

RESILIENCE AND SUSTAINED ESCAPES FROM POVERTY: HIGHLIGHTS FROM RESEARCH IN BANGLADESH, ETHIOPIA AND UGANDA

There is increasing evidence that **impoverishment** – a poor person getting poorer, or someone who is non-poor becoming poor – is significant. The 2014/15 Chronic Poverty Report, produced by the Chronic Poverty Advisory Network (CPAN), highlights that in some contexts and over certain periods of time, descents into poverty can outnumber escapes from poverty. For example, using national poverty lines, in Nepal between 2003/04 and 2010/11, 13 percent of households escaped from poverty while 9 percent of households fell into poverty¹. In Tanzania, between 2008/09 and 2010/11, 12 percent of households fell into poverty, more than the 7 percent that escaped from poverty².

As the world has seen success at reducing poverty, the number of people living on \$2-\$4 a day, has increased, both in terms of total numbers and proportions³. 1.7 billion people live at a level above, but less than twice the level of, the international \$1.90 a day poverty line⁴ and so are highly vulnerable to slipping into poverty in the future. In Latin America 25 to 30 million people – more than a third of people who have escaped poverty since 2003 – risk falling back into poverty⁵. In Uganda, as poverty has reduced, the number and proportion of people living at a level just above the poverty line has risen. By 2013, just under 15 million people, or around 43 percent of the population, lived above the national poverty line but on less than twice the national poverty line⁶.

The poor quality of many escapes from poverty, and extreme poverty, is a central reason for the prevalence of a specific subset of impoverishment – **transitory poverty escapes**⁷ – which refers to households who used to live in poverty, *escape* and then once again fall back into poverty, meaning that they become re-impoverished. Though evidence on the extent of transitory escapes is currently limited due to a lack of appropriate data, analysis of surveys over varied periods of time reveals that transitory poverty escapes can be an important phenomenon in both understanding and addressing poverty.

To-date, however, much of the focus of poverty reduction efforts has been on reaching and supporting people living in poverty so that they can escape it. Much less attention has been paid either to supporting the vulnerable non-poor to prevent them from slipping into poverty (impoverishment), or to ensuring that households or individuals are on sustained pathways out of poverty.

Brief Overview: This brief summarises existing knowledge and focuses on the issue of transitory escapes in particular, as a unique and concerning sub-set of impoverishment. The focus of this brief is to:

- (i) define the phenomenon of transitory poverty escapes, linked to broader concepts of sustained poverty escapes and resilience;

¹ Mascie-Taylor, N. (2013) Regional dimensions of poverty and vulnerability in Nepal. Background Reports. Department for International Development.

² Tanzania National Bureau of Statistics (2011) National panel survey report wave 2. 2010-2011.

³ Sumner, A. (2012) The Buoyant Billions: How 'Middle Class' are the New Middle Classes in Developing Countries? (And Why Does it Matter?) Working Paper 309. Washington DC: CGD. Using 2005 purchasing power parity (PPP).

⁴ Using 2011 PPP; 'PovcalNet: the on-line tool for poverty measurement developed by the Development Research Group of the World Bank. <http://iresearch.worldbank.org/PovcalNet/index.htm?1>

⁵ UNDP (2016) Multidimensional Progress: Well-being beyond income. Human Development Report for Latin America and the Caribbean 2016.

⁶ Republic of Uganda Poverty Status Report 2014. Structural Change and Poverty Reduction in Uganda. Economic Development Policy and Research Department. November 2014.

⁷ Krishna, A. (2010) One Illness Away: Why People become Poor and how they Escape Poverty. Oxford: Oxford University Press. Scott, L. et al. (2014) Investigating Resilience Thresholds in Sub-Saharan Africa. CPAN Challenge Paper 3.

- (ii) highlight key enabling factors as well as the assets, attributes, and strategies that can mitigate the potential for impoverishment and transitory escapes;
- (iii) outline basic data requirements for measuring impoverishment and transitory poverty escapes.

It is part of a series of resources published by USAID through the [Leveraging Economic Opportunities](#)⁸ activity, including country-specific case studies that (i) examine further, through quantitative and qualitative data, the extent and nature of transitory poverty escapes in three Feed the Future Initiative countries - [Bangladesh](#), [Ethiopia](#) and [Uganda](#)⁹; and (ii) investigate how policies and programs can be designed and implemented to minimise, and if possible prevent, transitory escapes and in doing this contribute to sustained poverty reduction. This research involved analysis of panel data with at least three waves for each country, field work to conduct qualitative life history interviews and focus group discussions across multiple target rural areas, as well as extensive engagement from relevant USAID missions and the Center for Resilience at USAID.

The research reveals that, in rural Bangladesh, between 1997/2000 and 2010, 10 percent of all surveyed households experienced transitory poverty escapes - escaping poverty and then returning to it. In rural Ethiopia, between 1997 and 2009, 15 percent of all surveyed households experienced transitory poverty escapes. In Uganda this proportion was 9 percent.¹⁰ Figure 1 elaborates on these dynamics by indicating the subsequent fortunes of the subset of households that escaped poverty between the first and second survey wave.

Figure 1: Poverty Escapes: Sustained, Transitory and Churn

What subsequently happens to households which escape poverty:



Source: ODI for LEO, 2016. See footnote 9 for full reference.

Note: For Bangladesh, this research was unable to identify ‘churners’ (or those households which fluctuate around the poverty line) as only three-wave, not the requisite four-wave, panel data is available.

I. A POVERTY DYNAMICS LENS TO END EXTREME POVERTY

Adopting a poverty dynamics lens reveals that all poor people are not the same; the poor are not a homogenous group. It highlights that ending extreme poverty means interventions on multiple fronts:

- (i) *tackling chronic poverty* – entrenched poverty that extends over many years, sometimes generations;
- (ii) *preventing impoverishment* – the descent of people, currently living out of poverty, to below the poverty line or the further downwards mobility of households already living in poverty; and

⁸ For more on LEO, visit www.acdivoca.org/leo.

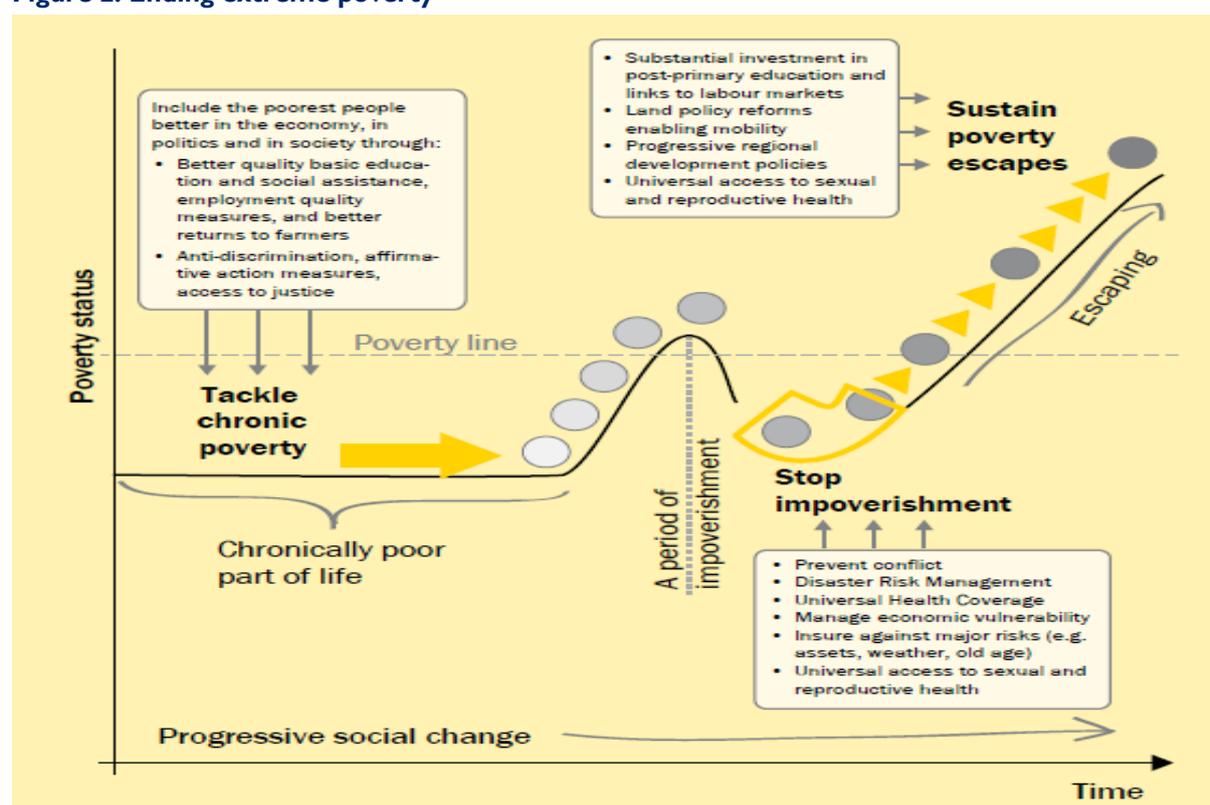
⁹ For Bangladesh: www.microlinks.org/library/ensuring-escapes-poverty-are-sustained-rural-bangladesh; For Ethiopia: www.microlinks.org/library/ensuring-escapes-poverty-are-sustained-rural-ethiopia. For Uganda: www.microlinks.org/library/ensuring-escapes-poverty-are-sustained-uganda.

¹⁰ Analysis of three rounds of the Chronic Poverty and Long Term Impact study in Bangladesh (1997/2000, 2006, 2010). While together the impact study is not nationally representative, the areas chosen do “broadly characterize the variability of livelihoods found in rural Bangladesh” (Qisumbing, 2007). Analysis of four rounds of the Ethiopian Rural Household Survey from between 1997 and 2009. Again, this survey is not nationally representative though the 24 villages it covers do cover a diversity of farming systems (Dercon and Hoddinott 2004). Analysis of four rounds of the nationally representative Uganda National Panel Survey (2005/06, 2009/10, 2010/11 and 2011/12).

- (iii) *promoting sustained escapes out of poverty* – ensuring that, after escaping poverty, people are on pathways for further improvements in their lives and do not experience poverty afresh, or experience an increased risk of escapes being transitory¹¹ (see Figure 2).

Ending extreme poverty therefore requires building resilience capacities to ensure that people live out of extreme poverty, not only today, but also in the future. This also means that **poverty reduction efforts should not just prevent impoverishment but in addition ensure that households are on sustained and resilient pathways out of poverty.**

Figure 2: Ending extreme poverty



Source: Shepherd et al. (2014). *The Chronic Poverty Report 2014/15*.

BOX 1: APPLYING A MULTI-DIMENSIONAL LENS

The findings on the sources of resilience and drivers of transitory poverty escapes discussed in this note relate to poverty trajectories where poverty is defined in terms of per capita consumption and national poverty lines. In addition, ODI is investigating poverty trajectories where poverty is defined in multi-dimensional terms, specifically, using the Multidimensional Poverty Index (MPI) developed by the Oxford Poverty and Human Development Initiative (OPHI).

Preliminary findings reveal that MPI poverty varies over time to a similar extent as consumption poverty. Meanwhile, the overlap between poverty trajectories for multidimensional poverty and consumption poverty varies across the country case studies. The overlap for sustained poverty escapes is highest in Bangladesh and Uganda where around 25 percent or more of sustained escapers, as measured in monetary terms, were also sustained escapers in multidimensional terms. The overlap is lowest in Ethiopia, where the proportion is around 2 percent.

¹¹ Shepherd et al. (2014) *The Chronic Poverty Report 2014/15: The Road to Zero Extreme Poverty*

II. KEY FACTORS FOR SUSTAINED POVERTY REDUCTION

In the context of poverty reduction, USAID defines resilience as, ‘the ability of people, households, communities, countries, and systems to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth’¹². Ultimately ‘resilience’ should shift the focus from preparing for and responding to shocks in ways that ensure that immediate needs are met to enhancing capacity to meet longer-term objectives in the face of shocks, stresses and seasonality¹³. It should also mean a shift in the focus of development efforts from assuming that shocks will not happen to assuming that shocks will happen. Resilience is therefore a set of capacities that enables households to remain out of poverty in the long term, even in the face of shocks and stresses. In other words, because households have a set of resilience capacities, they are able to avoid becoming impoverished and are more likely to escape poverty sustainably.

Inclusive growth, which increases incomes of the poor, itself reduces the risk of future impoverishment or of a poverty escape being transitory. As households become wealthier, they are less likely to fall back into poverty in the future¹⁴. Those living just above the poverty line are most vulnerable to falling below it in the event of shocks or stress. Work on the role of environmental disasters in poverty dynamics, specifically in Ethiopia and Andhra Pradesh (India), shows how the probability of falling back into poverty decreases as per capita household income increases above the poverty line¹⁵.

The same story emerges using household consumption data for the three LEO case studies in rural Bangladesh, rural Ethiopia and Uganda (see footnote 9 for references). For each, the likelihood of becoming impoverished or of a poverty escape being transitory, relative to experiencing a sustained escape, reduces as household per capita consumption increases. Essentially, the less poor you become, the less likely you are to experience a transitory poverty escape. However, sustained escapes from poverty also require building resilience to immediate shocks, stresses and systemic complex risks¹⁶. According to the 2014 WDR, ‘there is growing evidence that adverse shocks - above all, health and weather shocks and economic crises - play a major role in pushing households below the poverty line and keeping them there’¹⁷.

A. SHOCKS

Key shocks that poor households are exposed to and are associated with impoverishment include¹⁸:

- **Economic shocks** – e.g. loss of job of the main wage earner; collapse of agricultural crop prices for net food producers or of cash crops¹⁹; volatile or high prices for agricultural inputs;
- **Social shocks** – e.g. dowry payments, in the instance of Bangladesh;²⁰
- **Environmental shocks** e.g. droughts, in the case of Ethiopia²¹; flooding, in the case of Bangladesh²²
- **Health shocks** – are a key driver of descents into poverty across a range of contexts;²³
- **Conflict** – e.g. the qualitative life histories from northern Uganda highlighted the role of previous insurgencies and cattle raiding in driving transitory escapes.

¹² USAID (2012) ‘Building Resilience to Recurrent Crisis: USAID Policy and Program Guidance’. Page 5.

¹³ *ibid*

¹⁴ Scott, L. et al. (2014) How resilient are escapes out of poverty? CPAN Challenge Paper 2.

¹⁵ Shepherd, A. et al. (2013) The geography of disasters, poverty and climate extremes in 2030. London: ODI

¹⁶ USAID (2015) Extreme Poverty Agenda

¹⁷ World Bank (2013) World Development Report 2014. Risk and Opportunity: Managing Risk for Development. Page 4.

¹⁸ Irwin, B. and Campbell, R. (2015) Market Systems for Resilience. Leveraging Economic Opportunities Report.

¹⁹ De Weerd, J. (2010) Moving out of Poverty in Tanzania: Evidence from Kagera’. The Journal of Development Studies, 46 (2): 331-349. Also emerged from the Uganda case study.

²⁰ Davis, P. (2011) Vulnerability in Rural Bangladesh: Learning from Life History Interviews. CPRC Working Paper No. 196. Quisumbing, A. (2011) Poverty transitions, shocks and consumption in rural Bangladesh, 1996-97 to 2006-07’. In Baulch, B. Ed. Why Poverty Persists. Poverty Dynamics in Asia and Africa, pages 29-65. Also emerged in the Bangladesh case study.

²¹ Dercon et al. (2005) Shocks and consumption in 15 Ethiopian villages 1999-2004.

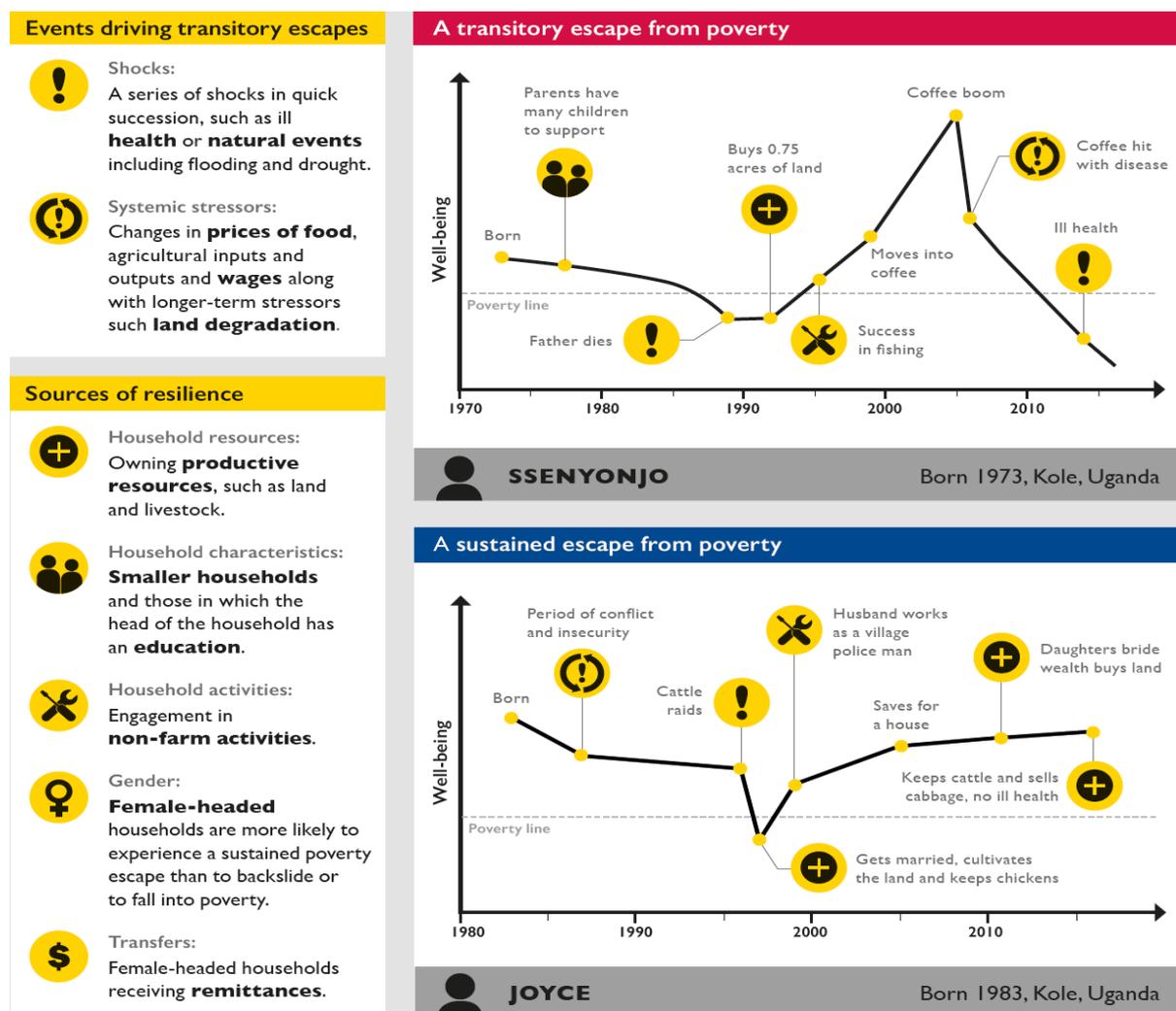
²² Sen, B. (2003) Drivers of Escape and Descent: Changing Household Fortunes in Rural Bangladesh’. World Development 31(3): 513-534.

²³ Baulch, B. (2011) ‘Overview: Poverty dynamics and persistence in Asia and Africa’. In Baulch, B. Ed. Why Poverty Persists. Poverty Dynamics in Asia and Africa, pages 1-29. Krishna, A. (2010) One Illness Away: Why People become Poor and how they Escape Poverty. Oxford: Oxford University Press.

It is not usually just one event or shock which drives households into poverty; rather a sequence of events in short succession frequently drive their impoverishment²⁴. The three country case studies reveal that **the same holds true for transitory escapes**. For example, in rural Bangladesh, the qualitative research highlighted the importance of a series of *health shocks*, in particular, at driving transitory escapes. Meanwhile, in Ethiopia, it was *systematic stressors*, such as land degradation and fragmentation, alongside *covariant shocks*, particularly drought and changes in the relative prices of agricultural inputs and food, which played an important role in transitory versus sustained escapes.

Resilience is a function not just of exposure to shocks; poor people frequently have higher exposure to shocks, through, for example, living in areas with a high incidence of environmental shocks or working in hazardous conditions. Resilience is also a function of the ability to manage these shocks. Resilience therefore means that individuals and households have access to assets and services for effective *ex-ante* and *ex-post* risk management that ensure they do not become impoverished or that poverty escapes are transitory. There is a growing body of robust evidence in the development community on the underlying factors that determine resilience²⁵ at the household level. The *resource base, attributes, activities and strategies* associated with increased resilience are presented in Figure 3 and explored in more detail below.

Figure 3: Drivers of transitory poverty escapes and sources of resilience



²⁴ Baulch, B. (2011) 'Overview: Poverty dynamics and persistence in Asia and Africa'. In Baulch, B. Ed. Why Poverty Persists. Poverty Dynamics in Asia and Africa, pages 1-29.

²⁵ Frankenberger and Nelson (2013) Background Paper for the Expert Consultation on Resilience Measurement for Food Security. Tango International

B. SOURCES OF RESILIENCE: HOUSEHOLD RESOURCE BASE AND ATTRIBUTES

Owning cultivable land and livestock reduces the likelihood of transitory, as compared to sustained, escapes. This finding was supported in all three country case studies, with the exception of land in rural Ethiopia. Rather, qualitative research highlighted how poverty dynamics are not driven by land ownership itself but rather by the factors that underpin the conditions of production, including land quality and broader environmental and weather conditions and the availability and price of inputs such as seeds and fertilizers.

Household composition, including household size. Across the three case studies, larger households are more likely to experience transitory, rather than sustained, escapes²⁶. Particularly in Bangladesh, the sex of the children is important, with girls frequently being viewed as liabilities due to the need to pay a dowry in the future. Panel data analysis shows that, in both rural Bangladesh and Ethiopia, female-headed households are more likely to experience a sustained poverty escape than to become either impoverished or experience a transitory poverty escape.

Social capital increases the ability of communities, households and individuals in those communities to cope and prosper²⁷. This points to the importance of engagement in market systems and other social networks. In the Bangladesh case study, social networks emerge as important to enroll into certain social safety nets, such as an allowance for the elderly, as well as to access sources of non-farm daily wage labor.

Education is a ‘portable asset’ which is not usually lost during a period of crisis²⁸. As well as being associated with preventing impoverishment it is associated with sustained poverty escapes²⁹. Panel data analysis for rural Bangladesh and Uganda reveals that even a primary education by the household head reduces the likelihood of a poverty escape being transitory; this likelihood reduces further for the household if its ‘head’ has finished secondary school.

Empowered women – if women participate in household decision-making then a household is less likely to rely on negative coping strategies during or after a crisis³⁰. The Bangladesh case study reveals the importance of a husband and wife ‘working as a team’ in order to sustain escapes from poverty.

C. SOURCES OF RESILIENCE: HOUSEHOLD-LEVEL ACTIVITIES AND STRATEGIES

‘Stepping-out’ through diversifying livelihoods activities and sources of income (see Box 2) is often associated with risk-spreading and buffering households against a range of shocks. However, to be effective, these livelihoods need to be unlinked, or have diversified risk profiles, meaning that different livelihoods assets and activities are not vulnerable in the face of the same shocks and stresses. For example, in rural areas a household may have two income sources - one from selling their own agricultural produce and the other from casual agricultural labor – but both of these are vulnerable to weather-related shocks and declines in agricultural production³¹.

²⁶ The quantitative findings with respect both to share of dependents and share of children varied across the three countries, with no results being statistically significant at $p < 0.1$.

²⁷ World Bank (2013) see footnote 16.

²⁸ Bird, K. et al. (2010) Conflict, education and the inter-generational transmission of poverty in Northern Uganda. *Journal of International Development* 27 (8): 1183-1196.

²⁹ Scott, L. et al. (2014) ‘How resilient are escapes from extreme poverty?’ CPAN Challenge Paper 2.

³⁰ Mercy Corps and Tango (2013) What Really Matters for Resilience? Exploratory Evidence on the Determinants of Resilience to Food Security Shocks in Southern Somalia.

³¹ Boudreau, T. et al. (2013) Livelihoods at the Limit. Food Security in a Changing World: Evidence from the consolidated Household Economy Analysis database. Food Economy Group and Save the Children.

To build resilience, it is therefore insufficient to diversify income sources; it is more important to *diversify risk factors*³². Households can also be ‘too diversified’ in terms of their sources of income. Across the three case studies, households which had a greater number of economic activities per member were more likely to experience a transitory than sustained escape. **Migration** and the **remittances** associated with it are important for female-headed households to avoid transitory poverty escapes in Bangladesh and, though the prevalence of remittance receipts is low, also appear to be important sources of resilience in rural Ethiopia.

Involvement in the non-farm economy and women’s engagement in the labor market are also important. In contrast to this general finding, in Uganda, the involvement of the household head in a non-farm enterprise increases the likelihood of poverty escape being transitory, rather than sustained, but just for female-headed households. This is potentially because they are trapped in enterprises which may require limited capital, but have low returns.

BOX 2: ‘STEPPING-OUT’ AND ACHIEVING A SUSTAINED POVERTY ESCAPE

When Joyce started her own household, she was 14 years old. She and her husband dug and cultivated the land. They had no other income-generating activities and, other than a few chickens, no animals.

Joyce’s husband was lucky and obtained a job as an auxiliary policeman two years after they married. After he was deployed in the north, she went with their young child to live with him. However, after several years she came back home to start making bricks and to build a house so they could better themselves. During the school holidays, when there were no fees to pay, they slowly bought cement and iron sheets to construct a permanent house.

Joyce notes that you can’t depend on a salary alone. Soon three children will need fees to go to secondary school. When their first daughter got married four years ago, they received four cattle and ten goats as the bride price. Their daughter had passed her O-levels and completed some catering training. They sold two of the cattle and added money from her husband’s salary to buy more land. The remaining two cows have now given birth, so they once again have four cows. They also sold six of the goats and bought some land near a day school. They plan to build a semi-permanent structure there, as they realize the school needs more housing—they hope the school will rent the rooms from them.

Joyce also farms their three acres of land. She grows vegetables year-round on the plot of land near the river bed. She sells cabbages in the village most Fridays. If the crop fails, they will look for other ways of getting money, including through casual labor—in particular, mining sand and selling this to builders. Joyce’s life history is also presented in Figure 3.

‘Stepping-up’ through asset accumulation and agricultural activities - unlike income, which can be erratic, assets provide buffers in the event of shocks. In many rural areas, escape from poverty is partly about being able to accumulate the assets underpinning successful engagement in agriculture. **‘Livestock ladders’**, or starting with a few small livestock and building up their number and value, are important routes out of poverty³³. **Land accumulation** is also important for sustained poverty escapes in some rural contexts, including in Bangladesh. This is despite the fact that households that continuously live out of poverty may not have a livelihood based on land³⁴.

³² Mercy Corps and Tango (2013) see footnote 30.

³³ Kabeer, N. (2002) Safety nets and opportunity ladders: Addressing vulnerability and enhancing productivity in South Asia. ODI Working Paper 159.

³⁴ Scott, L. et al. (2014) *ibid*

Meanwhile, qualitative research in rural Bangladesh and rural Uganda revealed the importance of particular agricultural activities and practices in minimizing the likelihood of poverty escapes being transitory. These include **cultivating high-value crops, storing food-crops for sale when the price is high and regularly switching crops depending upon market conditions and available technologies** (including new varieties and irrigation). In the case of Uganda, households that sustainably escaped poverty **also grew drought-resistant crops such as cassava, to provide a buffer in case of the failure of other crops**. Box 3 however, highlights the potential risks of following a ‘stepping-up’ strategy if appropriate safety nets and support are not in place.

BOX 3: A TRANSITORY ESCAPE FOLLOWING A ‘STEPPING-UP’ STRATEGY

Ssenyonjo Edward went to school, but dropped out in Senior 3 in 1989 because of his father’s death in a boat accident. There and then he became a breadwinner to his siblings, and so stopped schooling and went into fish mongering at the age of 14. He learnt the trade from his father while he was still alive. He realized he had to stand up ‘as a man.’ In 1992 he bought his first piece of land, which was three-quarters of an acre. He got married in 1993 and now has five children.

Ssenyonjo later learnt that he could sell some fish and get into the coffee business, which proved to be more lucrative. At the peak of it, in 2005, he used to sell two truckloads a week during harvest. But in 2006 there was a heavy outbreak of coffee wilt disease, which completely destroyed his crops. He had workers to pay amidst other pending obligations and soon fell into debt. In 2014 he got infected by a complicated disease and needed an expensive operation. That further depleted his resources; he drew down his savings and sold some small livestock.

After the failure of the coffee business he changed strategy and went into growing food crops. He mainly grows yams, cassava, beans, and sweet potato (his most important crop) but on a very small scale. He buys the vines from a local potato vine multiplier in the village.

He also sold off a few pigs and rented a piece of land for growing more food crops. He sells his produce mainly by the roadside since the village is located along the highway to Kampala.

Ssenyonjo’s life history is visually depicted in Figure 3.

D. POLICY AND PROGRAM-LEVEL STRATEGIES

Policies and programs can contribute to building household resilience either through directly addressing the types of risk that poor people face (e.g. access to health insurance in the face of health risks) or through supporting the development of assets or the pursuit of strategies which increase the ability to manage risks. These policies and programs – all of which are explored in more detail in the country case studies - include:

Social assistance (cash and asset transfers): there is increasing evidence (particularly from Latin America³⁵) that cash transfers can protect households, enabling them to cope in the face of shocks and stresses (and so to prevent impoverishment). Evidence from four countries in sub-Saharan Africa shows that cash transfers can also enable households to build up assets, the implication being that these assets can provide buffers in the event of shocks³⁶. Cash transfers are increasingly seen as an instrument for disaster risk management, if they are designed to be ‘shock responsive’ e.g. the program expands its coverage if rainfall is particularly low.

³⁵ Maluccio J A (2005) Coping with the “Coffee Crisis” in Central America: The Role of the Nicaraguan Red de Protección Social. IFPRI Working Paper.

³⁶ Daidone, S.; Perllerano, L.; Handa, S. and Davis, B. (2015) Is Graduation from Social Safety Nets Possible? Evidence from sub-Saharan Africa. IDS Bulletin 46 (2) 93-102

Asset transfers meanwhile, designed with the objective of graduating ultra-poor households into sustainable livelihoods, have been found through research in six countries to enable households to escape poverty and remain out of it for at least 12 months after support finishes (a total of 36 months after receiving the initial assets)³⁷. In the case of Bangladesh there is longer-term evidence, with beneficiaries remaining out of poverty four years after the end of the program³⁸.

Training and labor market interventions: the level of education necessary for enhancing resilience varies with context. Particularly important is that it is linked with labor market requirements and improved terms of engagement³⁹. Much of the focus of donor and NGO interventions in the case study countries has been on promoting entrepreneurship. However, microenterprises are an inherently risky engagement, particularly if not accompanied by skills development and access to appropriate forms of capital. It is important that development efforts do not overlook the importance of improving the conditions for both agricultural and non-agricultural wage laborers in addition to supporting entrepreneurship.

Supporting fair migration (international and internal): labor mobility for a household member is extremely important to enable households both to diversify income sources and risk factors. Migration of households away from geographically remote or vulnerable areas, meanwhile, is potentially an essential component of building household resilience. Migration however, is also not without its risks, particularly when the policy environment is not conducive for fair migration e.g. migrants are not entitled to labor law coverage or social protection⁴⁰ and where potential migrants are unaware of the full set of risks and costs and so they and their households are unable to estimate the real costs and return on investment from migration.

Adaptive agricultural practices and technologies to manage production- and market- related risks: these interventions are both to enhance resilience in the face of environmental shocks, stresses and seasonality as well as in the case of volatility in input and output markets. Enhanced farm management practices are important in the case of the former while group-based marketing and value chain development are important for the latter. Access to information, whether on weather or market prices can also be important sources of resilience⁴¹.

Access to appropriate financial services: a ‘safe place to save’ doesn’t only support households in increasing consumption and investment but also helps to manage shocks⁴². Typically, poor households don’t have access to formal savings accounts, relying on informal savings groups. These are increasingly being linked with formal financial services in order to increase their risk-buffering role. Effective insurance in the event of major risks, including to protect property such as crops and livestock, is crucial. Microcredit can also play an important role in building resilience, though as both the Bangladesh and Ethiopia case studies reveal, if taken for consumption can trap the poorest households in a cycle of indebtedness.

III. MEASURING TRANSITORY POVERTY ESCAPES

It is critical that more attention is placed to measuring and analysing the extent and nature of poverty escapes, particularly investigating if these escapes are sustained over time. This can be investigated through qualitative and quantitative approaches. A [separate LEO brief](#)⁴³ outlines the methodology for

³⁷ Banerjee, A.; Duflo, E.; Goldberg, N.; Karlan, D.; Osei, R.; Parienté, W.; Shapiro, J.; Thuysbaert, B.; and Udry, C. (2015) A multifaceted program causes lasting progress for the very poor: Evidence from six countries. *Science* 348 (6236)

³⁸ Hashemi, S. and Umaira, W. (2011). New pathways for the poorest: The graduation model from BRAC. Centre for Social Protection Research Report 10. January 2011. Brighton: Institute of Development Studies.

³⁹ Scott, I; et al. (2014) *ibid*

⁴⁰ Deshingkar, P. (2010) Migration, remote rural areas and poverty in India. CPRC Working Paper 163.

⁴¹ Shepherd, A. et al. (2012) Meeting the challenge of a new pro-poor agricultural paradigm: The role of agricultural policies and programs. CPAN Policy Guide 2.

⁴² Karlan et al. (2014) ‘Savings by and for the Poor: A Research Review and Agenda’. *Review of Income and Wealth* 60(1): 36-78.

⁴³ <https://www.microlinks.org/library/methodological-note-conducting-poverty-dynamics-research>

conducting research into poverty dynamics through a seven-step process; some key points from that brief are covered here.

Assessment of the *extent* of transitory poverty escapes requires nationally representative panel data with at least three panel waves; or data which re-visits the same households at three points in time, or more. Currently, this type of data is not widely available, due in large part to challenges in funding, implementing and analysing these long-term surveys: Administering a panel survey requires key decisions to be made from the outset to ensure that the panel survey rounds are comparable (e.g. who to track- individuals or households?) Attrition, or not being able to locate the same individual or household on subsequent visits, is also a problem both for implementation and analysis. However, the main challenge of using nationally representative panel data is that, over time, they become less representative of the population at large⁴⁴.

Investigating the *nature* of transitory poverty escapes, though, requires qualitative approaches, such as life histories, which enable examination of the *causes* and drivers of transitory poverty escapes. An example of a life history graphic is presented above in Figure 3.

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⁴⁴ For more information see Scott, L. and Mariotti, C. (2014) A place for panel data in the 'data revolution'. ODI Briefing 92.