



New Directions in Graduation Research Conference

December 3 & 4, 2020, 10:00AM – 2:00PM EST (GMT-5)

[Innovations for Poverty Action](#), the [Trinity Impact Evaluation Unit](#), the [Gender Innovation Lab at the World Bank](#), and [Concern Worldwide](#) are pleased to invite you to a two-day virtual conference on the latest findings in research on multifaceted poverty reduction programs. You can register for the conference [here](#).

THURSDAY, DECEMBER 3, 2020

10:00AM - 10:30AM **Conference Opening** | [Nathanael Goldberg](#) (IPA)

Presentation of the [State of Economic Inclusion Report](#) | Presented by [Colin Andrews](#) (World Bank)

10:30AM - 11:20AM **Panel A: Economic Impacts #1**

“Providing capital or savings facilitation in a livelihood package for the poor: micro-entrepreneurship, social outcomes and local spill-overs in post-conflict Côte d’Ivoire.”
Presented by [Alicia Marguerie](#) (CREST / World Bank) and [Patrick Premand](#) (World Bank)

“Ultra-Poor Graduation and Environmental Shocks: Evidence from the 2019 Malawi Floods.”
Presented by [Michael King](#) (Trinity College Dublin)

Chair: [Christopher Udry](#) (Northwestern University)

11:20AM – 12:10PM **Panel B: Psychological Impacts**

“Mental Health and Social Protection in Ghana.” Presented by [Dean Karlan](#) (Northwestern University) & [Christopher Udry](#) (Northwestern University)

“[Reducing Poverty and Improving Gender Equality through a Big Push: Experimental Evidence from Afghanistan.](#)” Presented by [Guadalupe Bedoya](#) (World Bank)

Chair: [Clara Delavallade](#) (World Bank)

12:10PM - 12:30PM **Break**

12:30PM – 1:20PM **Panel C: Economic Impacts #2**

“[Pay it forward: Impacts of a rural livelihoods program with built-in spillovers](#)” (in Nepal).
Presented by [Sarah Janzen](#) (University of Illinois) & [Nicholas Magnan](#) (University of Georgia)

“Group vs Individual Livelihoods and Coaching: Testing Alternative Government-Led Social Protection Strategies in the Philippines.” Presented by [Emily Beam](#) (University of Vermont)

Chair: [Michael King](#) (Trinity College Dublin)

1:20PM – 2:00PM **Bite-Sized Research Presentations**

"Transfer Modality Research Initiative: Four Year Post-Program Study" (in Bangladesh).
Presented by [Shalini Roy](#) (IFPRI)

"Impact Evaluation of the Nigeria National Social Safety Nets Livelihood Intervention."
Presented by [Kehinde Ajayi](#) (World Bank)

"Integrating Asset Building and Asset Protection to Address Chronic Poverty and Vulnerability"
(in Kenya). Presented by [Michael Carter](#) (University of California, Davis)

"Learnings from the Government Scale-Up of the Graduation Approach in Bihar, India."
Presented by [Shagun Sabarwal](#) (Jameel Poverty Action Lab)

"The impact of Psychological Asset Building on the Effectiveness of Peru's Haku Wiñay."
Presented by [Juan Correa](#) (University of California, Davis)

Moderator: [Rachel Strohm](#) (IPA)

FRIDAY, DECEMBER 4, 2020

10:00AM - 10:30AM **Case Studies from Graduation Implementers**

[Rita Larok](#), Chief of Party – Graduating to Resilience, AVSI Uganda

[Thokozani Kalanje](#), Programme Manager for Graduation Models, Concern Malawi

Moderator: [Nathanael Goldberg](#) (IPA)

10:30AM - 11:20AM **Panel D: Gender**

"Pathways out of Poverty: Tackling Psychosocial and Capital Constraints with a Multi-faceted Social Protection Program in Niger." Presented by [Patrick Premand](#) (World Bank) and [Julia Vaillant](#) (World Bank)

"Social and Economic Impacts of a Gendered Graduation Approach in the Democratic Republic of Congo." Presented by [Rachel Heath](#) (University of Washington) & [Eva Noble](#) (Women for Women International)

Chair: [Markus Goldstein](#) (World Bank)

11:20AM - 12:10PM **Panel E: Economic Impacts #3**

"Bayesian models for stable subgroup treatment effects: an analysis of six graduation studies." Presented by [Rachael Meager](#) (London School of Economics)

"The Impact of a Graduation Program on Livelihoods in Refugee and Host Communities in Uganda." Presented by [Lasse Brune](#) (Northwestern University)

Chair: [Tara Bedi](#) (Trinity College Dublin)

12:10PM - 12:30PM **Break**

12:30PM – 1:20PM Panel F: Long-Run Impacts

“The Long-Run Impacts of the Graduation Program in Ghana and Ethiopia.” Presented by [Nathan Barker](#) (Yale University)

“[Long-term Effects of the Targeting the Ultra Poor Program](#)” (in India). Presented by [Garima Sharma](#) (Massachusetts Institute of Technology)

“[Why do People Stay Poor? Evidence on Poverty Traps in Rural Bangladesh.](#)” Presented by [Robin Burgess](#) (London School of Economics)

Chair: [Selim Gulesci](#) (Trinity College Dublin)

1:20PM – 2:00PM Keynote Address: What’s Next for Graduation Research? | [Dean Karlan](#) (Northwestern University)

Conference Closing | [Michael King](#) (Trinity College Dublin)

Abstracts

Panel A, Economic Impacts #1

“Providing capital or savings facilitation in a livelihood package for the poor: micro-entrepreneurship, social outcomes and local spill-overs in post-conflict Côte d’Ivoire.” Alicia Marguerie and Patrick Premand.

Multi-dimensional interventions are increasingly considered by policymakers to improve livelihoods of disadvantaged populations. Questions remain about the most cost-effective instrument to facilitate access to capital as part of these interventions, as well as on their local spill-overs and impacts on social outcomes. We conduct a multi-arm RCT of an intervention providing capital and skills to vulnerable groups in post-conflict Côte d’Ivoire. We test the overall effectiveness of an integrated package, as well as the relative effectiveness of 3 alternative instruments to relax capital constraints: cash grants, cash-grant-with-repayment and village savings and loan association (VSLA). We find that participants engage in more independent income-generating activities, but it is not sufficient to significantly increase earnings. There is little variation in impacts on earnings and small-business activities between treatment modalities, though the dynamics of savings and asset accumulation vary. The interventions affect social outcomes by increasing participation in economic groups and solidarity among beneficiaries. We do not observe an increase in trust in the broader community or local spill-overs on social outcomes. We find some evidence of positive indirect impacts on non-beneficiaries’ income-generating activities at the local level.

“Ultra-Poor Graduation and Environmental Shocks: Evidence from the 2019 Malawi Floods.” Michael King and Tara Bedi.

Environmental shocks can have devastating impacts on the lives of the ultra-poor, and when they occur with frequency, can act as a natural disaster poverty trap. As extreme weather events intensify due to climate change, can a multifaceted anti-poverty program for the Ultra Poor protect households from environmental shock induced economic reversals? In an effort to answer this question, this paper analyses the impact of the 2019 floods on households in the middle of the implementation of a graduation program. Through a comparison of the impact of the floods for graduation and non-graduation households respectively, initial insights will be provided on the existence of a natural resource poverty trap.

Panel B, Psychological Impacts

“Mental Health and Social Protection in Ghana.” Dean Karlan, Christopher Udry, Gharad Bryan, Angela Ofori-Atta, Nathan Barker, and Elizabeth Bradley.

We present short-run results from a group-based Cognitive Behavioral Therapy (CBT) program delivered by lay counselors in Ghana, delivered to low-income individuals (screened on the basis of their proxy-means tested income, not on their initial mental health). We find that four months after the end of the program, treated individuals are less likely to be depressed or have had poor mental or physical health affect their daily activities, report better health, rate themselves higher on measures of grit, self-efficacy and self-control, and perform better on cognitive tests (Raven’s Progressive Matrices and digit span tests). We test for heterogeneity and find that treatment effects are positive both for individuals scored as having moderate or severe distress at baseline, as well as those that did not. When estimating a LASSO-based depression risk score from baseline characteristics, we find that treatment effects on depression and reported mental health are most concentrated among individuals with a high risk score, suggesting that the CBT was especially effective on these dimensions for individuals most likely to counterfactually fall into depression. In contrast, our results on socio-emotional skills are positive throughout the distribution of risk scores, suggesting that CBT might offer a set of skills for individuals that would not typically be screened into a mental health-type program.

“Reducing Poverty and Improving Gender Equality through a Big Push: Experimental Evidence from Afghanistan.”
Guadalupe Bedoya, Aidan Coville, Johannes Haushofer, Mohammad Isaqzadeh, and Jeremy Shapiro.

Two thirds of the extreme poor are expected to reside in fragile and conflict-affected areas by 2030, but these settings are also where the least evidence exists on how to tackle poverty. We experimentally evaluate a Targeting the Ultra-Poor program among 1,219 households in Afghanistan, one of the most conflict-affected contexts in the world. Women in treated households received a “big-push” package, including a transfer of livestock assets, a cash stipend, training, and coaching. Per capita consumption increases by 29 percent and poverty falls by 20 percentage points one year after the program ended. Significant and large impacts are found on assets, psychological well-being, time spent working, financial inclusion, and a multi-dimensional index of women’s empowerment. Across various household members, impacts are significantly larger for women than for men, improving gender equality.

Panel C, Economic Impacts #2

“Pay it forward: Impacts of a rural livelihoods program with built-in spillovers.” Sarah Janzen, Nicholas Magnan, Sudhindra Sharma, and William Thompson.

We evaluate 2.5-3.5 year impacts of a livelihoods program using an RCT in Nepal. The program targets women and employs self-help groups, livestock transfers, and trainings. We assigned three variations of the program: full benefits, no livestock, and no values-based training, which includes encouragement to “pay it forward” (PIF) by training and giving livestock to others. With this encouragement in mind, the study is uniquely designed to evaluate the program’s ability to generate intentional spillover (PIF) effects. We observe impacts for direct beneficiaries in line with outcomes directly targeted by the intervention - beneficiaries have bigger herds, improved livestock practices, more goat sales and higher profit from goat production. In addition, women are more empowered and have greater financial inclusion. The asset transfer increases program costs, but there is weak evidence suggestive of an independent marginal impact. We observe strong PIF spillover effects, with important implications for cost effectiveness.

“Group vs Individual Livelihoods and Coaching: Testing Alternative Government-Led Social Protection Strategies in the Philippines.” Emily Beam, Lasse Brune, Dean Karlan, Yasu Sawada, and Christopher Udry.

We measure the impact of a graduation pilot in the rural Philippines during the Covid-19 pandemic. We tested versions of the graduation approach that include group or individual livelihoods along with group or individual coaching. Through a phone survey conducted in August and September, 2020, we measure the impact of the graduation pilot on households' income, livelihoods, and well-being. Despite substantial implementation challenges, and the premature end of the program due to Covid-19, we find evidence that the graduation program has increased household resilience along some dimensions, particularly financial security and food security. The results from this survey suggest that the graduation program increased income-generating activity among participants and helped protect households during the pandemic.

Panel D, Gender

"Pathways out of Poverty: Tackling Psychosocial and Capital Constraints with a Multi-faceted Social Protection Program in Niger." Thomas Bossuroy, Markus Goldstein, Dean Karlan, Harounan Kazianga, William Parienté, Patrick Premand, Christopher Udry, Julia Vaillant, and Kelsey Wright.

We analyze a four-arm randomized evaluation of a multi-faceted economic inclusion intervention delivered by the Niger government to female beneficiaries of a national cash transfer program. All three treatment arms include a core package of group savings promotion, coaching, and entrepreneurship training, in addition to the underlying cash transfers from the national program. The first variation also includes a lump-sum cash grant and is similar to a traditional "graduation" intervention ("capital" treatment arm). The second variation substitutes the lump-sum cash grant with a set of psychosocial components ("psychosocial" treatment arm). The third variation includes both the lump-sum grant and the psychosocial components ("full" treatment arm). The control group only receives the underlying cash transfers from the national program. All three treatments generate large impacts on consumption and food security six and 18 months post-intervention. They increase participation and profits in women-led off-farm business and livestock activities, as well as improve various dimensions of psych-social well-being. Women gain agency on economic activities, but not on other household resources and domains. The rank order performance of the treatment arms is Full, then Capital, then Psychosocial. However, the Psychosocial arm is the most cost effective due to its lower cost, and both the Psychosocial and Full arms produce benefits already exceeding costs 18 months post-intervention. Results highlight the promise of government-implemented multi-faceted social protection programs, and the potential importance of addressing psychosocial constraints among the poor.

"Social and Economic Impacts of a Gendered Graduation Approach in the Democratic Republic of Congo" Rachel Heath, Manuela Angelucci, and Eva Noble.

This impact evaluation uses an RCT to study the impacts for ultrapoor women who participated in Women for Women International's twelve month gendered graduation approach in the Democratic Republic of Congo, both immediately after and one year after program completion. This study additionally assesses the impact of a male household member engagement in 16 weekly discussion groups, concurrent to women's engagement in the program. At both endline and one year afterwards, we find positive impacts for women on economic indicators including gross earnings, personal and household savings, proportion of women with savings, household animal assets and land ownership, and financial inclusion (via VSLA participation), and see a shift from wage labor to self-employment. We find positive impacts on social empowerment indicators including locus of control and social support and on health indicators including household diet diversity and prevalence of generalized anxiety disorder. We do not see impacts on average on reported experiences of intimate partner violence. We also do not find additional impacts on women's outcomes from the additional men's engagement program for male household members. This study highlights the power of a combined gender transformative and poverty alleviation approach to support women's social and economic empowerment in a conflict setting.

Panel E, Economic Impacts #3

“Bayesian models for stable subgroup treatment effects: an analysis of six graduation studies.” Rachael Meager (presenting), joint work with Witold Więcek, Dean Karlan, Andrew Gelman, and Christopher Udry.

Broadly successful interventions such as the Graduation program may still exhibit treatment effect heterogeneity across subgroups and across study contexts. Yet effectively using estimated subgroup effects to inform targeting of future interventions requires that these effects be reasonably stable across contexts. We develop a set of Bayesian hierarchical models to capture the extent of heterogeneity in subgroup effects across the six flagship Graduation programs. The models address the inherent power challenges of subgroup analysis by implementing an adaptive Ridge-style regularization that strengthens the penalty when isolated large estimated effects are not mirrored across sites, reducing false positives and type-M errors. We find evidence that larger and female-headed households generally benefit more, while households with pre-existing assets benefit less. However, the differences implied by subgroup effects are substantially smaller than the differences in average effects across settings. Even under oracle knowledge, targeting particular contexts is likely to be more effective than targeting particular households.

“The Impact of a Graduation Program on Livelihoods in Refugee and Host Communities in Uganda.” Lasse Brune, Nathanael Goldberg, Dean Karlan, Doug Parkerson, and Christopher Udry.

The "Graduation" approach, a multi-faceted social protection program, has shown promise in sustainably increasing target recipients' consumption and income in a number of low-income countries. We explore three key questions: (1) Will treatment effects differ in the more fragile environment of a refugee camp (relative to nearby non-refugee communities, and prior research)? (2) Can a group-coaching rather than individual-coaching approach work as effectively or better, and (3) Is the typically-expensive lump-sum cash, intended for purchasing productive assets, necessary for the success of the program? We work with a sample of 11,000 respondents across both refugee communities and neighboring communities. In all three treatment arms, and in both refugee and host communities, we find important economic impacts at 12 months after program start (and 5 months after the lump-sum asset transfer): increased livelihood activities (in livelihoods supported by the program), increased productive asset holdings, and increased food security. Effects in the treatment arm without the lump-sum cash transfer are smaller but still economically important, whereas the group versus individual coaching treatment arms yield similar results (thus, in the short-run, rendering the group coaching treatment arm more cost effective, because of its lower cost to implement). At 18-months, a phone survey during the COVID-19 pandemic reveals that both control and treatment group report problems with income earning activities but experience no change in food security relative to the 12-month pre-COVID survey. Positive treatment effects from all three treatment arms on food security and financial health are similar to those observed at 12-months.

Panel F, Long-Term Results

“The Long-Run Impacts of the Graduation Program in Ghana and Ethiopia.” Nathan Barker, Dean Karlan, and Christopher Udry.

We document the long-run impacts of a graduation program in Ethiopia and Ghana (seven and eight years after the initial transfer of assets, respectively). In Ethiopia we continue to see positive treatment effects on per capita consumption and asset ownership, though results have faded meaningfully relative to what we observed three years after the initial asset transfer (treatment effects on per capita consumption has fallen from 0.35 SDs at year three to 0.14 SDs at year seven, and on asset ownership from 0.81 SDs to 0.31 SDs). Treatment households are less likely to have bought or sold livestock in the last year, a major source of revenue at two and three years. In Ghana, we are largely unable to reject the null that treatment and control households are equal on income, consumption and assets.

[“Long-term Effects of the Targeting the Ultra Poor Program.”](#) Abhijit Banerjee, Esther Duflo, and Garima Sharma.

This paper studies the long-run effects of a “big-push” program providing a large asset transfer to the poorest Indian households. In a randomized controlled trial that follows these households over 10 years, we find positive effects on consumption (1 SD), food security (0.1 SD), income (0.3 SD), and health (0.2 SD). These effects grow for the first seven years following the transfer and persist until year 10, consistent with the alleviation of a poverty trap. One main channel for persistence is that treated households take better advantage of opportunities to diversify into lucrative wage employment, especially through migration.

[“Why Do People Stay Poor? Evidence on Poverty Traps in Rural Bangladesh.”](#) Clare Balboni, Oriana Bandiera, Robin Burgess, Maitreesh Ghatak, and Anton Heil.

There are two broad views as to why people stay poor. One emphasizes differences in fundamentals, such as ability, talent or motivation. The other, poverty traps view, differences in opportunities stemming from differences in wealth. We exploit a large-scale, randomized asset transfer and panel data on 6000 households over an 11 year period to test between these two views. The data supports the poverty traps view - we identify a threshold level of initial assets above which households accumulate assets, take on better occupations and grow out of poverty. The reverse happens for those below the threshold. Structural estimation of an occupational choice model reveals that almost all beneficiaries are misallocated in the work they do at baseline and that the gains arising from eliminating misallocation would far exceed the program costs. Our findings imply that big push policies which transform job opportunities represent a powerful means of addressing the global mass poverty problem.

Bite-Sized Research Summaries

***“Transfer Modality Research Initiative: Four year post-program study.”* John Hoddinott and Shalini Roy.**

Social protection programs are primarily focused on influencing household behavior in the short term, increasing consumption to reduce poverty and food insecurity, and promoting investments in human capital. A large body of evidence across numerous settings shows that cash and food transfer programs are highly effective in doing so. However, there is growing interest in understanding the extent to which such programs can help households stay out of poverty. We bring new evidence to this question, re-interviewing Bangladeshi households that participated in a well-implemented randomized social protection intervention four years after it ended. We find that combining transfers, either cash or in-kind, with behavior change communication activities sustainably reduced poverty. Cash transfers alone had sustainable effects, but these were context specific. The beneficial impacts of food transfers alone did not persist four years after the intervention finished.

***“Impact Evaluation of the Nigeria National Social Safety Nets Program Livelihood Intervention.”* Kehinde Ajayi, Thomas Bossuroy, Ayodele Fashogbon, Markus Goldstein, Naira Kalra, and Oyebola Okunogbe.**

This study will evaluate the household welfare impacts of a comprehensive livelihoods support package comprising life skills and business skills training complemented by a lump sum productive grant. It will also test alternative approaches to deliver the intervention including: using community volunteers to provide ongoing support to beneficiary households and engaging household members in selecting and supporting the program beneficiary. This evaluation will provide new evidence on scalable strategies to implement targeted government-led cash transfers and sustainable support for graduation out of poverty. It will especially further our understanding of the impacts of livelihoods interventions on intra-household gender dynamics and women’s economic empowerment. The study sample covers 8,000 households drawn from six states across Nigeria.

***“Integrating Asset Building & Asset Protection to Address Chronic Poverty & Vulnerability.”* Michael Carter, Nathaniel Jensen, Laurel Kravetz and Geyi Zheng.**

Acute and chronic food insecurity are intertwined as shocks and risk can both make and keep people poor. This project innovates and tests an integrated response to both acute and chronic need. Specifically, we test whether a graduation program targeted at women can be drought-proofed in the pastoralist regions of northern Kenya using index-based insurance. The research will not only speak to the Kenyan context, but also to other areas where shocks likely explain often observed heterogeneous and dissipating graduation program impacts (or even no impacts as in the Honduras case reported in the Bannerjee et al. 2016 Science paper). While in theory the synergies between asset building and protection can result in a highly efficacious program, the research is also dedicated to solving challenges to making it work in practice, including designing insurance so that it responds to women about their risks. In addition, despite high rates of return, graduation programs are expensive to implement, with the transfer of tangible, physical assets as expensive as efforts to build beneficiary self-confidence and other psychological assets. The key difference between physical and psychological assets is that the former are rival goods, whereas the latter are not. Our research uses a saturation design and social network measurement to explore the spillover of psychological assets measured using a suite of psychometric and deep preference measures and will see if a more cost-effective graduation model can be devised. Midline results will be shared.

“Learnings from the Government Scale-up of the Graduation Approach in Bihar, India.” Shagun Sabarwal.

This bite-sized presentation will share learnings from the first government scale-up of the Graduation Approach: the Satat Jeevikoparjan Yojana (SJY) scheme in Bihar, India. The SJY program is implemented by JEEViKA and scaled up to 100,000 households. J-PAL SA is a Learning and Knowledge Partner and conducts an outcomes assessment as well as regular process evaluation activities. This presentation will share learnings in two areas. First, we will share lessons from the evolution of the SJY scheme in Bihar, including two policy pilots and the early stages of the scale-up, that led to the development of a scalable implementation model of different program stages: identification of the ultra-poor, enterprise selection and the handholding support. Second, we will share findings from a survey with SJY beneficiaries during Covid-19 crisis that assessed their Covid-19 health knowledge, enterprise savings and sales, and their access to relief measures. Despite challenges posed by Covid-19, our results show that the Graduation Approach offers a viable and holistic economic inclusion pathway to help households build resilience even during economic crises.

“The Impact of Psychological Asset Building on the Effectiveness of Peru’s Haku Wiñay.” Juan Correa, Michael Carter, and Ursula Aldana.

Multifaceted graduation programs have been shown to be an effective approach to generate lasting improvements in the well-being of rural people in poverty. While the reduced form impacts are impressive, and there is a theoretical case for strong complementarities between the transfer of tangible and psychological assets, exactly how and why graduation programs work is incompletely understood. Peru’s on-going Haku Wiñay program (“Let us Grow” in Quechua), which provides all of the elements of the BRAC-based graduation model except the psychological asset building, provides an important opportunity to investigate how much additional impact can coaching and psychological asset building add to a poverty reduction program like Haku and through which channels. Our research aims at answering two main questions. First, we want to carefully identify the mechanisms that explain why these additional interventions work. For this goal, we seek to provide evidence to whether two key psychological concepts - locus of control and hope - are relevant to the success of graduation type interventions. Second, we want to test whether economic outcomes as measured by annual income responds positively to higher levels of the two aforementioned psychological variables. Mid-line results show that i) the ancillary program has a positive effect on the psychological variables and ii) the intervention leads to a higher income for households with higher levels of locus of control. These results together are indicative evidence for the mechanism through which coaching operates to increase income in graduation-type interventions.