Resilience and Sustainable Poverty Escapes

Panelists:

Anna Garloch, ACDI/VOCA

Syed Hashemi, CGAP

Andrew Shepherd, ODI

Moderator:

Kristin O'Planick, USAID

Why do we care about this research?

RESILIENCE AND SUSTAINABLE POVERTY ESCAPES

Extreme poverty cannot be ended if escapes from poverty are not sustained over time

What subsequently happens to households which escape poverty:

- ● Remain out of poverty
- ● Fall back into poverty
- ● Churn around poverty line

Uganda
All households, 2005–2012

Bangladesh*
Households in rural areas, 1997–2010

Ethiopia
Households in rural areas, 1997–2009

Events driving transitory escapes

- Shocks: a series of shocks in quick succession, such as ill health or natural events including flooding and drought.

- Systemic stressors: changes in prices of food, agricultural inputs and outputs and wages along with longer-term stressors such as land degradation.

Sources of household resilience

Gender:
Female-headed households are more likely to experience a sustained poverty escape than to backslide or to fall into poverty.

Transfers:
Female-headed households receiving **remittances**.

Household resources:
Owning **productive resources**, such as land and livestock.

Household characteristics:
Smaller households and those in which the head of the household has an **education**.

Household activities:
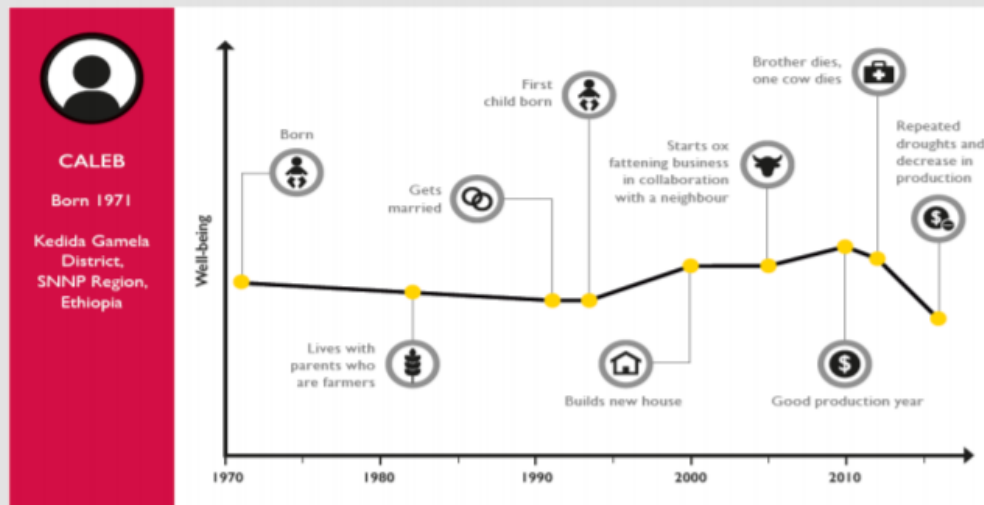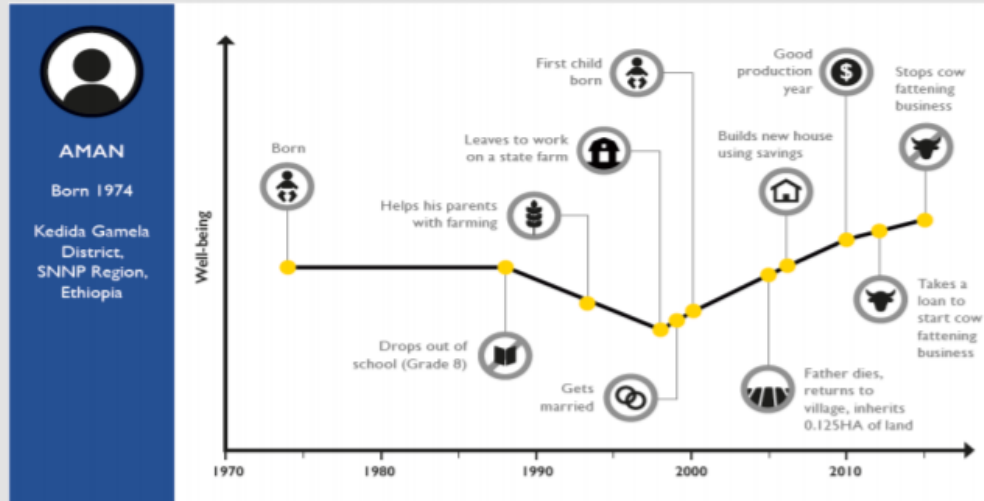Engagement in **non-farm activities**.

Resilience, sustained and transitory poverty escapes

Andrew Shepherd

Chronic Poverty Advisory Network www.chronicpovertynetwork.org

Ethiopian households absolute poverty dynamics by mean and median per capita consumption; 2011/12, 2013/14, and 2015/16

	Observation	Percent	Mean	Median
NNN	383	13.33	6,483.83	7,918.40
NNP	127	4.42	5,740.27	4,522.33
NPN	218	7.59	5,621.90	5,015.45
NPP	265	9.22	4,406.27	2,941.05
PNN	131	4.56	5,445.20	5,043.97
PNP	146	5.84	3,696.55	3,371.70
PPN	326	11.34	4,064.25	3,238.41
PPP	1278	44.47	2,135.42	2,051.13
All	2874	100	3,703.60	2,728.83

N belongs to non-poor and P belongs to poor. The mean and the median for the per capita consumption are calculated in real terms at 2011/12 price across the three survey rounds.

A life-history timeline chart plotting wealth (vertical axis, 0 to 70) against Calendar Year (1959 to 2017), with the following annotated events:

- **1960** born
- **1987** first marriage
- **1988** first child
- **1990** began coffee trade
- **1991** began grain trade
- **1989** first divorce
- **1989** second child
- **2000** bought two cows
- **2002** second marriage
- **2005** third child
- **2006** started saving in inqub
- **2007** bought a house in town with saving from iqub sale of cows
- **2007** crop destroyed by pest
- **2010** death of child during labour; second divorce
- **2014** bought 2 cows for birr 12,000
- **2015** started tela business
- **2016** sold a cow for birr 12,000; bought bed, refrigerator and TV