The more we know about poverty traps, the better positioned we will be to design resilience-building programs and policies to overcome them.

In 2016, the Feed the Future Innovation Lab for Assets and Market Access and the National Bureau of Economic Research (NBER), hosted a conference to highlight cutting-edge research on the mechanisms that keep people trapped in poverty. The November 2018 launch of the new volume *The Economics of Poverty Traps* (U. of Chicago) expands the discussion on what perpetuates poverty and draws practical conclusions on how we can better design, target and evaluate development policies and interventions to create escapes.

This morning of insights and conversation focuses on key findings in the book to:

- **Draw attention to new research on human capabilities and aspirations.** Failure to acknowledge these complex elements may lead to less effective policy efforts and wasted scarce resources.
- **Demonstrate how resilience and risk overlap creating effects both vicious and virtuous.** Designing multi-faceted interventions so only the positive impacts are amplified is essential to sustainable development.
- **Delineate further implications for the design and evaluation of policies and programs intended to create poverty escapes and build resilience among vulnerable populations.**

By sharing these lessons learned with the development community, we hope to contribute to the strengthening of resilience programming and policy impacts.

The AMA Innovation Lab’s Index Insurance Innovation Initiative (I4) is pushing the frontier of knowledge and action on agricultural index insurance as a tool for small-scale farmers and pastoralists to manage weather and other risks, increasing their long-term self-sufficiency and resilience.

I4 began in partnership with USAID, the Food and Agriculture Organization of the United Nations, the International Labour Organization and Oxfam America. Since then, I4 has grown into a broader AMA Innovation Lab initiative to improve index insurance quality and accessibility for small-scale agricultural households as a tool for achieving self-reliance and resilience.
AGENDA

9:00am to 9:30am  Registration and Light Breakfast

9:30am to 10:30am  Welcome from USAID
Sean Jones, Senior Deputy Assistant Administrator, Bureau for Food Security

Introduction to the Resilience and the Poverty Traps Research Agenda
Michael Carter, UC Davis

Unveiling NBER’s The Economics of Poverty Traps
Duncan Thomas, Duke University

10:30am to 12:30pm  Assets, Capabilities, and Risk: Understanding the Complex Mechanisms that Promote Resilience and Self-Reliance
Panel moderator: Jennifer Cissé, Senior Risk Advisor, USAID

Speakers: Chris Barrett, Michael Carter, Karen Macours, Duncan Thomas
- Human Capital and Shocks: Resilience and Recovery
- Resilience Building within a Community: Benefiting from Social Multiplier Effects
- Human Capabilities and Poverty Dynamics in the Face of Agro-Ecological Shocks
- Multi-pronged Strategies to Promote Poverty Escapes, Promote Resilience and Self-Reliance

Comments by Louise Fox, Chief Economist, USAID

12:30pm to 1:30pm  Lunch

1:00pm to 2:00pm  Keynote Speaker: The Resilience Agenda from a Policy Perspective: Resonance, Elevation, and Impacts
Greg Collins, Acting Deputy Assistant Administrator and USAID Resilience Coordinator, USAID

ABOUT THE FEED THE FUTURE INNOVATION LAB FOR ASSETS & MARKET ACCESS AT UC DAVIS

The AMA Innovation Lab mission is to conduct and support research on policies and programs designed to help poor and smallholder farmers worldwide to manage risk, adopt productive technologies and take an active part in economic growth. With core funding from the USAID Bureau for Food Security to support the U.S. government’s global hunger and food security initiative, our research agenda focuses on:

- Financial innovations and risk management
- Adoption of more productive agricultural technologies
- Synergies possible by bundling financial and technological innovations
Presentation Summaries

**Human Capabilities and Poverty Dynamics in the Face of Agro-Ecological Shocks (20 mins)**

Environmental shocks and the poverty they induce undercut the productive capacity of people and the natural resource systems on which rural – typically agricultural – livelihoods overwhelmingly depend, creating or reinforcing mechanisms that create poverty traps. Difficult-to-observe characteristics such as managerial ability and agroecosystem conditions need to be taken into account in responding to shocks and stressors. Failure to do so may lead to ill-conceived efforts and wasted scarce resources.

*Chris Barrett is an agricultural and development economist, the Stephen B. and Janice G. Ashley Professor of Applied Economics and Management, and an International Professor of Agriculture, all at the Charles H. Dyson School of Applied Economics and Management, as well as a Professor in the Department of Economics all at Cornell University.*

**Multi-pronged Strategies to Escape Poverty and Promote Resilience and Self-Reliance (20 mins)**

Protecting the most vulnerable requires interventions both for those trapped in poverty but also those who are on the cusp and may slide downwards. Economic, social, and psychological feedback loops can create both vicious circles perpetuating poverty, and virtuous circles that can help eradicate it. This underscores the importance of supporting multi-faceted and holistic interventions that build capabilities and psychological assets in conjunction with tangible productive assets and other resilience building mechanisms.

*Micheal R. Carter is a professor of agricultural and resource economics at the University of California, Davis and directs the BASIS Assets and Market Access Innovation Lab and the Index Insurance Innovation Initiative (I4). Carter is a fellow of NBER, BREAD and the American Agricultural Economics Association, and has served on advisory boards for numerous academic journals and international development NGOs.*

**The Resilience Agenda from a Policy Perspective: Resonance, Elevation, and Impacts (30 mins)**

Resilience has emerged as an organizing concept for development policy and programming. This lunchtime presentation will trace the history of resilience-oriented development programming, what difference it makes, and why it continues to guide development efforts in areas prone to recurrent crisis and beyond.

*Greg Collins is the Acting Deputy Assistant Administrator in the USAID Bureau for Food Security, which leads the U.S. Government’s global hunger and food security initiative, Feed the Future. In this role, he oversees strategic direction and implementation of Feed the Future programs in the field, and the USAID Center for Resilience. He also serves as the Agency’s Resilience Coordinator.*
**Resilience Building within a Community: Benefiting from Social Multiplier Effects** (20 mins)

The intergenerational transmission of poverty often occurs through low levels of investment in education and nutrition. Conditional cash transfer programs and other development interventions specifically aim to increase human capital investment by the poor and to maintain such investments when shocks occur. Designing interventions so that impacts are amplified by affecting parents’ aspirations through social interactions with successful local leaders, can help sustain their impact after transfers end.

*Karen Macours is an Associate Professor at the Paris School of Economics and a researcher at INRA. She is the chair of the Standing Panel on Impact Assessment of the CGIAR, a board member and co-lead of the health sector of JPAL, a BREAD fellow and CEPR affiliate.*

**Human Capital and Shocks: Resilience and Recovery** (20 mins)

Human capital, including education, health and nutrition, has played a key role in the research of poverty dynamics. Shocks that affect human capital during early life are thought to push people into poverty. However, research does show that in the face of large-scale natural and man-made disaster, families and communities in low resource settings demonstrate considerable resilience as they seek to mitigate the longer-term impacts of shocks on well-being and adapt in multiple ways to avoid falling into a poverty trap.

*Duncan Thomas is the Norb F. Schaefer Professor of International Studies Professor of Economics at Duke University. He is a fellow, past president and board member of the Bureau for Research in the Economic Analysis of Development (BREAD) and he currently directs the NBER Development Economics program.*