



Reducing vulnerability and building resilience – what does it entail?
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Expert Group Meeting on “Strengthening Social Development in the Contemporary World” Division for Social Policy and Development, United Nations Department of Economic and Social Affairs, New York, 19-20 May, 2015

Outline

- Policy measures for extreme poverty eradication (Chronic Poverty Report)
- Policies against impoverishment
- Tackling intersecting inequalities (ODI report)
- Pro-poorest economic growth: tackling adverse inclusion
 - Employment
 - Financial inclusion
 - Private sector development

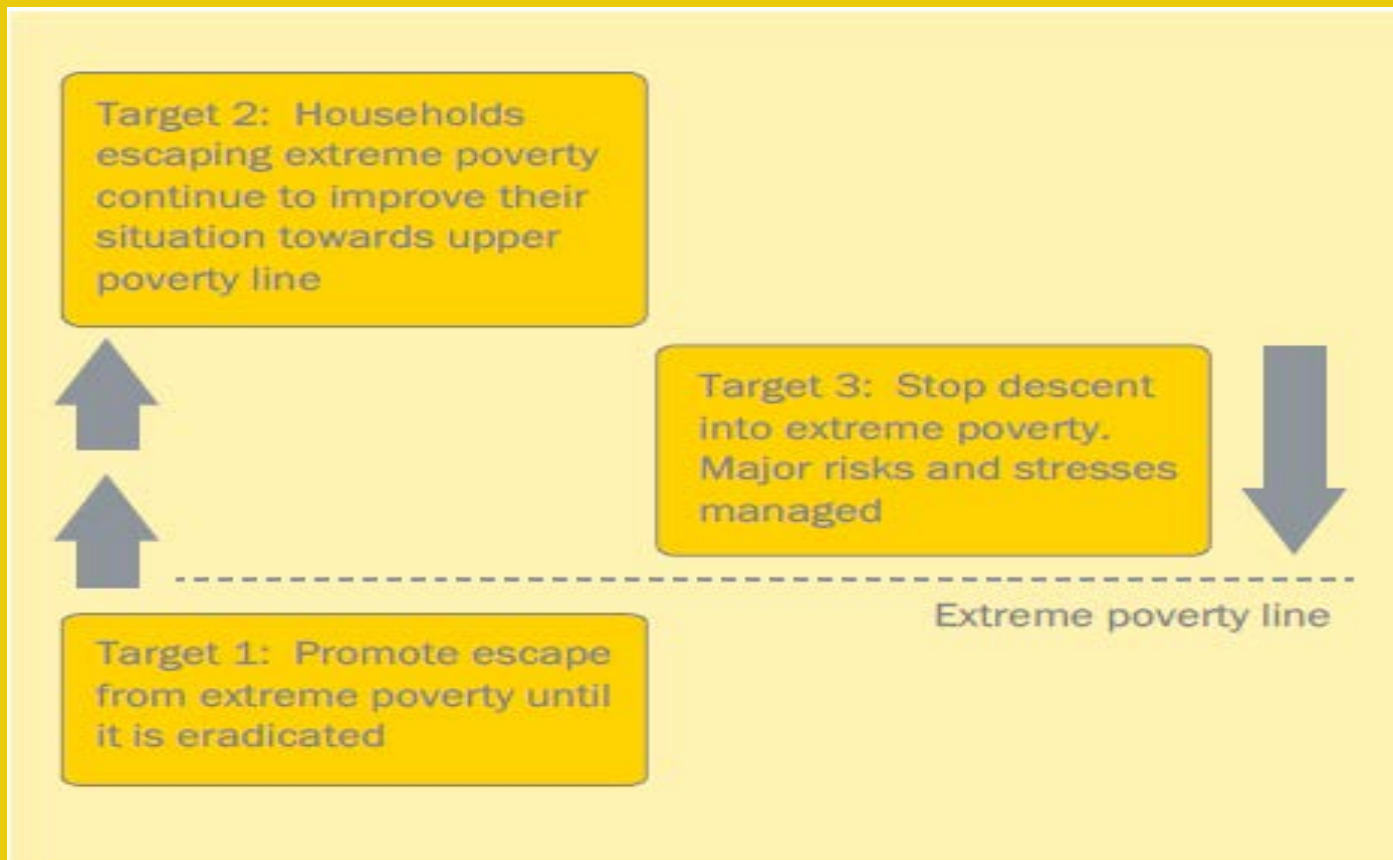
Definitions of poverty concepts

- **Extreme poverty** = \$1.25 per person per day (or below national poverty lines). This basic statistical measure is based on consumption or expenditure as recorded by household surveys.
- **Severe poverty** = \$0.70 per person per day, based on the average consumption of the poor in sub-Saharan Africa (or in some cases consumption below national food or severe poverty lines).
- **Chronic poverty** = extreme poverty that persists over years or a lifetime, and that is often transmitted intergenerationally.
- **Impoverishment** = descent into extreme poverty.
- **Sustained escapes from extreme poverty** = staying out of poverty and progressing towards a higher threshold (such as \$2 per person per day).
- **Panel household survey** = a survey that tracks the same households over several years, enabling the tracking of movements in and out of poverty.
- **Multidimensional deprivation/poverty** = the Oxford Poverty and Human Development Initiative defines this as being 'deprived in 3 of 10 assets and capabilities'; and severe deprivation as being deprived in half of these indicators.
- **Poorest** = the chronically poor, the severely poor (overlapping categories).

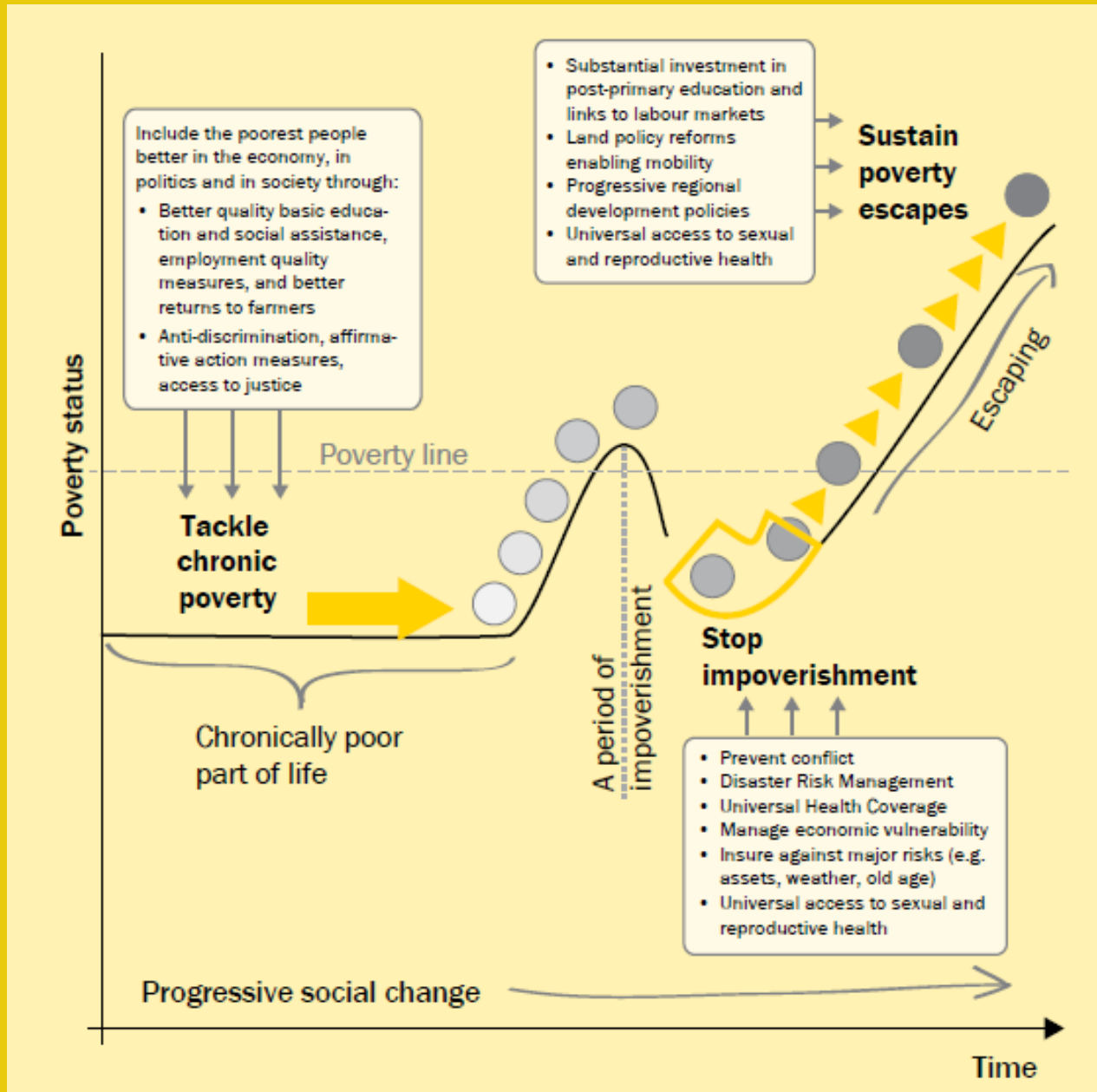
The Zero Poverty Tripod



A dynamic post-2015 goal to eradicate extreme poverty



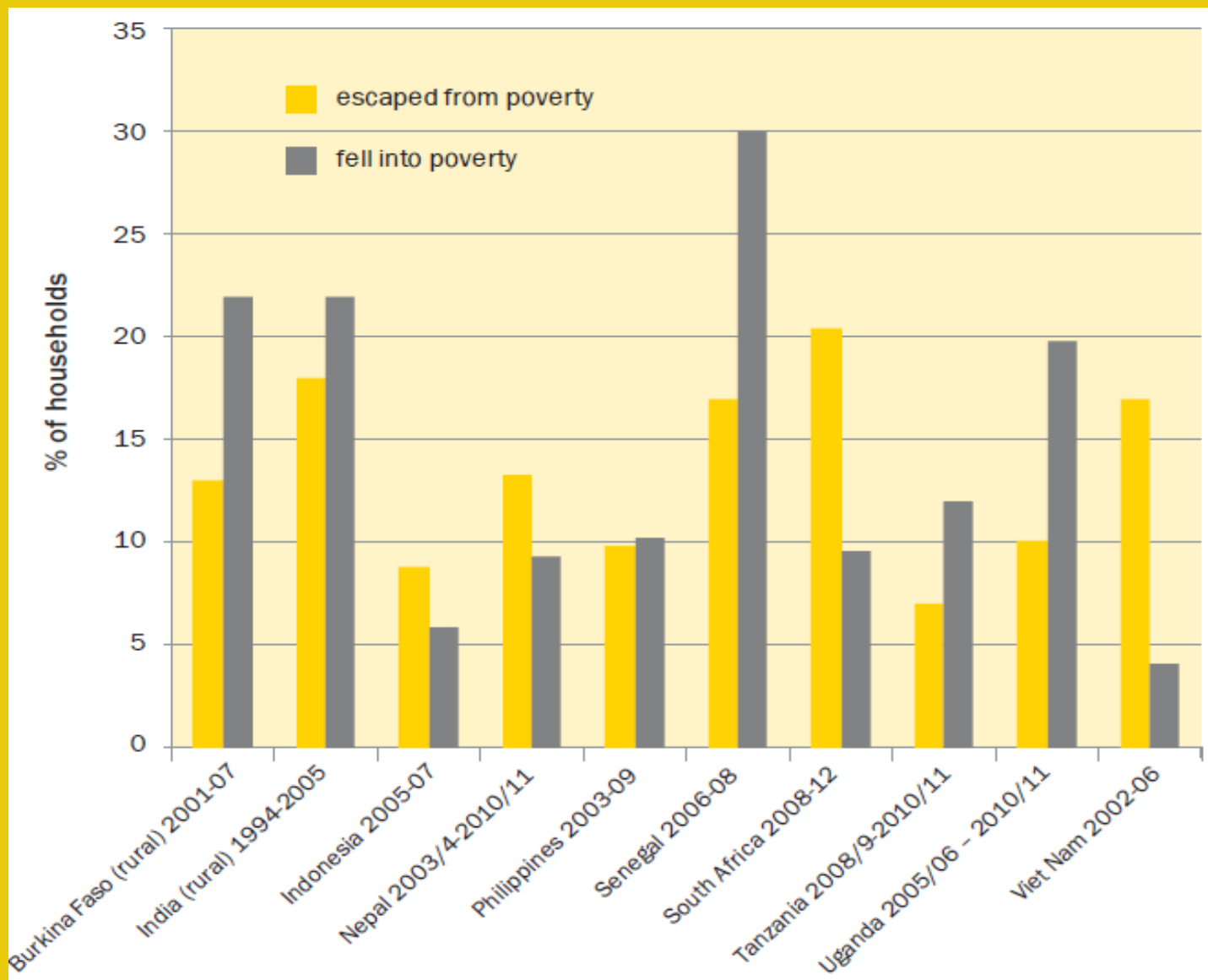
Policies for the zero poverty tripod



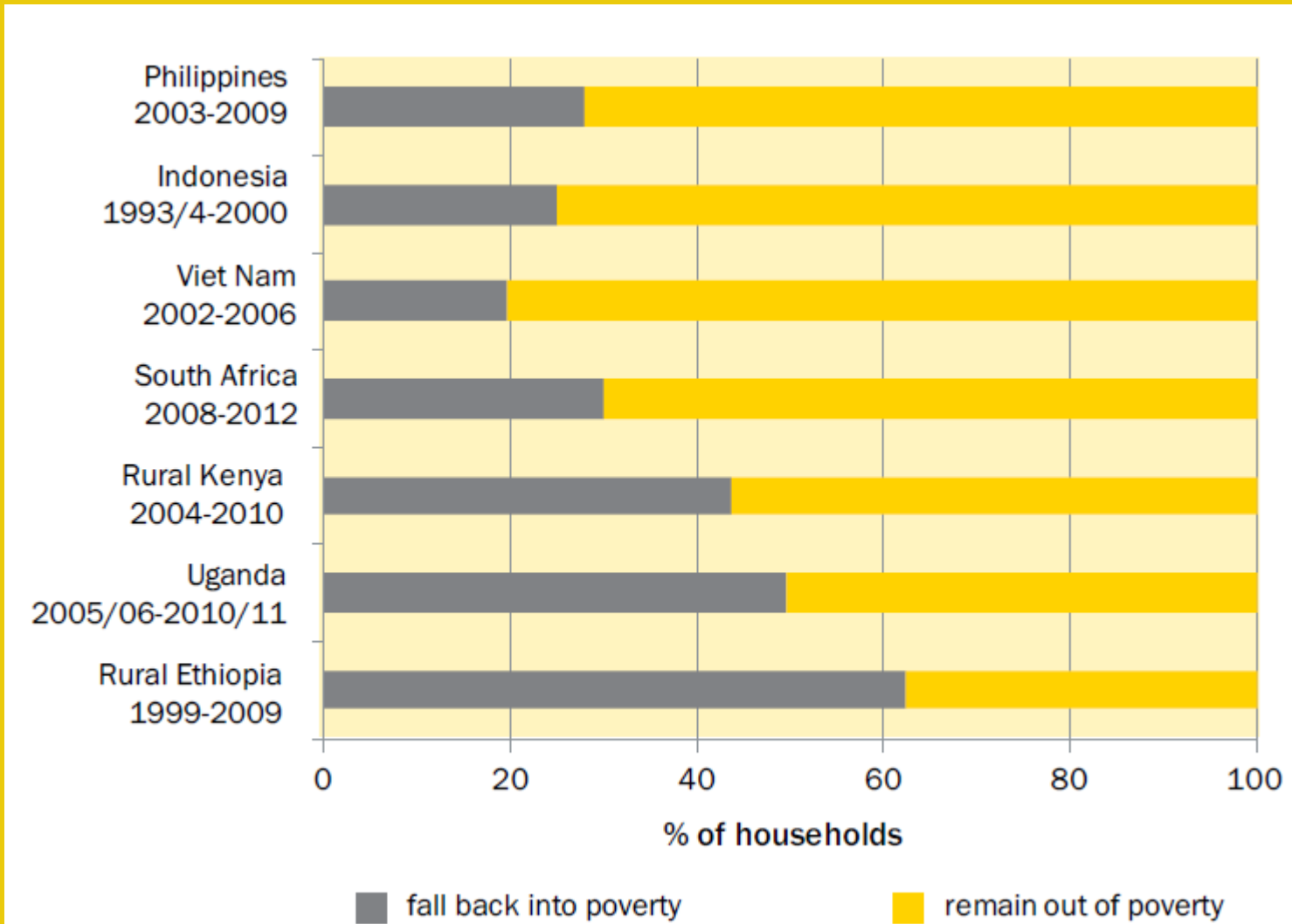
<i>Objectives</i>	<i>Tackle chronic poverty</i>	<i>Stop impoverishment</i>	<i>Sustain escapes from extreme poverty</i>
<i>Cross cutting policies</i>	Social protection		
	Education, including pre- and post-primary and links to labour markets		
	Pro-poorest growth measures, including employment quality measures		
	Universal access to reproductive and sexual health services		
<i>Objective-specific policies</i>	Anti-discrimination measures	Conflict prevention measures	Land policy reforms enabling mobility (renting in/out)
	Affirmative actions	Disaster risk management	Strong regional development policies
	Access to justice	Universal health coverage	
	Agricultural market improvements	Insure against other major risks – asset loss, ill-health, deaths	

STOPPING IMPOVERISHMENT

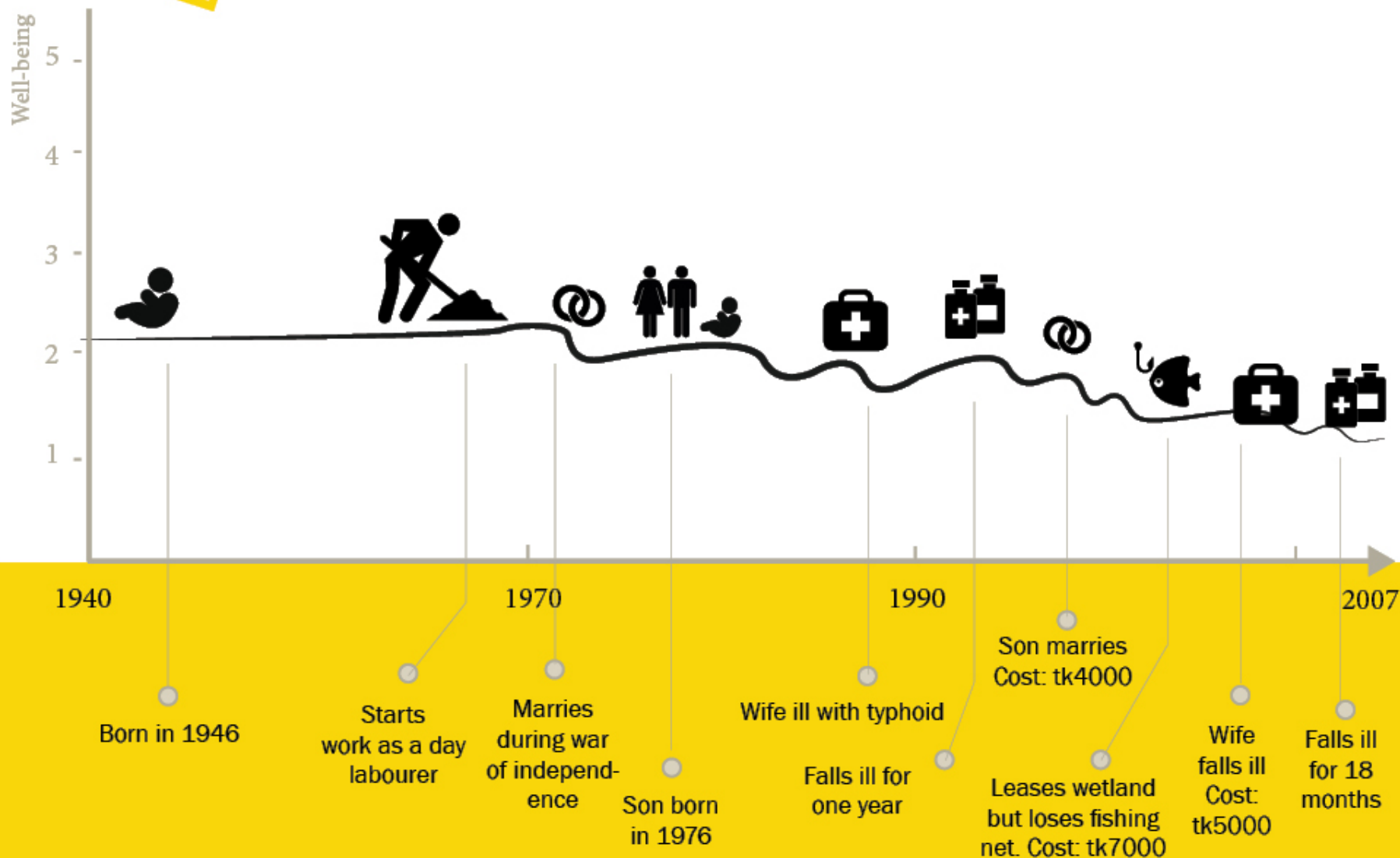
Poverty transitions – escapes and descents into poverty



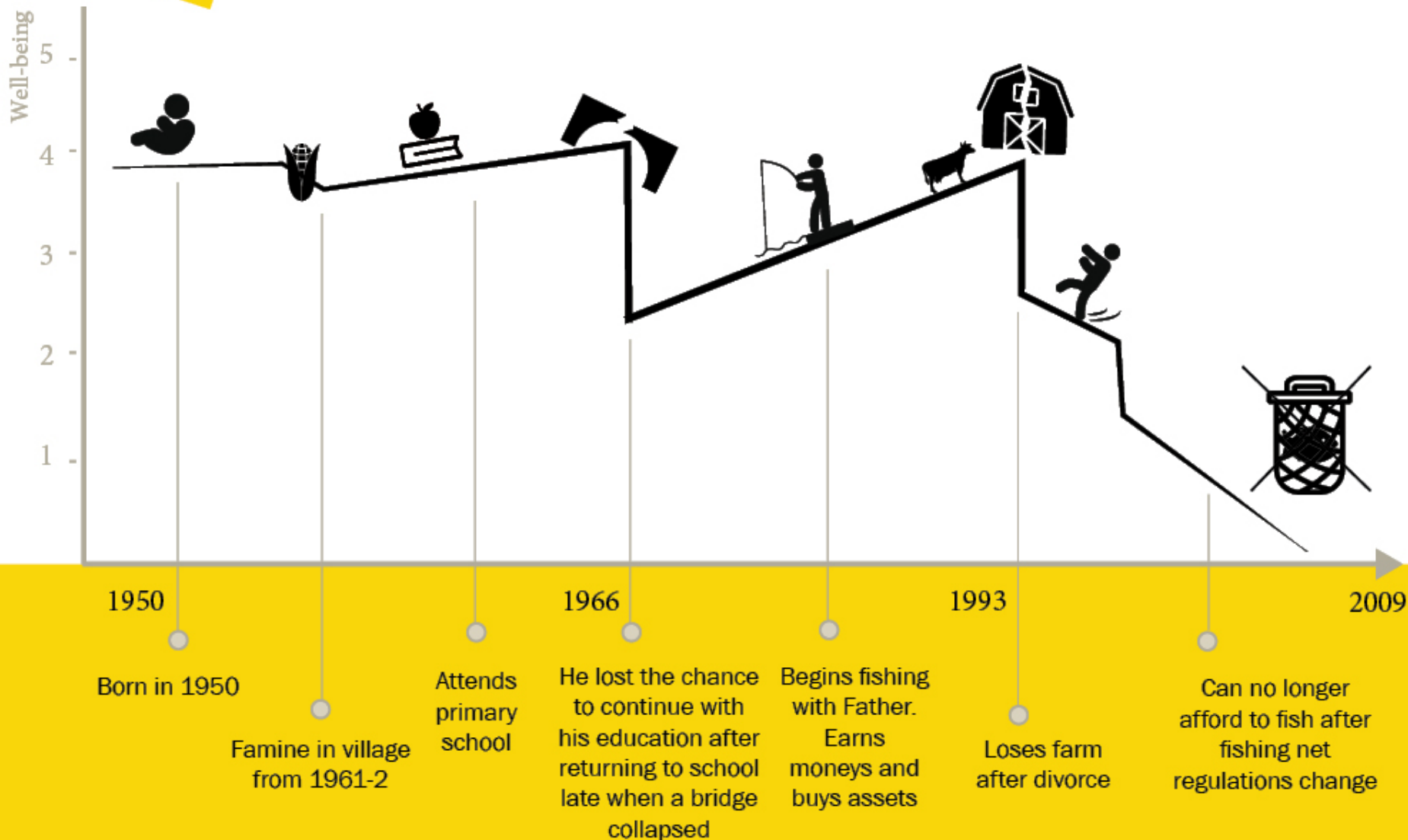
What happens to households which escape extreme poverty?



LIFE HISTORY MAP: Amin, 61 years old, rural Bangladesh



LIFE HISTORY MAP: Emanueli Mazua, 59 years old, rural Tanzania



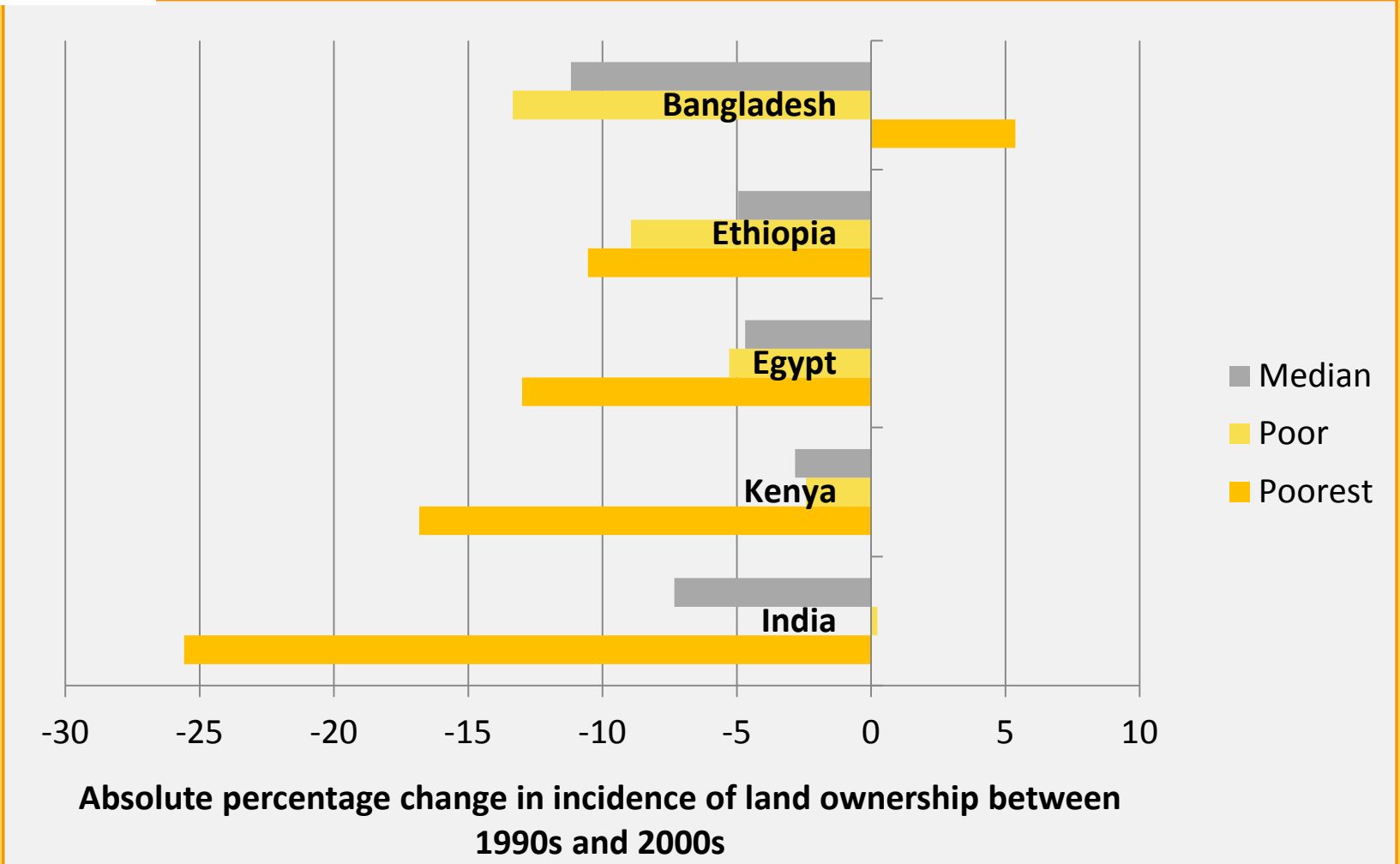
Risks of impoverishment and policy responses

Type of risk	Impoverishment channel	Policies to mitigate risk and reduce vulnerability
Individual	<p>Production-related risks (inherent in farming and in entrepreneurial activity) and unemployment.</p> <p>Credit-debit spirals.</p> <p>Health shocks.</p> <p>Life-cycle turning points.</p>	<p>Tailor-made financial services, especially savings and insurance products.</p> <p>Universal Health Coverage.</p> <p>Social assistance for the extreme poor and social insurance in countries where the economy is (slowly) formalising.</p> <p>Pre-school educational vouchers and targeted support to young families.</p>
Systemic	<p>Macro-economic and financial shocks.</p> <p>Conflicts.</p> <p>Natural disasters and climate change.</p> <p>Price spikes and inflation.</p>	<p>Macro-economic policies.</p> <p>Conflict prevention.</p> <p>Disaster risk-management.</p> <p>Wage policies.</p>

Stopping impoverishment: Social policy aspects

- 6 out of 14 policy areas are social; 3 are integrated social-economic-environmental
- Social protection, education, sexual and reproductive health, anti-discrimination, affirmative action, universal health coverage
 - Measures vs gender inequality eg land inheritance laws and norms
- Social protection – need to open social insurance in addition to social assistance

Changes in land assets among the poor, poorest and median quintiles 1990s-2000s



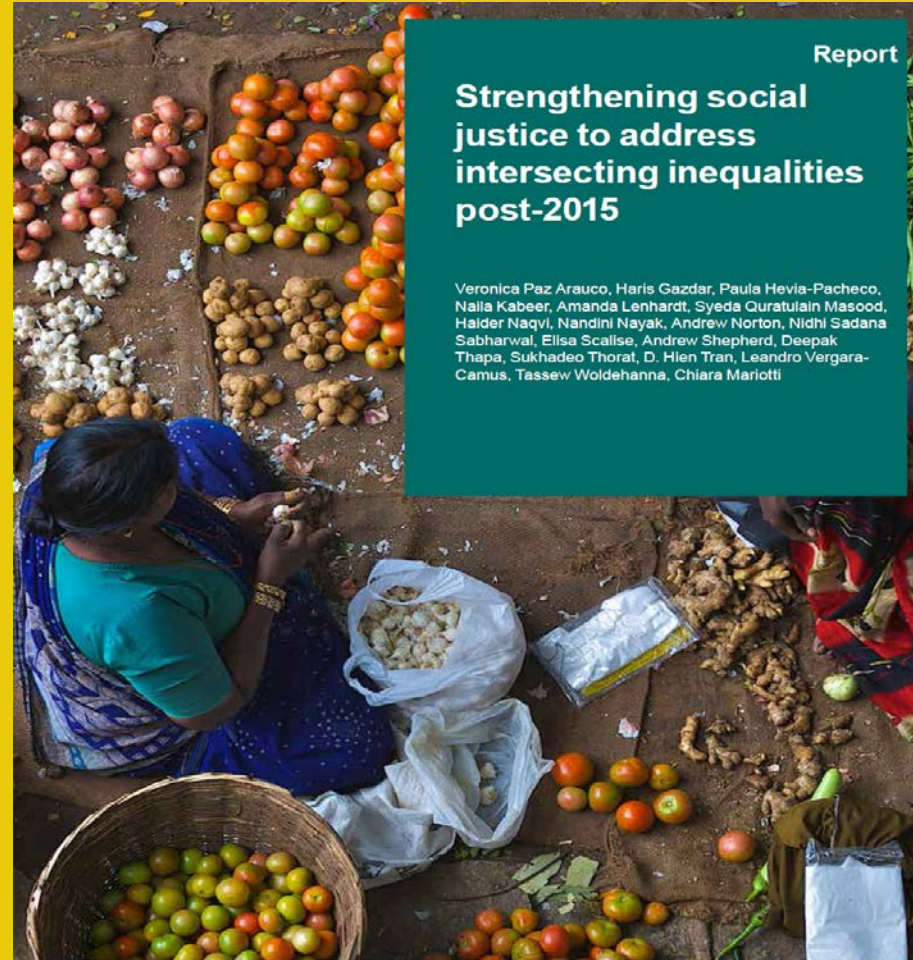
Source: Analysis of DHS data

3 Social-economic-environmental measures

- Land policy – tenure and management
 - Recognition of plural channels to tenure security
 - Permitting renting in and out
 - Climate smart farm systems – build stocks of soil and water
- Disaster risk management
 - Quality varies significantly at same income level
 - Sub-national disaggregation and targeted policy
- Reproductive and sexual health
 - Demographic change inherent in household mobility
 - Gender equality, education and economic transformation drivers
 - Poverty eradication as well as environmental outcomes

Tackling Intersecting Inequalities

“ This approach captures the combination of multiple disadvantages that affect certain categories of people – those whose very identity is subject to deep inequalities. This is the case with the forms of identity that are ascribed from birth and are relatively immutable; such as race, caste, ethnicity and gender. A person can have more than one of these identity ‘markers’ and any or all of them can imply some form of disadvantage (e.g. an indigenous woman living in a remote rural location). These combined disadvantages leave some individuals and groups more constrained in their life chances than others, and more likely to suffer magnified deprivation.”



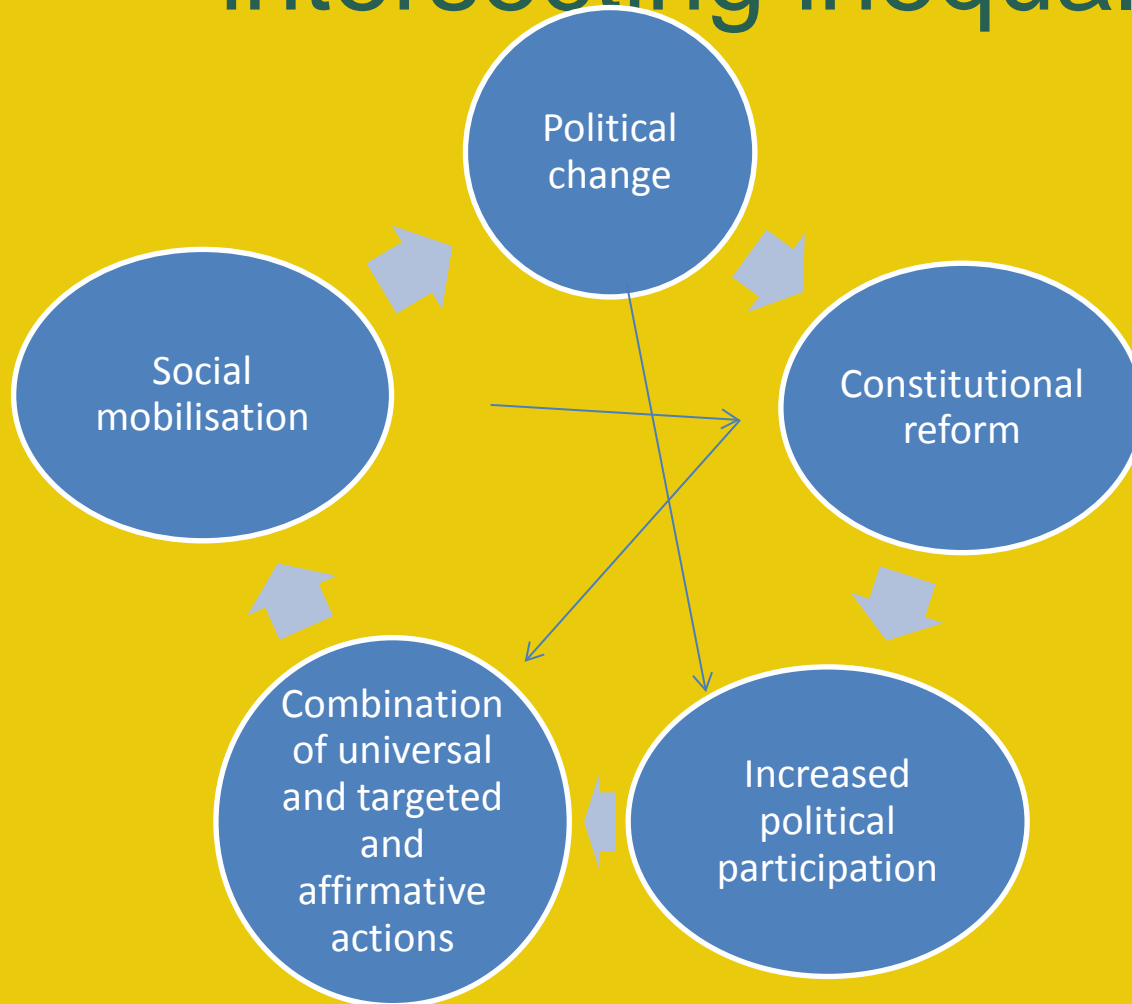
Report

Strengthening social justice to address intersecting inequalities post-2015

Veronica Paz Arauco, Haris Gazdar, Paula Hevia-Pacheco, Naila Kabeer, Amanda Lenhardt, Syeda Quratulain Masood, Haider Naqvi, Nandini Nayak, Andrew Norton, Nidhi Sadana Sabharwal, Elisa Scallise, Andrew Shepherd, Deepak Thapa, Sukhadeo Thorat, D. Hien Tran, Leandro Vergara-Camus, Tassew Woldehanna, Chiara Mariotti



Essentials of addressing intersecting inequalities



Trajectories of political change that promote equity and inclusion

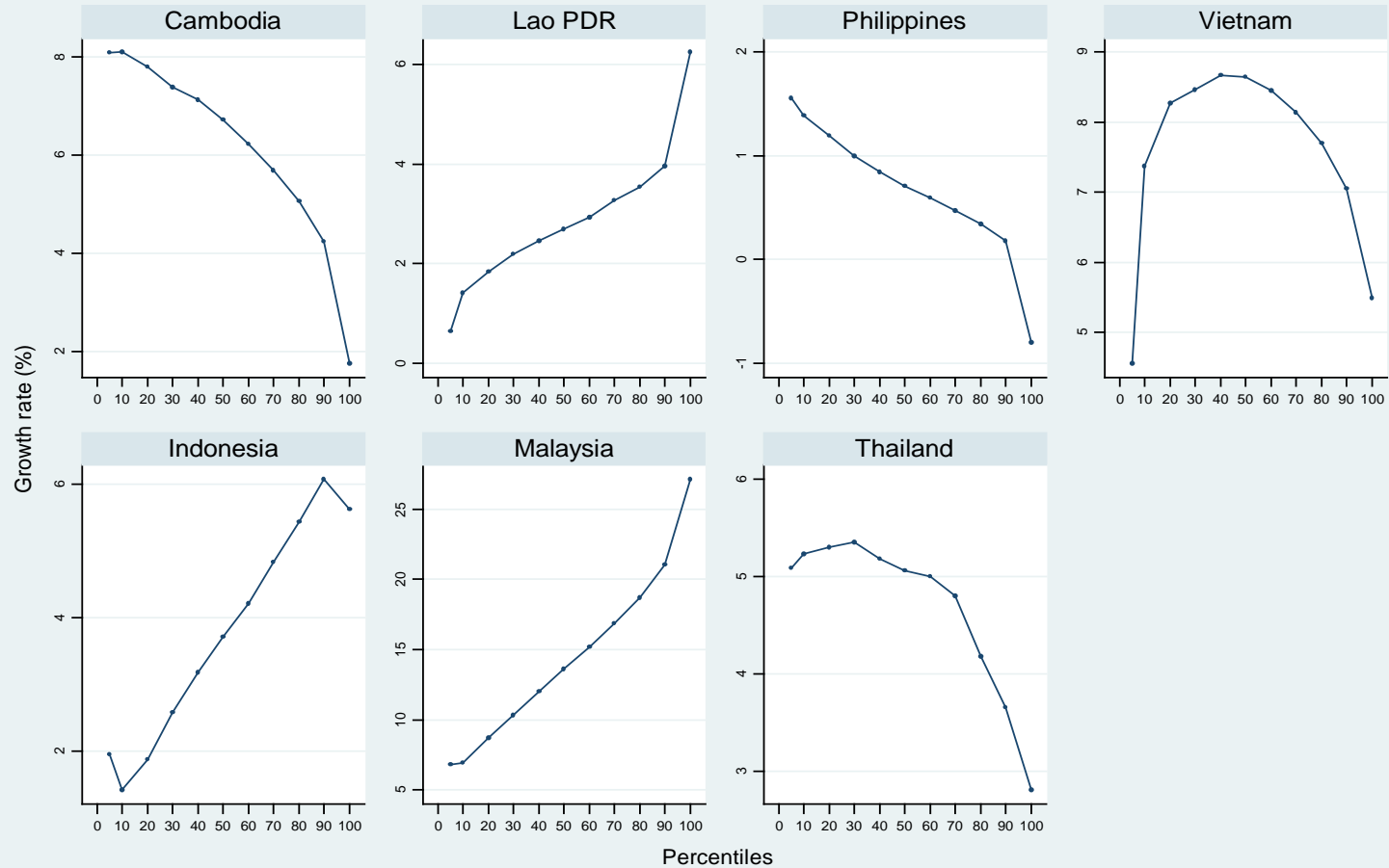
- Governments with a strong inclusive and redistributive agenda combined with class-based social mobilisation (e.g. Brazil and Ecuador).
- Multi-ethnic countries in which movement-based governments result from identity-group mobilisation (e.g. Bolivia, Ethiopia, and Nepal).
- **What can be done:** national projects generating broad consensus around progressive policies; support by coalition of political parties and social movements; open spaces for civil society; indicators of progress towards inclusion in the SDGs.

Pro-poorest economic growth: tackling adverse inclusion

- The majority of chronically poor are economically active
- Relevant CPAN policy guides (www.chronicpoverty.org):
 - Agriculture
 - Employment
 - Energy
 - Financial inclusion (May 2015)
 - Private sector development (May 2015)
 - Macro-economic policy (September 2015)

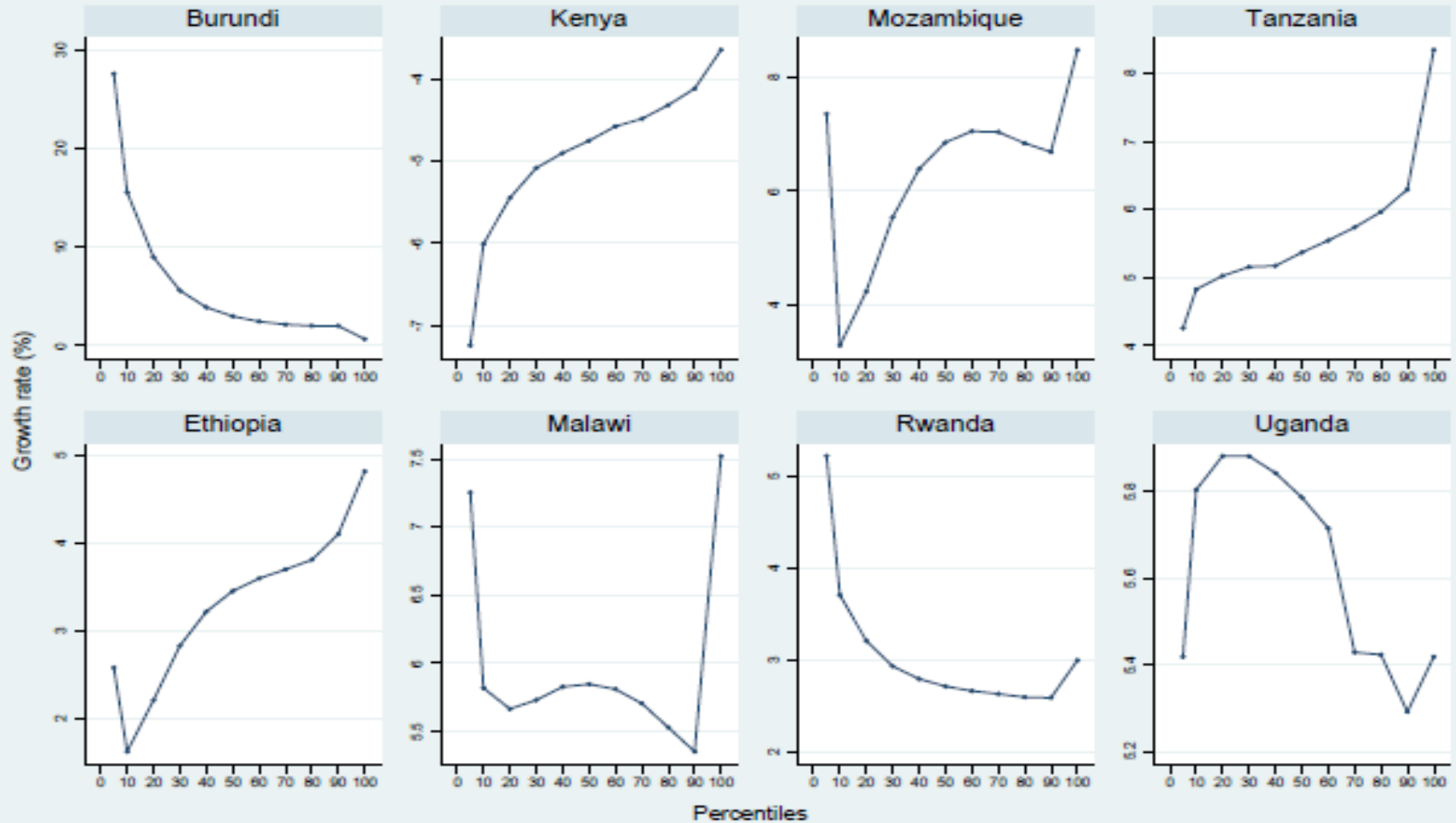
South East Asia GIC

Growth Incidence Curves



East Africa GIC

Growth Incidence Curves



Employment

- Escapes from extreme poverty often associated with gaining jobs or developing nonfarm micro-businesses
 - Create more opportunities, and increase access by poorest
- Informality here to stay, not a stage in development
 - Improve terms and conditions, including minimum wages supported by social protection
- Broad range of policies key for poorest (and not covered much by Jobs WDR):
 - Support for internal migration
 - Protection of casual labourers, and inclusion of labour contractors
 - Voluntary/private codes and standards
 - Implementation of labour laws
 - Support for collective representation through broad alliances

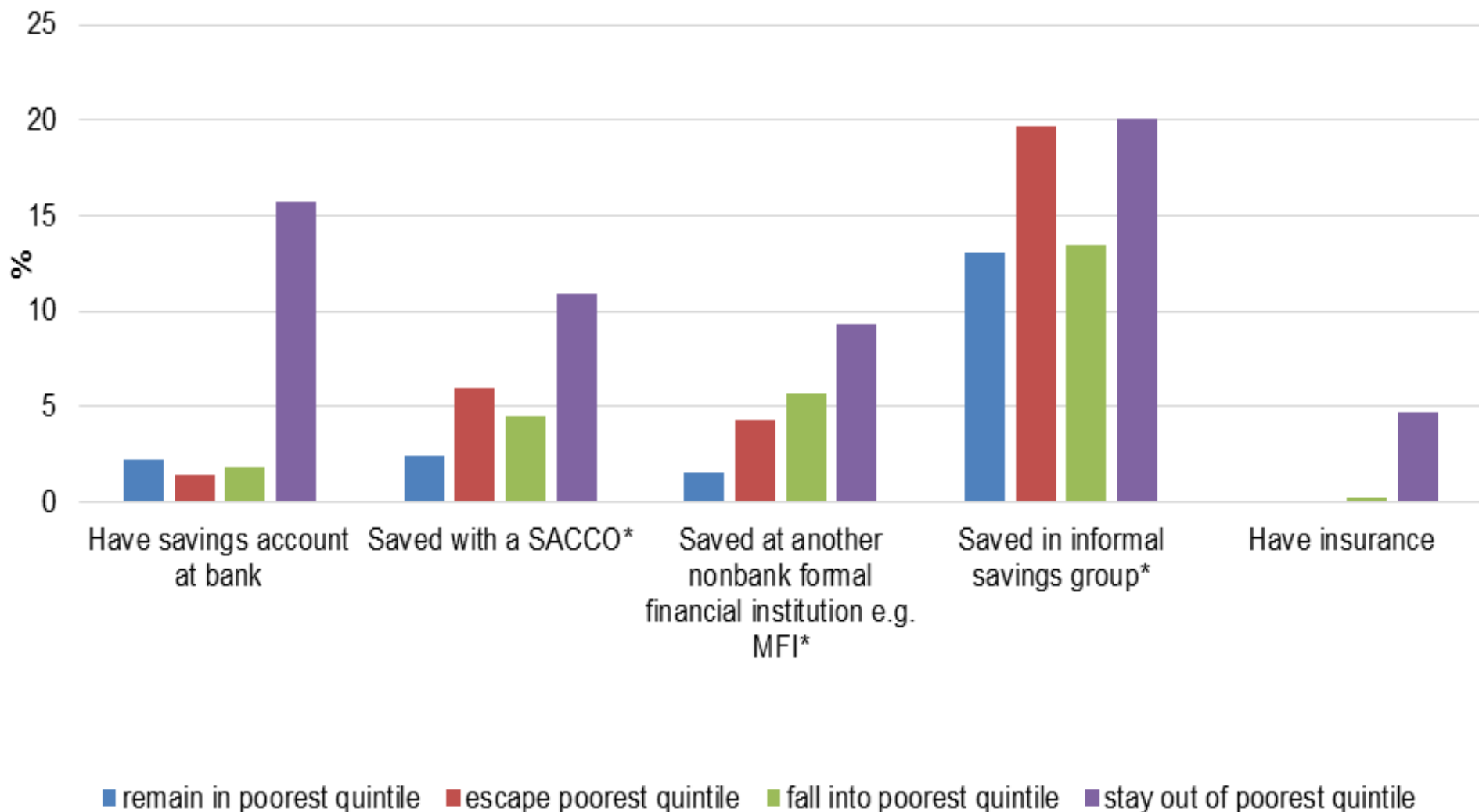
Domestic workers

- Increasingly teenage girls and young women migrants, many different types
- Some international progress (ILO Convention 189 and Recommendation 201)
- Less good inclusion in national legislation, regulation of placement agencies
- Minimum wages can be a powerful instrument (eg S. Africa – law abiding society)
- Measures difficult to implement – conflicts of interest
 - **Recognition** issues
 - **Formalisation**: proceed with care to avoid harm
 - **Written contracts** – desired by surveyed child workers in Iringa, Tanzania
 - **Organisation**: SEWA both sources work and trade union wing represents. Also trains on sexual abuse
 - **Alliance** between South African Domestic Service and Allied Workers' Union, Commission on Gender Equality and COSATU – unemployment insurance

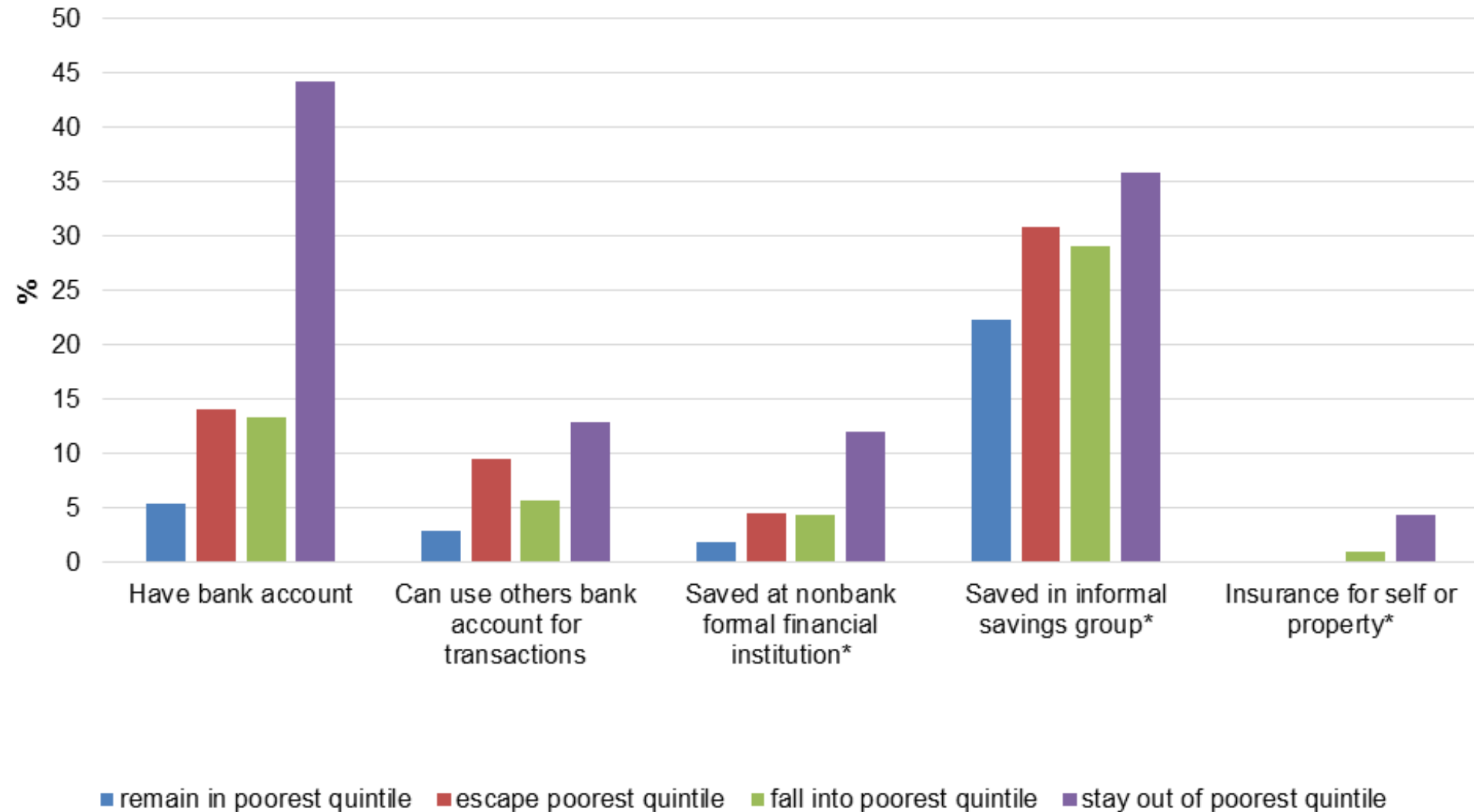
Financial inclusion

- Mixed evidence on micro-credit on inclusion of the poorest
- The only financial service currently strongly linked to poverty dynamics is informal savings clubs/groups (next slides)
- 4 promising avenues for including the poorest:
 - Linking savings clubs with formal services
 - Linking social protection with financial services
 - Weather-indexed insurance
 - Mobile money

Uganda: financial inclusion and poverty dynamics



Nigeria: financial inclusion and poverty dynamics



Private sector development

- A pro-poor PSD strategy puts the informal sector at the centre
- Combined interventions are needed to include the poorest (eg asset transfer + business/skill training; package of measures in value chains)
- Enabling environment: tackle petty corruption in police, judiciary, social services, natural resources
- Skill acquisition constraint: modernise traditional apprenticeships?
- Much stronger poverty assessments in Bottom of the Pyramid initiatives, PPPs and Challenge Funds

Annex: detail on tackling intersecting inequalities

1. Social movements and social mobilisation that have succeeded in linking to political power

- Social mobilisation: threat factor (Nepal) or incentive (Brazil).
- Results include: new and more inclusive policies, opening of spaces of participatory democracy, rewriting of the 'rules of the game'.
- **What can be done:** continued social mobilisation; governments maintaining links with civil society; spaces for consultation and collaboration around policy making based; open information flows.

2. Constitutional change can trigger social transformation that favours marginalised groups

- Progressive governments that are underpinned by long term social mobilisation often use constitutional change to mark the passage to new political discourse and policy making (Nepal, Ethiopia).
- **What can be done:** willing political coalitions turning constitutional reforms into laws, policies and provisions that are actually implemented.
‘Get right’ the detail of constitutional provisions and follow-up legislation; maximise spaces for consultation with civil society.

3. Increased political participation can be an outcome of political change and constitutional reform

- New Constitutions offer the chance to set aside the historical political structures in favour of a more participatory process where both civil society organisations and traditionally marginalised groups can find more space and voice (India, Nepal).
- **What can be done:** proportional electoral system (Nepal), decentralisation (Ethiopia), and the involvement of civil society and local governments in policy discussion through conferences and councils (e.g. Brazil and Ecuador).

4. Policies that reduce exclusion and inequality combine universal and targeted or affirmative action measures

- **What can be done:** the tension between universal and targeted approaches can be resolved by targeting basic transfers in cash or kind to those in greatest need, while ensuring universal access to the basic services that are needed by all.
 - Focusing on just one good universal programme that then works as entry point for subsequent interventions (Pakistan).
 - Grounding programmes in a legislative framework that recognises the rights of minorities and marginalised groups (India).

5. Addressing intersecting inequalities through global action: four suggestions to improve the SDGs

- Measuring progress towards the goals and targets focusing on those in the bottom 5%, 10% and 20% of the income distribution.
- Set 'stepping stone targets' at the national level that address measurable group-based disparities in context (e.g. the gap in educational attainment between girls in marginalised livelihood groups and boys in urban centres) and set targets for the progressive narrowing of the gaps (Watkins, 2014).
- Strengthen information systems to pick up group-based inequalities and develop appropriate indicators that focus on marginalised groups across the goals and targets.
- Include a target to ensure that the poorest 5% 10% and 20% of rural and urban households have access to sufficient land and/or housing to secure a basic standard of life and social status.