



## **Sustainable Poverty Escapes: What Resilience and Risk Factors Really Matter?**

### **Speakers:**

*Andrew Shepherd, The Overseas Development Institute (ODI)*

*Lucy Scott, The Overseas Development Institute (ODI)*

*Vidya Diwakar, The Overseas Development Institute (ODI)*

*Syed Hashemi, The Consultative Group to Assist the Poor (CGAP)*

*Susan Markham, USAID Office of the Administrator*

*Amber Lily Kenny, USAID/Uganda*

*Anna Garloch, ACDI/VOCA*

*Eric Postel, USAID Bureau of Economic Growth, Education and Environment*

*Beth Dunford, USAID Bureau for Food Security*

**Moderator:** *Greg Collins, USAID Center for Resilience*

**September 1, 2016**



FEED THE FUTURE | KNOWLEDGE-DRIVEN AGRICULTURAL DEVELOPMENT PROJECT

**MICROLINKS**  
**AGRILINKS**

# Agenda

Welcome and Opening Remarks (9:00 - 9:15)

Greg Collins, Eric Postel, and Beth Dunford

Presentation (9:15 - 11:00)

Lucy Scott, Vidya Diwakar, and Andrew Shepherd

Break (11:00 - 11:15)

Panel Discussion (11:15 - 12:25)

Andrew Shepherd, Susan Markham, Syed Hashemi, Lily Kenny, Anna Garloch

Closing Remarks (12:25 - 12:30)

Greg Collins

# Eric Postel, USAID/Bureau of Economic Growth, Education and Environment



Eric Postel was confirmed by the U.S. Senate in March 2011 as Assistant Administrator for the Bureau of Economic Growth, Education and Environment. Since May 2015, he has also served concurrently as Associate Administrator. He brings to the position more than 25 years of private sector experience working in emerging markets. He also serves as the Agency's coordinator for the government-wide Partnership for Growth program and the "Plus 1" (alternate director) to the Millennium Challenge Corporation. From October 2014 to December 2015, he also served as the Assistant to the Administrator to Africa.

# Beth Dunford, USAID Bureau for Food Security



Beth Dunford is the Assistant to the Administrator in the U.S. Agency for International Development's (USAID's) Bureau for Food Security, as well as the Deputy Coordinator for Development for Feed the Future, the U.S. Government's global hunger and food security initiative. In this dual role, she coordinates implementation of Feed the Future across the U.S. Government, oversees its execution, reports on results, and leads engagement with the external community to ensure that food security remains high on the development agenda. She also oversees USAID's technical and regional expertise focused on improving food security to sustainably reduce hunger, poverty and undernutrition.

## Andrew Shepherd, The Overseas Development Institute (ODI)



Andrew Shepherd is the Director of the Chronic Poverty Advisory Network (CPAN) at ODI. Andrew has now led the production of three Chronic Poverty Reports, and also contributed strongly to the IFAD 2011 Rural Poverty Report. Previously director of the Chronic Poverty Research Centre, he has also led several large evaluations of anti-poverty policies and programs. He has been a director of programs at ODI and was previously a staff member of UNICEF in Sudan as well as a lecturer and senior lecturer at Birmingham University. His major developing country experiences have been in Ghana, India, Sudan, Tanzania and Uganda.

## Lucy Scott, The Overseas Development Institute (ODI)

Lucy Scott is a Research Fellow with ODI's Social Protection Programme and Chronic Poverty Advisory Network and has co-authored several reports dealing with chronic poverty and labor, including *Working Out of Chronic Poverty: an Employment Policy Guide*, and *The Chronic Poverty Report 2014-2015: The Road to Zero Extreme Poverty*. Her work focuses on livelihoods and social protection approaches to reach, and help, the poorest households and on analysis of pathways out of extreme poverty and the policy and programs which can support these. She has worked as a long-term consultant in a range of contexts including for the World Institute for Development Economics Research (UNU-WIDER), the Chronic Poverty Research Centre at ODI, and on the Chars Livelihoods Program in Bangladesh.



## Vidya Diwakar, The Overseas Development Institute (ODI)



Vidya Diwakar is a Research Officer in the Chronic Poverty Advisory Network at the Overseas Development Institute. She is an econometric researcher and policy analyst whose work focuses on investigating household-level poverty dynamics. Within this, her main interests are in examining the role of state fragility and conflict in sustaining poverty traps, and in promoting gendered human capital development to sustain poverty escapes. She maintains a geographic interest in the Middle East North Africa region and South Asia.

# Greg Collins, USAID Center for Resilience



Greg Collins is the Director of the USAID Center for Resilience and serves as the Agency's Resilience Coordinator. Collins is a recognized global thought leader on resilience and has played a lead role in developing and operationalizing a strategic vision for resilience at USAID. Collins was based in Kenya during the 2011 drought emergency there and helped lead the development of USAID's Horn of Africa resilience strategy in 2012. He also helped lead the development of USAID's Sahel resilience strategy in 2012-13. He continues to provide strategic guidance and technical support on resilience to missions in Africa, Asia, and the Middle East, including the Agency flagship resilience portfolios in Ethiopia, Kenya, Somalia, Uganda, Niger, Burkina Faso, Mali and Nepal.



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# Resilience and sustained escapes from poverty

**LEO**

Leveraging Economic  
Opportunities

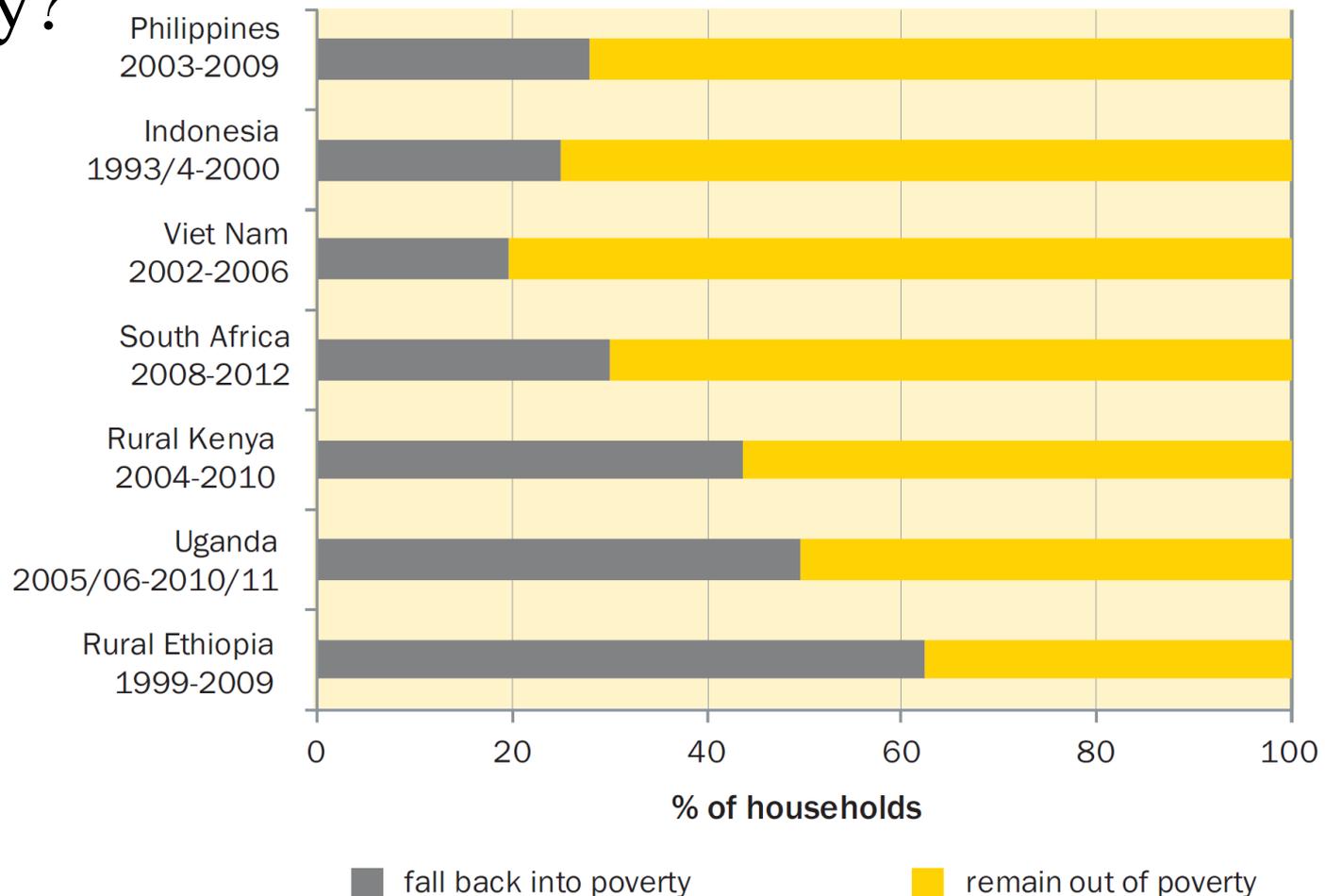
# Presentation outline

- Study background, objectives and methodology
- Key takeaways
- Overview of country case studies
- Sources of resilience
- A multidimensional lens

# **INTRODUCING THE STUDY**

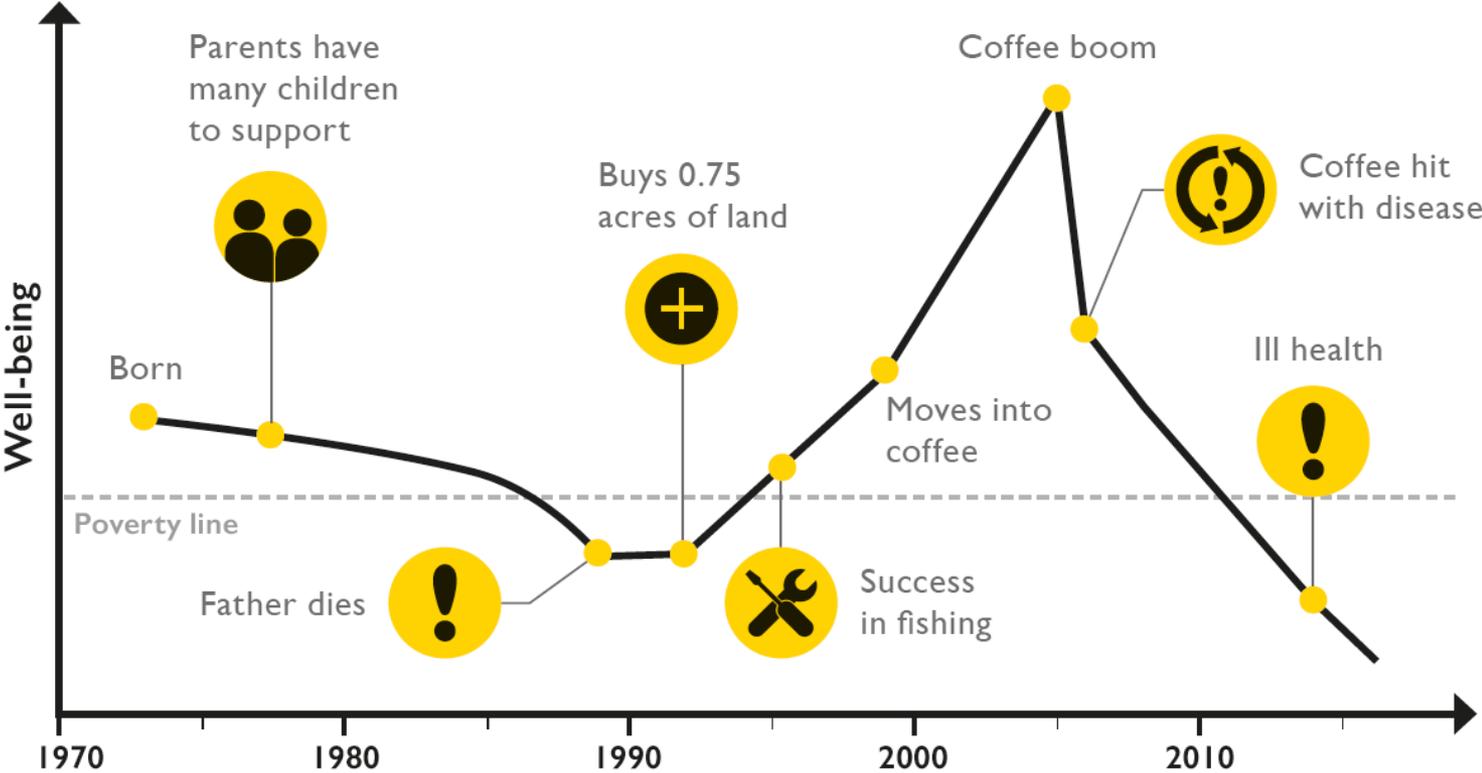
# Escapes from poverty not always sustained

What happens to households after escaping poverty?



# Poverty dynamics

## A transitory escape from poverty



**SSENYONJO**

Born 1973, Kole, Uganda

# Mixed methods research

Analysis of three wave panel data

Participatory wealth ranking

Qualitative life histories

*Methods note published*



# Key takeaways

Poverty escape is not a one-way street

Sources of resilience can be investigated through examining *why* households experience sustained escapes

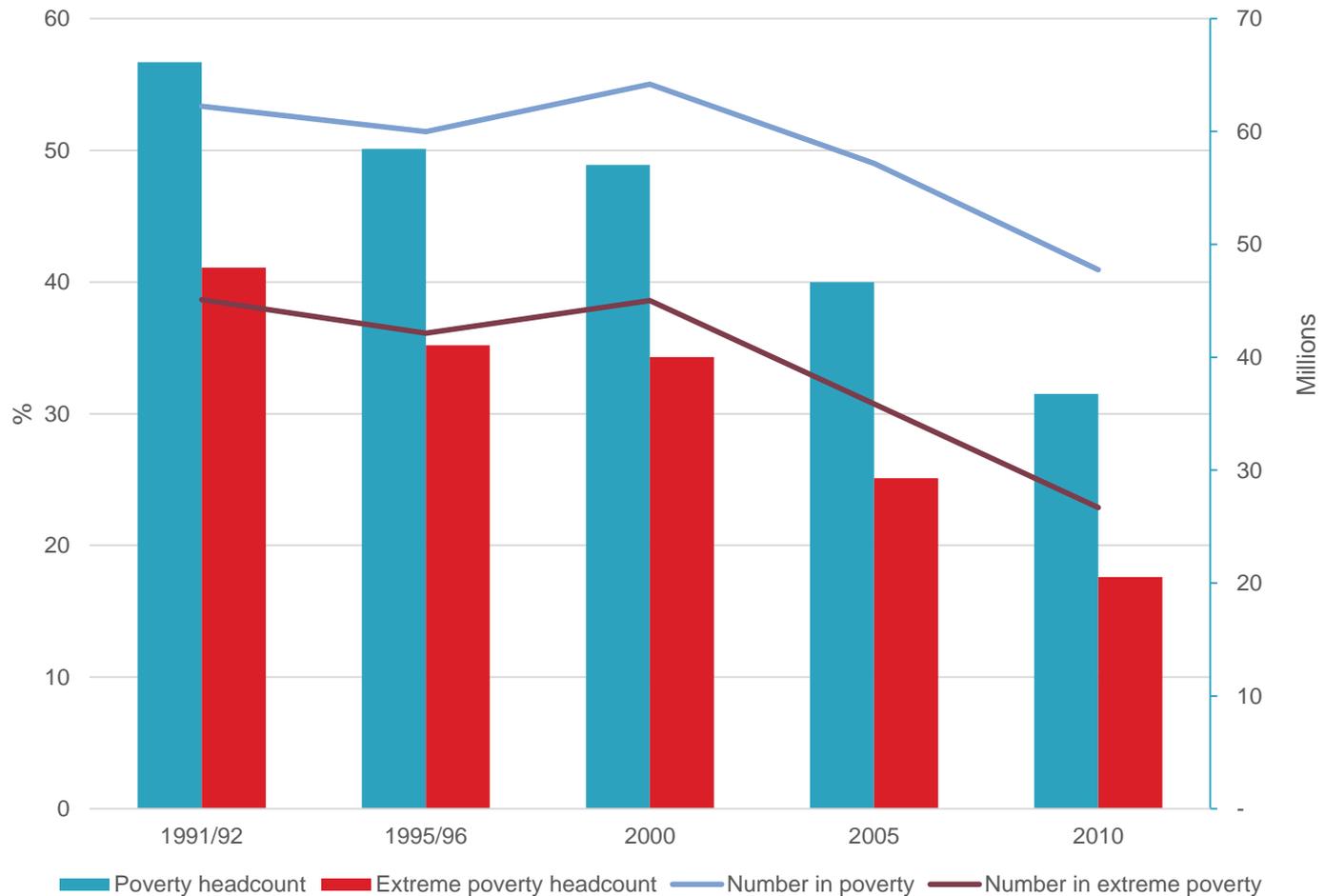
Certain household resources, activities and attributes can build resilience

Shocks and systematic stressors can push households back into poverty

# **INTRODUCING THE COUNTRY CONTEXTS**

# Poverty reduction success stories

Bangladesh almost halved % in poverty from 1991-2010

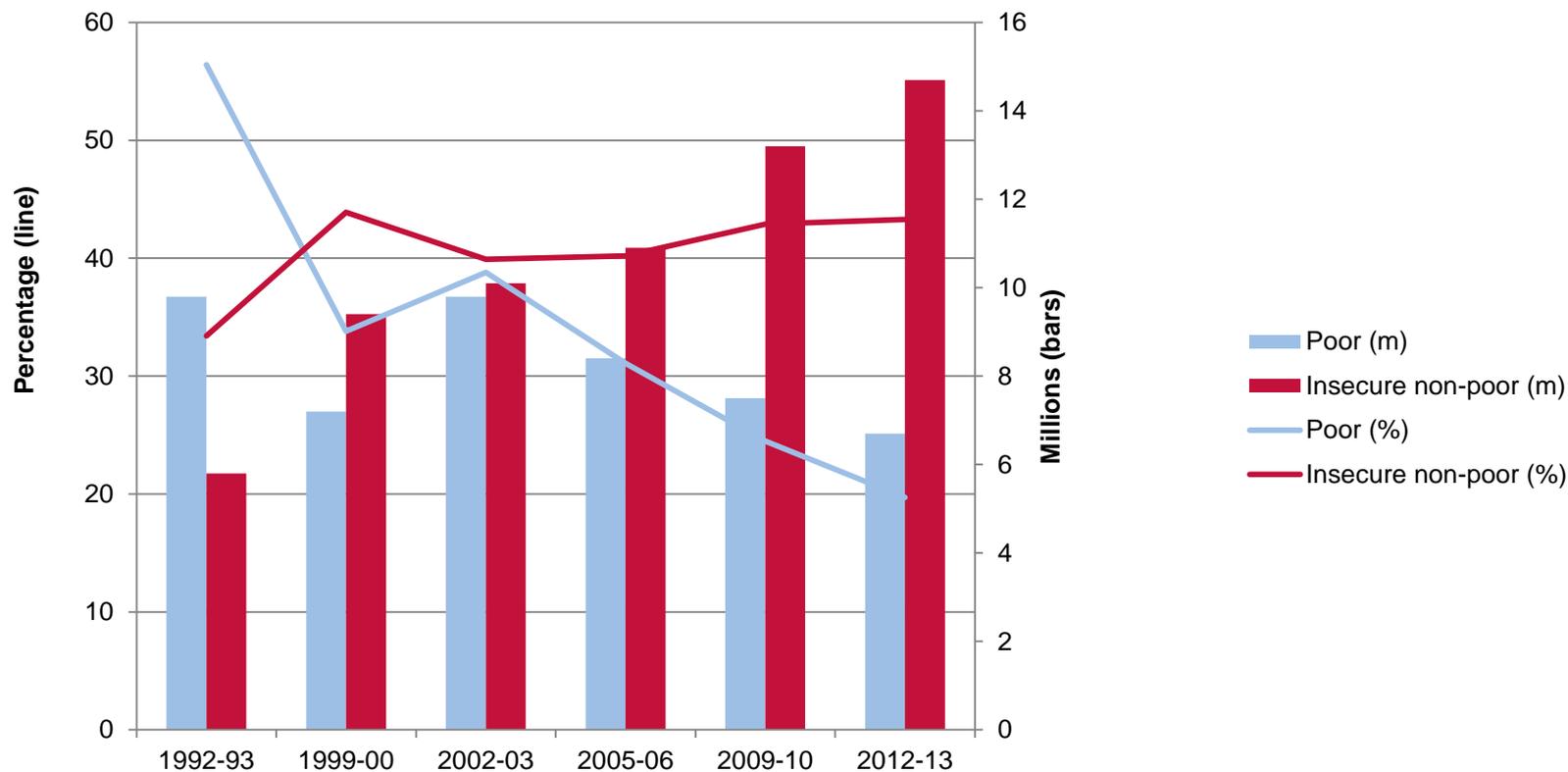


# Poverty reduction success stories

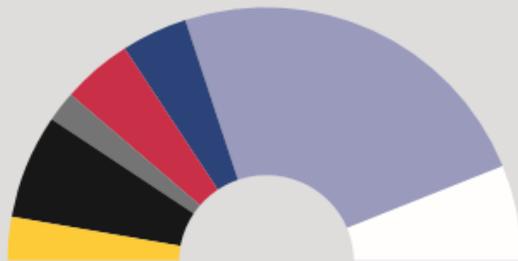
- Ethiopia: national poverty headcount declined 44% to 30% (2000-2011)
- Inclusive economic growth a key driver
- Public investments in safety nets, health and education for the poor
- Rural road expansion

# Poverty reduction success stories

Uganda more than halved the % living in poverty from 1992-2013

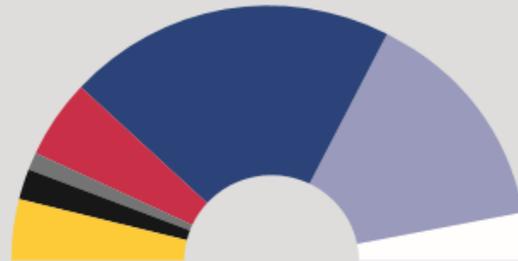


# ....but transitory escapes prevalent



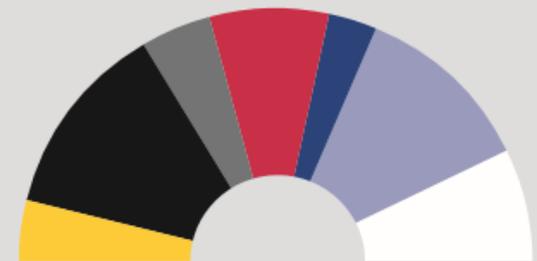
## Uganda

All households, 2005–2012



## Bangladesh

Households in rural areas, 1997–2010



## Ethiopia

Households in rural areas, 1997–2009

- **Chronically poor:** always live in poverty
- **Impoverished:** fell into poverty and stayed there
- **Churners:** fluctuate around the poverty line
- **Transitory escapers:** escaped poverty only to return to living in it
- **Sustained escapers:** escaped poverty and remain out of it
- **Never poor**
- **Other**

# **FINDINGS: SOURCES OF RESILIENCE**

# Resources are important

- Shared findings:  
Per capita expenditure, productive assets and livestock all increase likelihood of escapes being sustained

*“When I can, I buy cattle with any profit from crops. I then sell the cattle after several years, making a profit. **Cattle are an asset that increase in value very quickly**” (Amran Ali, Bangladesh).*

# Resources are important

- Non-shared finding:  
Land is associated with sustained escapes in Bangladesh and Uganda but not Ethiopia

*Four years ago, an NGO gave Dawit improved potato seeds to test. Their performance was good in terms of production and sales price. However, this success could not be repeated: potato seeds cannot be stored from one year to the other, and this special variety hasn't been available on the market for three years.*

# Activities: Work helps sustain escapes

- Shared finding:

Head engaged in economic activities - either self-employed, in salaried work or as a labourer

*“After working for three months as a bus security guard, Ishwar paid off his father’s debts. He used his salary and additional income from selling his bus seat and buying saris in Jessore and selling them in Dhaka. After six months on the job, he started to buy land which he leased out, subsequently buying more. In this way, he was able to pull his family out of poverty step by step” (Bangladesh).*

# Activities: Work helps sustain escapes

- Unexpected finding:  
Fewer economic activities per household member means sustained escapes are more likely

i.e. a degree of specialisation sustains escapes



# Activities: Non-farm economy sustains escapes

- Shared finding:  
Head engaged in a non-farm enterprise or activity increases likelihood of sustained escapes.

*Amir's father earned Tk 300–400 a day from working as a mason, and when he was a teenager, Amir joined him, earning Tk 100–150 daily—a higher wage than either of them could have achieved if working as an agricultural day laborer. Receiving both these wages, the family lived well. Now Amir has a young family and still works primarily as a mason. However, there is hardly any masonry work during the rainy season. During this period, he tries to find work as a rickshaw puller. (Bangladesh)*

# Activities: Non-farm economy sustains escapes

- Unexpected finding:  
Female headed households in Uganda - head's engagement in non-farm enterprise reduces likelihood of sustained escape

*Linda's husband works in South Sudan. She combines farming with petty trading. Sometimes she cycles to town and buys cabbages to sell in the village. Other times she fries fish or roasts pork and sells it at the road-side. She tried selling pancakes at the local market and on the roadside, but there was no market for it. (Uganda)*

# Transfers can support sustained escapes

- Non-shared findings:

Remittances – sustains escapes for female-headed households in Bangladesh and Uganda



# The same strategy can increase resilience for some and negatively impact others

- Shared findings:

Taking a loan for productive purposes  
Cultivating high-value crops

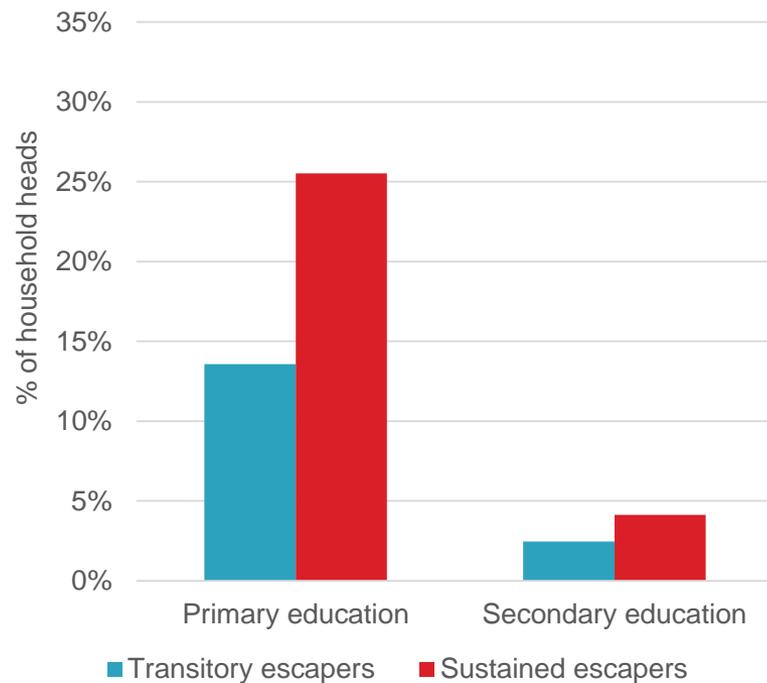
- Non-shared findings (Bangladesh-specific):

Engaging in international migration  
Negotiating for a salaried job

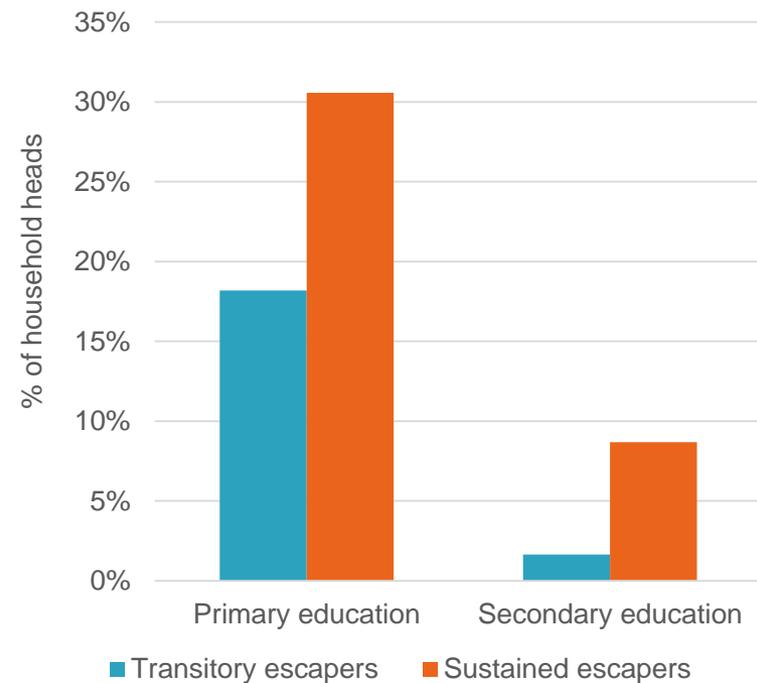
# *Questions and Answers*

# Attributes: Education

**Primary and secondary education of the household head is conducive to sustained poverty escapes.**



Uganda



Bangladesh

# Attributes: Household size

## Household size and composition matters

Where are these conducive to sustained escapes?

Smaller...	Uganda	Ethiopia	Bangladesh
Household size	YES	YES	YES
Share of children	no	YES	YES
Share of dependents	YES	no	YES

Spillovers: *“Daniel went to school until Senior 4. He started Senior 5 but due to a lack of money he had to stop going to school. His father had worked in a bank and used his pension to educate the children. But **he had seven children and the money became exhausted.** As Daniel was the youngest he had to stop going to school.”* (Uganda)

# Attributes: Costs of children

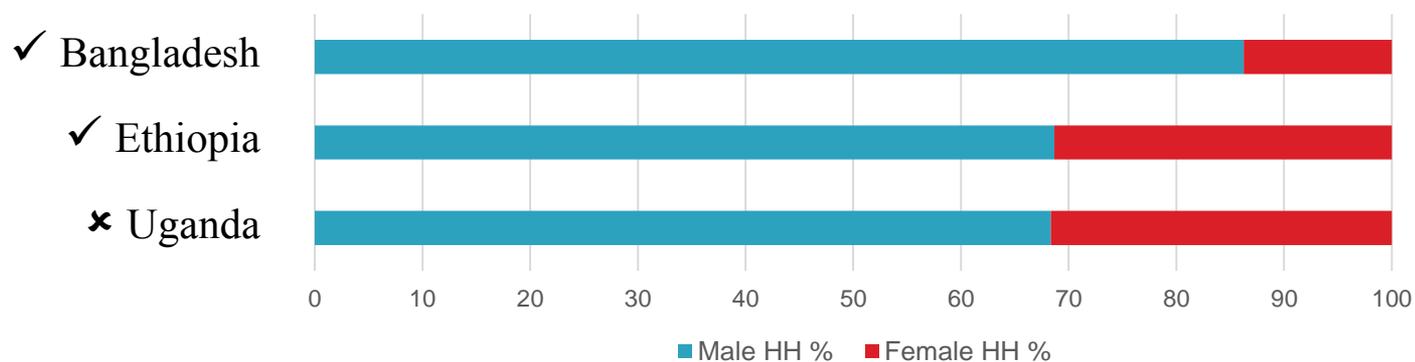
*“In 2012, Shofiqul arranged the marriage of his only daughter, Shapna, when she was 13 years old. He **bore the costs of the wedding ceremony, which were just over Tk 50,000.**” How?*

- *Sold a **cow** for Tk 18,000*
- ***Gift** from a range of relatives totaling Tk 5,000*
- *Loan from **BRAC** worth Tk 20,000*
- *Borrowing from **neighbors***
- *Tk 12,000 from a **moneylender.** (Bangladesh)*

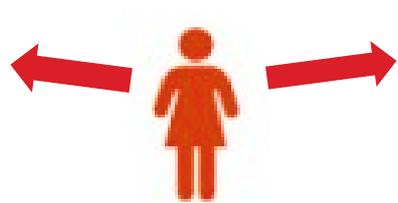
*“Cheren... started working in a state flower farm and got married. She had her first child after about a year and despite earning a good salary – even higher than her husband, **she had to leave the job after the baby was born because the long working hours were incompatible with child-rearing duties.**” (Ethiopia)*

# Attributes: Female headship

## Where is female headship conducive to sustained poverty escapes?



*Father:*  
*Cultivates own land*  
*Agricultural day laborer*  
*Mason (2000 Tk/week)*



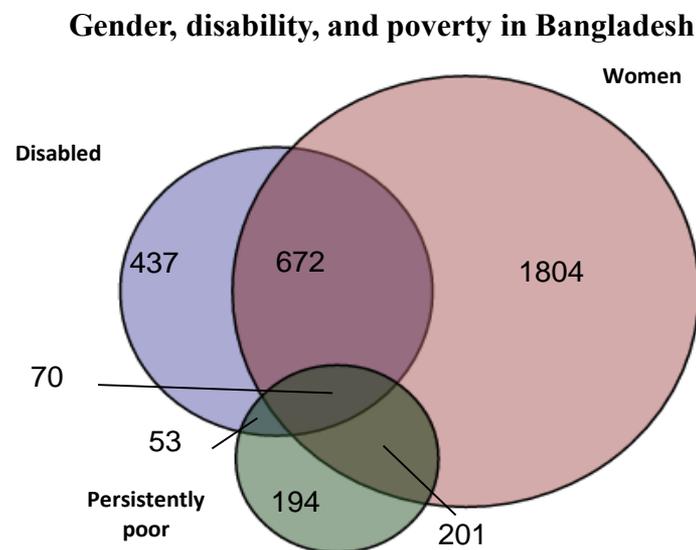
*Rasheda*  
*(Bangladesh)*

*Mother:*  
*Weeding, prepares land*  
*Rents out relative's tractor*  
*Rears cattle, raises poultry*

# Attributes: Disability

**Households with a person with disability are more likely to experience a sustained escape in Bangladesh and Uganda, but less likely to do so in Ethiopia.**

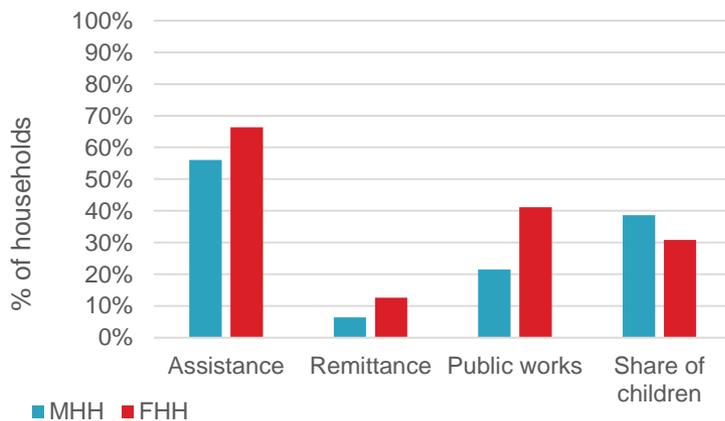
- Need to also consider:
  - Policy environment
  - Assistance
  - Interactions
    - Gender →
  - Definition of disability and strength of impairment



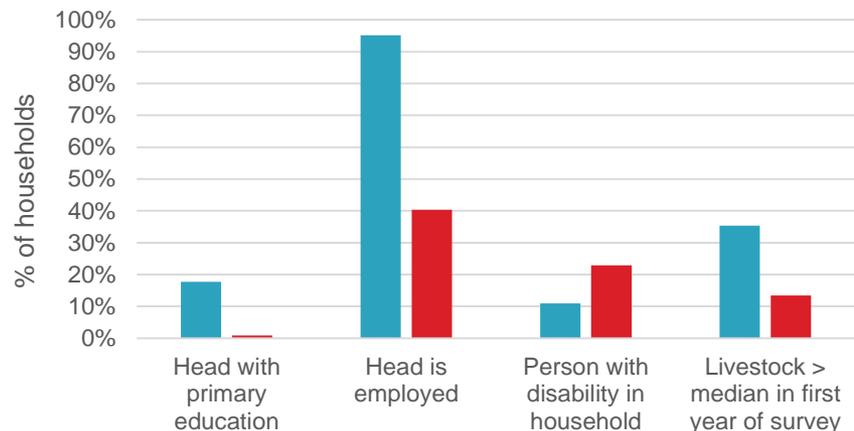
*Source: Diwakar, 2016, forthcoming*

# Spotlight on Ethiopia

## Gender differences reveal varied advantages and disadvantages for female-headed households.



Advantageous



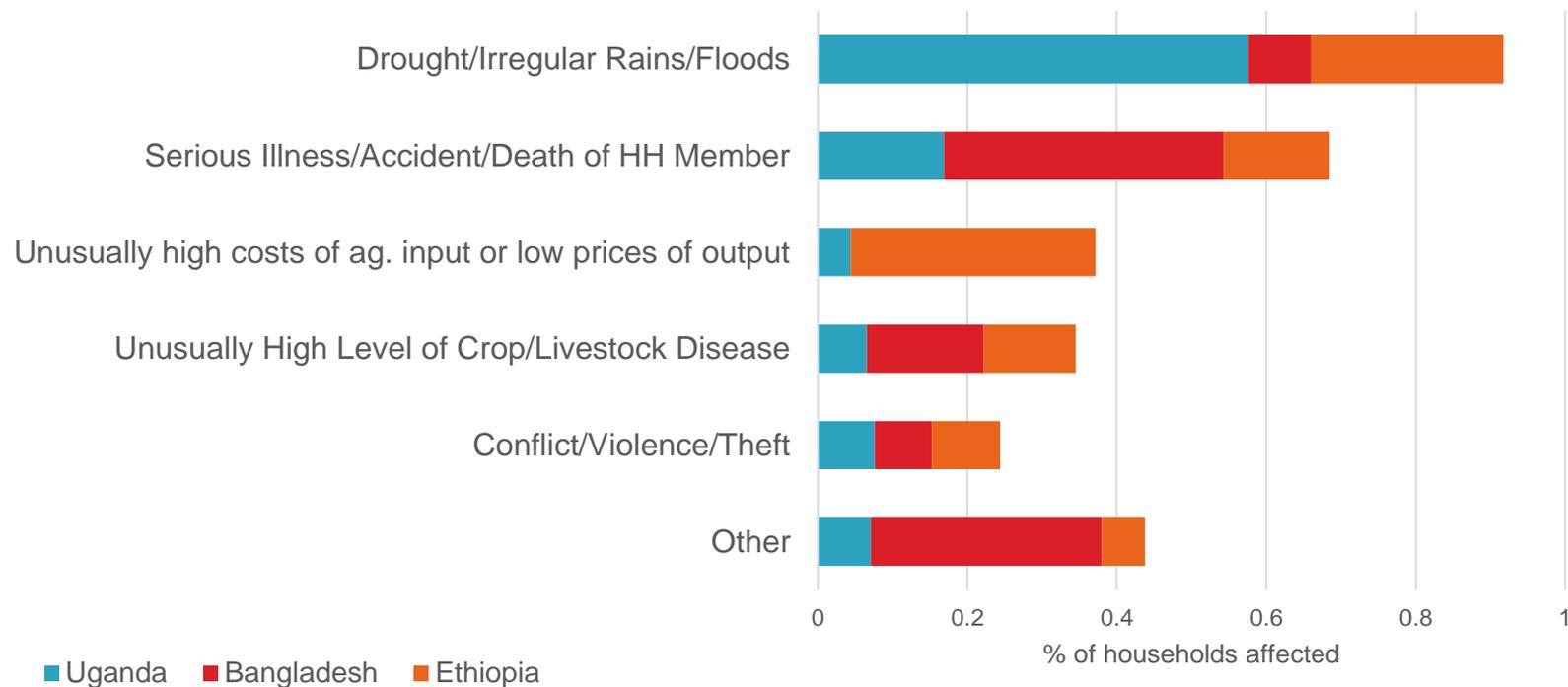
Disadvantageous

### Disability

*“Six years ago [Ayana] **lost a leg** (she has an artificial limb) and since then she hasn’t been able to work the land, which she had to give away. Her children and the community have limited ability to support her and she often has to beg for money at the local church.” (Ethiopia)*

# Shocks: A constraint in numbers

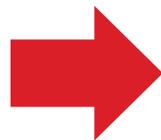
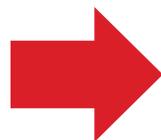
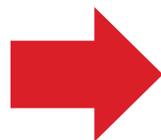
**A series of household shocks is an obstacle to sustaining poverty escapes.**



# Series of health shocks

*“Series of health shocks affected Ranya.*

- *In the past, her elder daughter had a **uterus infection**.*
- *Son also fell ill and required clinical care for three months.*
- *In the last three years, Ranya has also been sick. For her **diabetes and pain**, she spends Tk 500 each month.*



*Responses:*

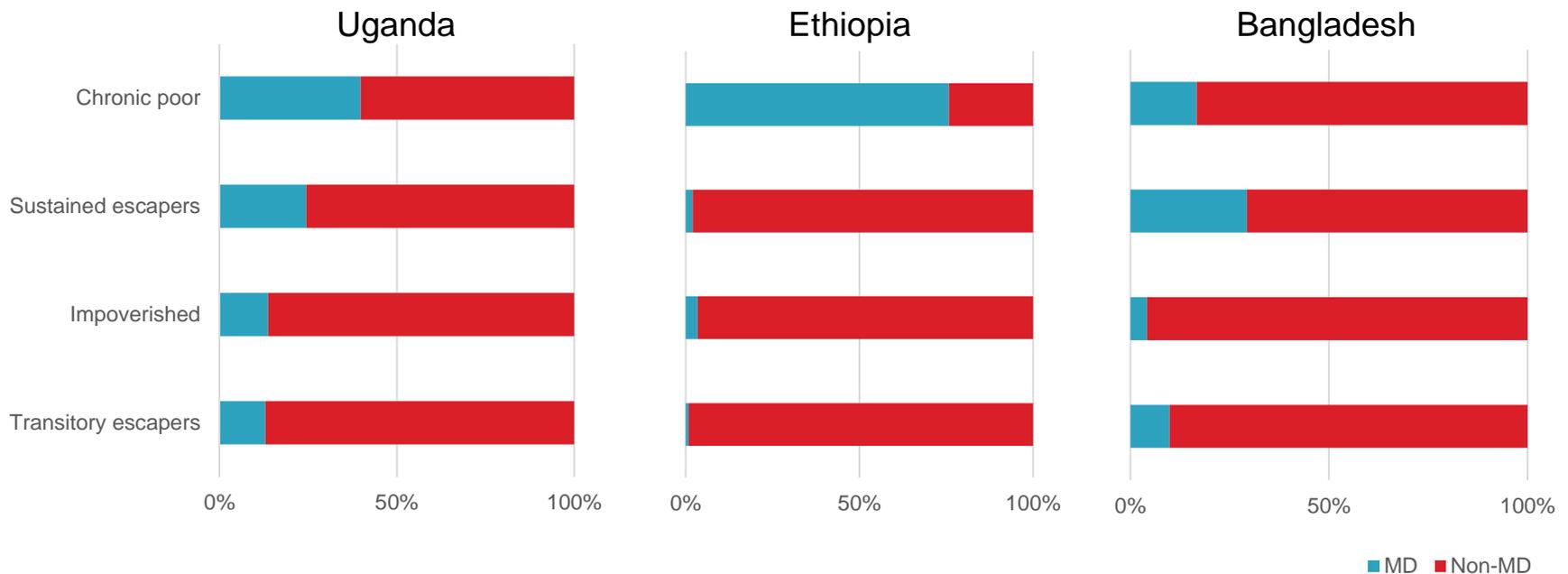
- *Sell **land** to provide Tk 13,000 for daughter*
- *Sell more **land and trees**, spending Tk 3 lakh 50 thousand*
- *Her eldest **son** sends Tk 3,000 a month*
- ***Irregular payments** from daughter so she can afford costs of medicines.*
- *Reduced **food consumption**.”*

(Bangladesh)

# Some systemic stressors make sustained escapes less likely now than previously

- Land degradation, population growth and climate variability (Ethiopia and Uganda)
- Land fragmentation (Ethiopia)
- Credit traps (Bangladesh)
- Cost of marrying your daughter (Bangladesh)

# An exploratory extension



## MULTIDIMENSIONAL POVERTY TRAJECTORIES

*More to come...*

# Summary: Some households experience sustained escapes, others are transitory

Some sources of resilience are shared across countries, including:

- Owning livestock and assets
- Small households
- Educated household heads
- Engaging in non-farm activities

Others are not, including:

- Containing a member with a disability
- Female-headed households
- Owning cultivable land

# Conclusions: overview

**Agriculture twin track**

**Livestock and assets**

**Households and education**

**Enterprise**

**Jobs, non-shared findings**

**On shocks and stressors**

# Conclusions: agriculture & livestock



1. **Agriculture** twin track
  - Ladders and graduation strategies
  - Market development and infrastructure investment
2. **Livestock** and **assets**
  - Environmental sustainability issues

# Conclusions: household size & education

## 3. Small **households** and **education**

- Safety net responses, risk factors



# Conclusions: economic activities

## 4. Enterprise

- Qualification:  
market saturation
- Push vs. pull  
factors

## 5. Jobs, non-shared

- Migration,  
remittances
- Gender relations
- Increase in real  
wages



# Conclusions: shocks

## 6. On **shocks** and **stressors**

- Portfolio response
- Idiosyncratic shocks
- Long-term impacts





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# *Questions and Answers*

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Greg Collins

## Syed Hashemi, The Consultative Group to Assist the Poor (CGAP)



Syed M Hashemi has a long career in teaching, research and managing programs for the poor. He taught Economics at Jahangirnagar University in Bangladesh, directed an anti-poverty research program at Grameen Trust, and set up a development institute and chaired the Department of Economics and Social Sciences at BRAC University. He spent nine years with CGAP, at the World Bank, focusing on financial inclusion of the poorest and ensuring a social performance bottom line in microfinance. He also headed a multi-country program to develop new pathways to graduate out of extreme poverty and food insecurity through integrating social protection, livelihood activities and financial services. Hashemi continues to be Senior Advisor for the graduation program at CGAP. He has a Ph.D. in Economics from the University of California at Riverside.

# Susan Markham, USAID Office of the Administrator



Susan Markham is the United States Agency for International Development (USAID) Senior Coordinator for Gender Equality and Women's Empowerment. In that role, she works to improve the lives of people around the world by advancing equality between females and males, and empowering women and girls to participate fully in and benefit from development of their societies. Susan's work has taken her to over 50 countries around the world where she has conducted trainings, facilitated working groups, engaged political parties and civil society organizations and addressed numerous conferences on the importance and best practices of increasing women's involvement in the political process.

# Amber Lily Kenny, USAID/Uganda

Amber Lily Kenny is an Agriculture Officer in USAID/Uganda. Lily currently works on programs that bridge the gap between humanitarian needs with development goals through Food For Peace (FFP) and Feed the Future (FTF) activities. These activities include USAID/Uganda's flagship integrated agriculture and nutrition activity, Community Connector, and a FFP livestock pilot that focuses on empowering people in Karamoja- Uganda's remote northern region- with viable livelihood opportunities, including livestock. Lily has also worked on incorporating resilience in both the East Africa and Kenya Mission activities since 2012. Prior to joining USAID, Lily was part of the Foreign Agriculture Service with the Department of Agriculture.

## Anna Garloch, Leveraging Economic Opportunities (LEO), ACDI/VOCA

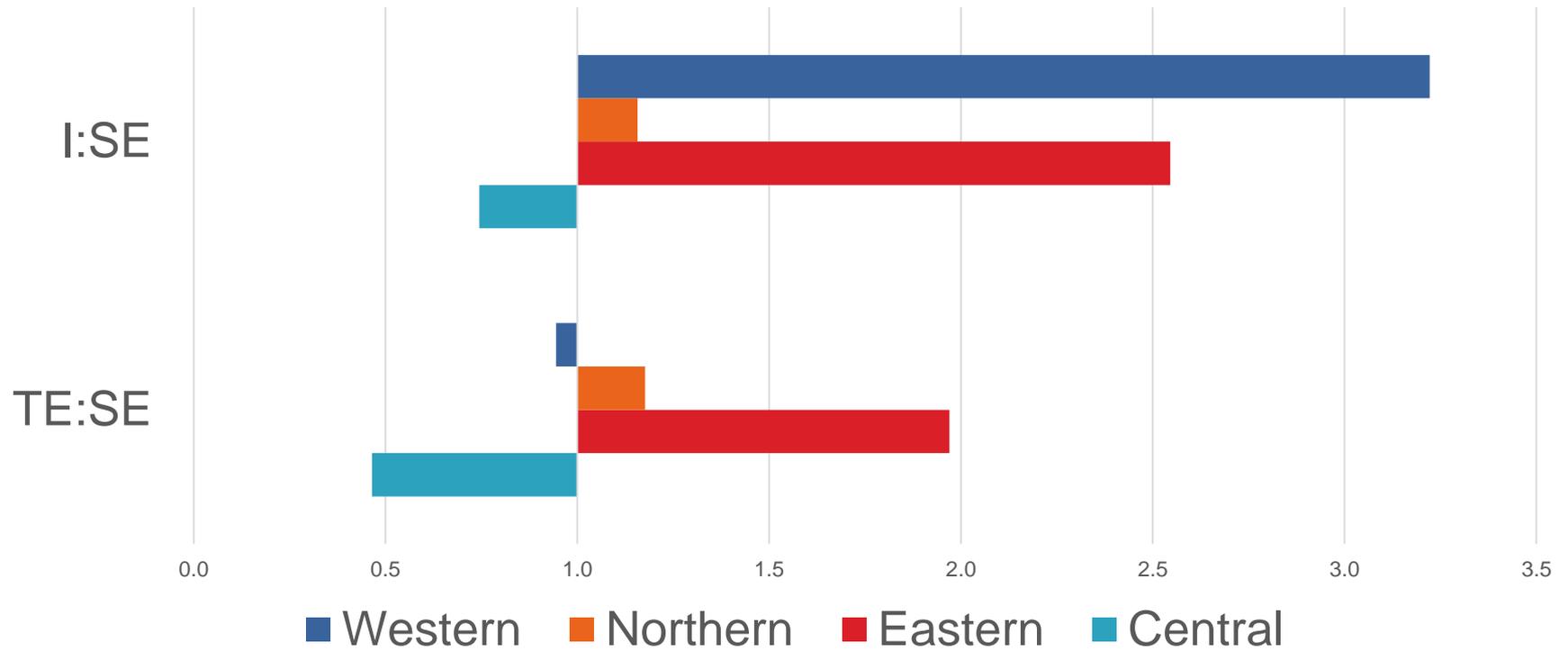


Anna Garloch is the Program Manager/Chief of Party for the Leveraging Economic Opportunities (LEO) contract and a director in the Technical Learning and Application team at ACDI/VOCA. From 2013-2016 she was the component manager for LEO's Pathways out of Poverty learning track, which included a substantial focus on wage labor. For over a decade, she has provided project management and technical assistance to agricultural growth programs at ACDI/VOCA, across sub-Saharan Africa, Central Asia, and India. She specializes in market systems development and analysis and brings experience working with USAID, the Bill & Melinda Gates Foundation, and Walmart Foundation.

# Temporary: sustained escapes ratio



# Across Uganda's regions



# *Questions and Answers*

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