:** Adel Daoud et al. Impact of International Monetary Fund programs on child health, *Proceedings of the National Academy of Sciences* (2017). DOI: 10.1073/pnas.1617353114

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