

Two ideas: Pro-poorest Growth and Preventing Backsliding

EGM on Strategies for Eradicating Poverty to Achieve the SDGs, 1-3 June 2016 UNDESA, Division-of-Social-Policy-and-Development

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www.chronicpovertynetwork.org

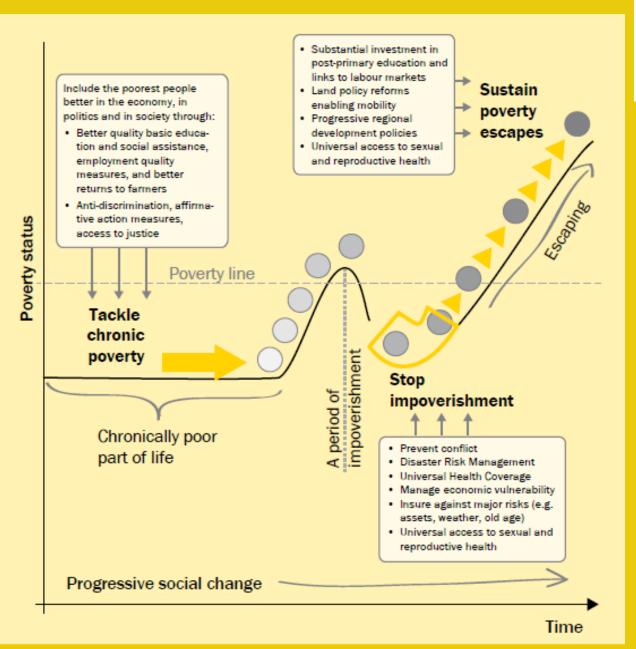
The Zero Poverty Tripod





Policies for the zero poverty tripod

CHRONIC POVERTY REPORT



A 4th Chronic Poverty Report on Propoorest growth (PP²G): 2017-8

- Preparatory work underway:
 - Policy guides
 - Comparative research Southeast Asia and East Africa
 - Conference at ADB, Manila, April 2016
 - Research on anti-discrimination measures, including labour markets
- More needed:
 - Invitation to join analysis of GICs for other regions to identify and analyse more pro-poorest growth episodes
 - Growth and chronic poverty workshop for panel data analysts

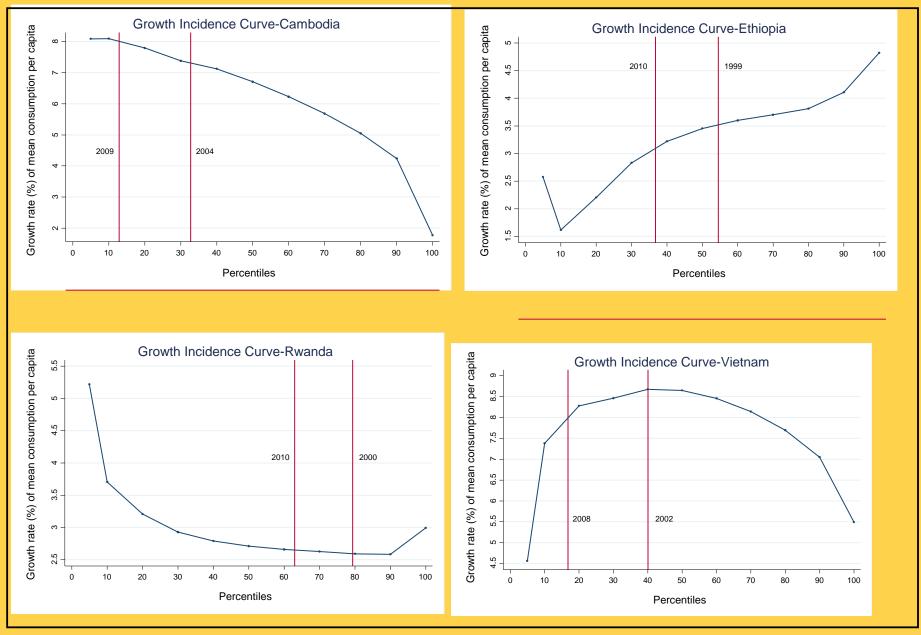


What can policy makers do to make sure the poorest people do well out of economic growth?

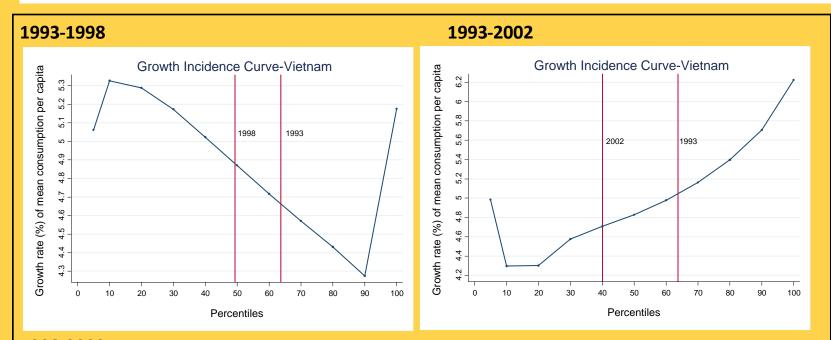
A comparative analysis of growth episodes in countries in East Africa and South East Asia



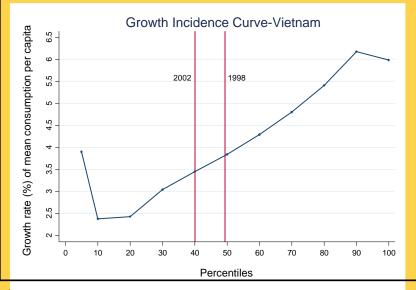
Exa mples of Growth Incidence Curves, with \$1.25 a day poverty lines during survey years, for countries in East Africa and Southeast Asia, 2000s



Growth Incidence Curves for Viet Nam 1993-1998, 1998-2002, and 2002-2010, with \$1.25 a day poverty lines during survey years



1998-2002

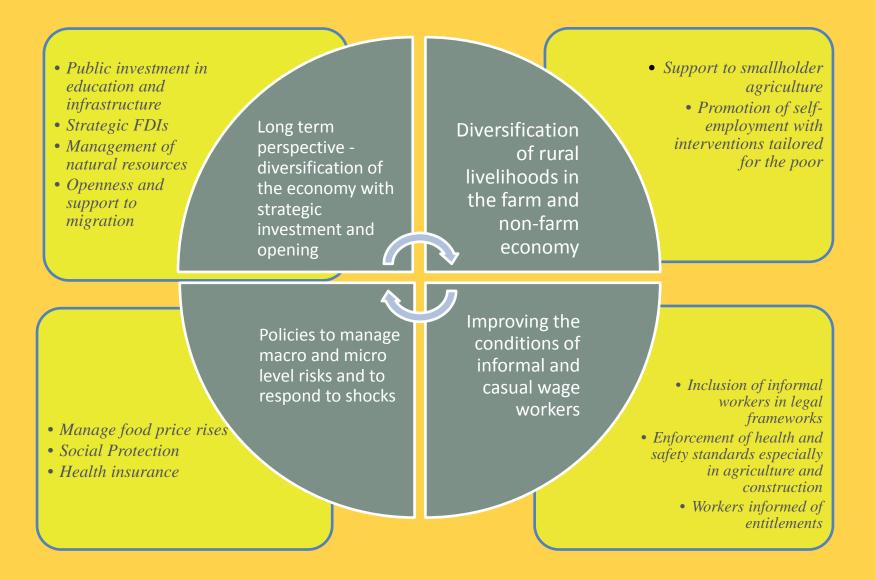


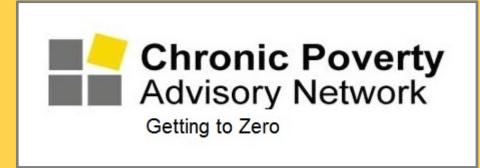
Source: Dykstra et al, 2014

Contexts

- Poverty reduction results from rapid growth, driven by extractive activities, where the poorest benefit less than the average [Laos and Mozambique]
- 2. Political settlement with clearly defined long term development strategy and varied levels of state intervention influencing the pattern of economic growth, where the poorest benefit more than average at least some of the time [Viet Nam, Ethiopia, Rwanda]
- 3. Mixed context, where pro-poorest outcomes result from expansion of one labour-intensive sector and agricultural growth [Cambodia]

Policy framework





Anti-discrimination measures: an evaluation of their contribution to poverty eradication

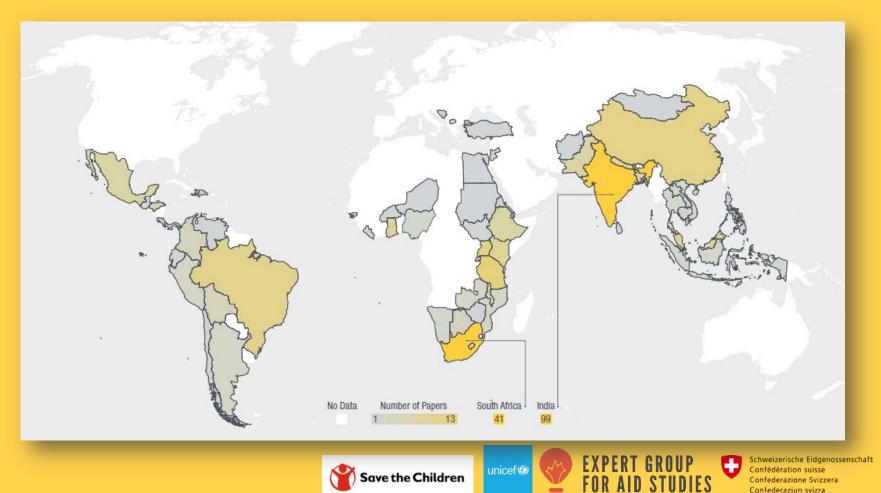


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Anti-discrimination Evaluation Phase 1

Phase 1 developed from April 2015 until May 2016. It focused on a **rigorous desk based review of anti-discrimination and affirmative action policies** with the objective of **mapping out what evidence exists on how to reduce discrimination**





Schweizerische Eidgenossenschaft

Confédération suisse

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Key Messages

- Quotas, reservations, stipends and other forms of affirmative action can increase the numbers of targeted groups in political participation, education and labour markets.
- Affirmative action has some success in increasing the numbers of women in legislative bodies, increasing the numbers of women in higher education in East Africa and in increasing the numbers of people from marginalised racial groups access to Higher Education in Brazil and Malaysia, in labour markets in South Africa and in access to HE and public sector employment for scheduled castes/tribes in India.
- > There is less evidence that inclusion of these groups leads to more transformative change.
- > People with disabilities appears to have been neglected by affirmative action policies
- The outcomes of discrimination vary considerably by group and by context- solutions are likely to be more context specific than universal policy recommendations.







Labour markets

Affirmative action policies designed to address longstanding disadvantage have been successful in India and South Africa at increasing the representation of excluded groups in the workplace but evidence of their broader impacts on incomes and well-being is more mixed and clearer in India than South Africa.

Labour market outcomes are also dependent on outcomes in other areas of national policy such as in education, welfare, health, housing and transportation.

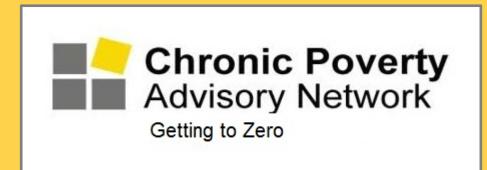
Participation in the labour market through public works programmes does appear to advantage women in accessing employment, and to enable them to build social networks, although the evidence here is not very strong in studies of labour guarantee programmes in India.



The Zero Poverty Tripod







Preventing backsliding to end extreme poverty

Panel data and Life Histories for Uganda, Ethiopia and Bangladesh

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Preventing backsliding to end extreme poverty

Backsliders

Households that have escaped poverty only to return to living in it

Sustained escapers

Households that have escaped poverty and remained out of it over time (ideally, they are also on an upwards pathway to continue to improving their situation)

Other

E.g. the impoverished, chronic poor, never poor

UGANDA		All households, 2005–2012
<mark>9%</mark> 8%		83%
BANGLADESH		Households in rural areas, 1997–2010
10%	41%	49%
ΕΤΗΙΟΡΙΑ		Households in rural areas, 1997–2009
15% 6%		79%

Drivers

Household resources

Owning productive assets, including land and livestock, means households are more likely to experience a sustained escape from poverty than to backslide.



Household characteristics

Smaller households are more likely to experience sustained escapes than to backslide. This likelihood increases where the head has completed primary education, and further still if they have completed secondary education.



Shocks

A series of shocks in quick succession, often a series of health shocks, or health-shocks in addition to other forms of shocks (e.g. natural disasters, theft), drive backsliding.



Household activities

If the household head is engaged in non-farm activities, whether employment or profitable self-employment, the household is more likely to experience a sustained escape than to backslide.





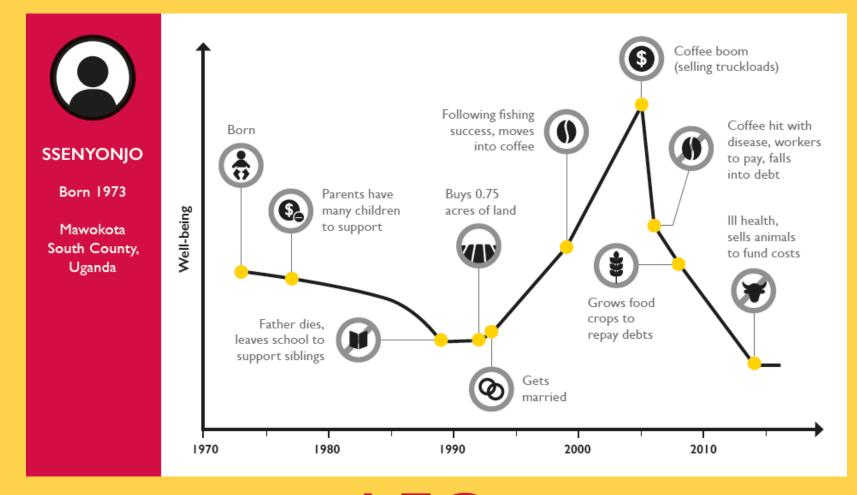
The **objective** of this project is to examine the observed variance (at household level and the national level) in backsliding impoverishment rates in Uganda, Bangladesh and Ethiopia.

The project aims to understand poverty dynamics at the household level, through a combination of both quantitative and qualitative approaches.





Preventing backsliding to end extreme poverty - Uganda





LECO Leveraging Economic Opportunities



Preventing backsliding to end extreme poverty -**Bangladesh** Day labour, cultivates land. Wife sick With brother pays wedding Starts working as an agricultural labourer and costs of 6 sisters drops out of school Accumulates RAFIQUL wealth through Sells cattle and Rejaul sick Father is day labour takes land lease Born 1964 and farming sick and Well-being can't work Jessore District, Ŧ Bangladesh As eldest child, supports siblings Born Takes loan for $\overline{\mathbf{i}}$ 6 daughter's wedding Gets married, receives Failed bribe for 6 Ø cattle from father-in-law son to get a job 1970 1980 1960 1990 2000 2010



LEU Leveraging Economic Opportunities

