

Final report – Executive summary

The Nopoor project has explored numerous dimensions of poverty in developing and emerging countries. More than 120 original researches, either macroeconomic or based on case studies, theoretical or policy oriented have been done in different countries. Nopoor researches offer a new vision of poverty and of policies aiming at reducing poverty in developing countries based on new evidence.

Nopoor takes a comprehensive approach of poverty in a more globalized world. Trade and FDI, if they contribute to economic growth in developing countries, do not automatically reduce poverty. Free Trade Agreements or Export Processing Zones policies for example need to be mixed with assistance to the poorer countries or accompanied by social policies towards the poor. So, globalisation brings better living conditions when domestic social policies and international aid contribute to human development.

In the framework of poverty eradication strategy, most countries have set up policies to reduce poverty. Cash transfer programmes are efficient in reducing extreme poverty. However, some evaluations of these programmes in Latin America show that they are not successful in taking people out of poverty for good and in supplying labour to the poor. Having a job is the best way for poor people to be able to get out of poverty. So far, poverty reduction policies do not focus enough on work as an instrument against poverty. For example, workers in the informal sector get low incomes and are kept out of social insurance schemes. They have difficult access to financial credit. Moreover, quality of work should become an objective of poverty reduction policies.

Governance matters only to the extent where it conditions growth, which partly determines poverty and the emancipation of marginal groups. Many policies do not reach their objective of reducing poverty, not because they are not well tailored, but because some disruption occurs in their implementation. The lack of capacity of local governments, fraud and corruption, bad redistribution of resources, because of capture of resources by elites and their clients, commonly upset the proper application of policies. The difficulty to decide whether poor achievements are due to low capacity or to genuine fraud is caused by a glaring lack of transparency and accountability at official levels.

A general failure of many governments in developing countries lies in their unsatisfactory provision of public goods which are underfunded and/or ineffectively supplied. One striking example is education. It is a typical feature of a large number of poor countries that even when enrolment rates are high education is of generally low quality. Policies raising the quality of education and of teachers should be implemented to make education more efficient in reducing inequalities.

Acknowledging that the effectiveness of development cooperation depends on the quality of governance in recipient countries, donors may still give foreign aid to poorly governed recipients because of a dilemma they face: those countries most in need typically also lack good institutions. Donors resolve this dilemma by bypassing weak state institutions and delivering more aid through NGOs and multilateral organizations. In doing so, they may however forego the opportunity to help improve local institutions and thereby foster long-run development.

Poverty has to be analysed in its dynamics. Policies often succeed in reducing severe poverty but fails in long term objectives of poverty eradication. The interaction of different dimensions such as education, work, infrastructures, housing... are to be taken in account because progress in one field, such as education, is insufficient to eradicate poverty.

Conclusion of Nopoor Final Conference

1. Governance matters in so far as it conditions growth which partly determines poverty and the emancipation of marginal groups.

- In Mozambique, the proceedings from sovereign bonds have been mismanaged: the funds destined for a specific purpose were diverted to another purpose (acquiring boats for the military navy instead of investing it in fishing). In other countries (such as Ghana and Côte d'Ivoire), funds obtained from sovereign bonds issues have been better managed, and the question arises as to what explains these inter-country differences.
- Madagascar stagnates economically and along many other dimensions owing to pervasive corruption of the political regime. Corruption is so entrenched that even the relatively well treated workers of the Export Zones (EPZs) remain poor in their big majority. The central question is therefore how to combat corruption so as to release positive dynamic forces?
- In Peru, women have no trust in the effectiveness and impartiality of social protection institutions. This mitigates the effects of policies designed to reduce domestic violence.
- When a Peruvian Non-Governmental Organization (Soluciones Practicas) endowed grassroots associations of extension agents in remote areas of the highlands, the revolving fund eventually disappeared and accusations or suspicions of embezzlement and/or mismanagement led to the termination of the credit programme. As individuals, however, the extension agents turned out to be quite performing because they were considered as free operators allowed acting on a profitable basis. Failure happened when collective organisations were designed to help them overcome credit market imperfections.
- Nepal is a remarkable country from the viewpoint of village- or community-level forest groups as they have been established all throughout the country and over a long period of time. It nevertheless appears that collective actions in these forest groups often end up being appropriated by local elites, so that their effect on economic equality is disappointing.
- Political manipulation and clientelism frequently thwart the effective implementation of national programmes aimed at reducing poverty, such as the Employment Guarantee Scheme in India (particularly in the case of Rajasthan state) or the National Office for Emergencies in Chile. In India, it has been observed that local authorities distribute work preferably to households from their own villages or their own political party. This distortion is especially pronounced when elections are close so that competition between dominant parties is strong.

2. It is not always clear that fraud or corruption is at stake since mismanagement may also arise from a lack of capacity.

- There is a clear need for support of the management of public investments. This implies a move from the rather narrow concept of aid effectiveness to the broader idea of development effectiveness, as stated in the Busan Agreement.
- There is a need for capacity-building initiatives as well as for effective monitoring mechanisms and incentive systems.
- There may also be a need for more resources: for example, emergency interventions after the tsunami in Chile, especially for house reconstruction, have been under-funded.

3. The difficulty to decide whether poor achievements are due to low capacity or to genuine fraud is often caused by a glaring lack of transparency and accountability at official levels.

This is true even in Ghana, a country heralded as a democratic success in Sub-Saharan Africa. The main cause for concern arises from political patronage, which has expanded quickly during the last decades. Moreover, a top-down structure based on strong presidential powers impedes a widespread diffusion of responsibilities. Finally, it appears that democratic elections have apparently not

succeeded in eradicating corruption, the misuse of resources, and the decline in the quality of public services.

Hence the question of the sustainability and the equity effects of democratic achievements. In particular, when there is a lot of voice yet low accountability, can democracy lead to inclusive growth? This characterization seems to apply well to Ghana where there is a remarkably free press and democratic elections, but where accountability of high-level officials is low. No rights to information have been enshrined in the law, which may reflect the fact that citizens cannot obtain explanations from officials and bureaucrats.

4. Effective development is not necessarily associated with democratic regimes

Two African countries, Rwanda and Ethiopia, commonly referred to as model cases of effective development, are strongly authoritarian and voice is strongly suppressed by their ruling regime. An interesting feature is that in these two countries political elites have not been born of traditional elites which have been removed as a result of big political shocks (the Mengistu revolution in Ethiopia and the Tutsi takeover in Rwanda).

Madagascar is a good counter-example: there, a self-serving traditional mobility has maintained itself in power, using strong power networks. What we have then is a non-democratic regime that has not served the purpose of encouraging development. The hard question is whether self-serving such elites, disconnected from the people, will be one day able to transform themselves into progressive elites caring for the people? Or will they need to be overthrown?

5. Anti-poverty public interventions

Conditional cash transfers is a major poverty-reducing programme that consists of making direct transfers to poor families on the condition that they fulfil certain stated conditions.

- In Mexico, the programme known as “Progresa” plays an important role: women play a central role in directing benefits to children and they also benefit from new independent incomes leading to empowerment. In Brazil, the programme “Bolsa Familia” is run in parallel to a minimum wage policy so that incomes can be increased outside the formal sector. During the period 2000-2016, the real wage in the Brazilian formal sector has doubled, and because the minimum wage represents the minimum value of pensions in the contributory social security system (touching 15 million people), this has caused a reduction of 50 percent in the Gini measure of income inequality. In both countries, implementation of the programme is rather effective.
- With regard to Brazil, there is a need to improve labour productivity in public employment programmes in order to raise the minimum wage prevailing in the formal sector and to keep inflation in check. There is also a need to raise productivity in the informal sector so that benefits percolate to the workers of that sector too: this implies that new techniques are made available and effectively diffused by competent and motivated extension agents.
- The country with the longest and most impressive experience in public work programmes is India. Under the Employment Guarantee Scheme (EGS), a maximum of 100 days of employment per year is guaranteed to each household belonging to pre-determined categories. If an employment is not provided within 15 days of a request, an unemployment allowance must be paid to the frustrated worker. One of the key problems is the supply of a sufficient number of jobs of sufficient quality (productivity). Because this condition is not necessarily met, a rationing of the jobs available often takes place, and the temptation is then high to allocate these jobs in a discriminatory manner.
- Labour standards need to be raised as well if wage increases are not to be obtained at the cost of worsened working conditions. Here is an extremely difficult issue because standards about labour conditions prove to be quite difficult to enforce in the context of developing countries. This is attested by the apparent lack of effect of international Free Trade Agreements (FTA) that include labour standard clauses. The new tendency in bilateral FTAs is now to omit such clauses.

6. Educational programmes

A general failure of many governments in developing countries lies in their unsatisfactory provision of public goods which are underfunded and/or ineffectively supplied. One striking example is education. It is a typical feature of a large number of poor countries that even when enrolment rates are high, education is of generally low quality. It is therefore not surprising that various formulae are being tried to remedy this situation.

- Thus, the recent experience in Vietnam suggests that a mechanical increase in learning time is not sufficient to achieve results, in terms of either enhancing skills or reducing inequality of opportunities. Apparently, what is needed to achieve significantly better results is i) better training of teachers; ii) a more direct support of children from poor social background; and iii) larger non personal expenditures.
- In this third respect, a recent experience with high schools in South Africa has shown that additional non personal funding increases student throughput from grade 10 to 12 (2 percent more students remain in school). However, no impact was detected on the quality of schooling. This absence of impact cannot be attributed to a misuse of funds: funds provided for non-personal expenditures were effectively used. The main reason behind the missing impact on schooling quality is the following: there is an incentive for school administrators to use additional funds for recruiting more students rather than for improving the quality for existing students.
- How, then, do you improve the quality of learning? It seems that “more targeted policies” are required. Yet, the question is which ones precisely are likely to be successful. For example, should local governments impose learning classes on teachers, or make efforts to better select them? Or else, should they provide funds to schools partly as a function of their achievements, controlling for differences in students average social backgrounds?
- One key aspect of the problem, which has not received enough attention in the development literature, is the harmful role of teachers’ unions. These unions, as attested by cases of Mexico, Pakistan, and India, are often self-serving organizations ready to sacrifice schooling quality to the promotion of the selfish interests of their co-opted members. They are often largely responsible for the shockingly low intellectual quality of the teaching staff which may actually not be higher than that of their pupils. To remove their perverse impact, there is no escape from a political solution that requires political leaders to curb the unions’ power. This may not be easy, however, since union leaders are often colluding with political ones.
- Turning now to the equity effects of education, it is important to bear in mind that better education is not sufficient to ensure higher equality of opportunities: social background matters. This is illustrated by the experience of India, which shows that:
 - ✓ Non fee expenditures are less easy to finance by poor families.
 - ✓ Pupils from lower social backgrounds reach the high years of the high school system less often than other children and when they do, they are less likely to accede to good jobs. This is true even if we control for results at final exam supposed to measure ability. The key behind this latter result is that other skills than pure intellectual ability matter for professional success, and these include non-cognitive skills such as the ability to relate to others, self confidence in introducing oneself to others and to potential employers in particular, etc. It is therefore not really surprising that poor Brahmins (high caste) have a significantly higher probability to find a good job than poor Dalits (Untouchables).

7. Aid and trade relationships

Three issues have been raised:

- The impact of Free Trade Agreements on growth and poverty reduction appears to vary significantly across the countries of West Africa. This raises the immediate question as to which are the factors responsible for such variation.
- Intra-regional trade in Sub-Saharan Africa is remarkably low. Inside West Africa, it does not exceed 15 percent. How to improve that situation is an important issue, the solution of which

conditions growth prospects in the continent. In particular, one wonders how Free Trade Agreements could be better articulated with regional integration objectives.

- The aid stage has been dramatically transformed during the last decades with the emergence of new donors. Among these new donors are the BRICS (India, China, Brazil ...). The question arises as to whether in allocating aid they follow the same principles as the old donors community. If there seems to be some evidence that new donors are concerned with reducing poverty in the beneficiary countries, geo-strategic motives also guide their process of aid allocation.

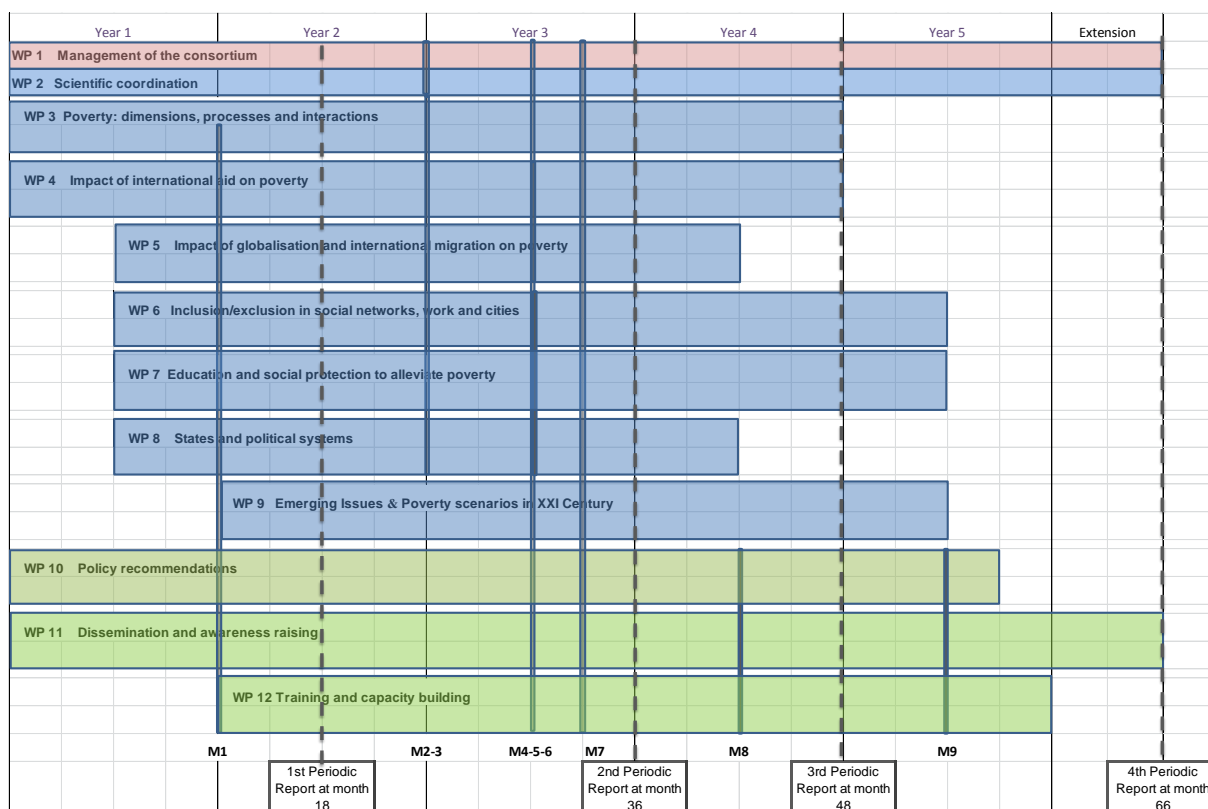
8. Non-Governmental Organizations (NGOs), civil society movements and human rights

Emphasis has been put on the role of Non-Governmental Organizations in fighting against discrimination, protecting interests of marginalized groups, and forcing local governments to be accountable. On those grounds, governments in developing countries ought to be encouraged to support their national NGOs. But this is a questionable position. As a matter of fact, in many of these countries, the polity is run following a patronage logic that goes from top to bottom. Efforts to give official support to local NGOs and civil society movements risks entailing a loss of autonomy in so far as official support tends to be extended through co-option. In other words, to control what are perceived as potential political rivals, the governments in developing countries are often ready to provide financial means considered to be rewards for political loyalty.

The historical experience of Western Europe is worth recalling here: social actors and movements in countries such as England, Belgium, the Netherlands and Scandinavia were born and developed as grassroots initiatives that self-financed themselves through voluntary contributions of members. As a result, they were truly independent from the government and their strength and legitimacy rested on that attribute: they were perceived as unambiguously representing the interests of the groups behind them.

The same problem actually arises in regard of the support granted by external donors to local NGO's. It, too, can have perverse effects if it is considered by local governments as an unacceptable meddling of foreign countries in their own national affairs. This risk is especially serious when the activities of the local NGOs revolve around human rights and other socially and politically sensitive issues that challenge political power and deep-rooted elements of the local culture (for example, gender roles and women's rights). It may thus be the case that objectives of donor countries are better achieved through indirect interventions or through sheer abstention than through more or less public support. This is perhaps best attested by the impact on democratic practices of return migrants who worked in democratic rather than authoritarian countries. For example, return migrants from Mali who worked in France turned out to be less trustful and more sceptical than migrants who worked in less democratic countries. Yet, they are also more involved in Malian political institutions.

In this respect, the finding that Free Trade Agreements in which no clause for labour standards is included seem to better promote, or at least not worsen, the workers' rights compared to FTAs that include such clauses deserves to be pondered over. Governments of developing countries may well choose to inscribe into law a number of people's rights but this does not mean that the statutory law will be enforced. The fact that FTAs containing labour standards clauses increases the probability to adopt the UN Conventions on Workers' Rights against various forms of discrimination (for example, the right of free associations) plausibly bears out the idea that the main effect of externally imposed or externally induced laws consists of changing the letters of the law rather than modifying the reality on the ground.



(Activities of WP2 –Coordination) are reported with Dissemination)

Final report - Scientific Work packages

WP3: Poverty: dimensions, processes and interactions

Objectives:

- *Assess latest poverty measurement developments and gaps to be filled*
- *Review concepts used in poverty analysis by different approaches and their relevance in a policy-oriented approach, including for the coming revision of MDGs*
- *Propose better methods for analysing the creation of poverty and the dynamics of poverty (longitudinal analysis, spatial comparisons, etc.)*
- *Analyse interactions between inequalities and poverty in a context of economic growth (revisiting the theory of pro-poor growth in a variety of contexts)*
- *Recommend new methods of data collection, especially for non-monetary dimensions of poverty.*

1) Poverty measurement

Considerable progress has been made during the last 2-3 decades in conceptualizing and measuring poverty, especially when the latter is approached as a multidimensional problem. Among the privileged aspects considered are the following: vulnerability to food shocks, spatial segregation and quality of employment, each dimension being itself multidimensional. Two different approaches have been proposed to address the challenge of measuring poverty multidimensionally: (1) the Alkire & Foster (AF) Multidimensional Poverty Index (MPI) which uses a comprehensive index summarizing or aggregating the information contained in several indices measuring various dimensions of poverty, and (2) the approach of Ravallion and others who favour a “dash board” approach in which multiple poverty dimensions are considered separately.

We believe that the convenience of condensing multiple dimensions into a single index is questionable both because it overlooks some dimensions of well-being that convey valuable information, and also

because it tends to mix up and confound dimensions that are better considered separately. Policymaking calls for the identification of the poor who suffer from specific deprivation in order to be able to apply suitable policies to each central poverty dimension. In particular, issues of vulnerability to poverty (which involve variations over time) must be distinguished from issues of absolute poverty (as assessed in a static manner and in relation to a given benchmark); issues of social exclusion need separate analysis and must be approached in a dynamic framework; employment quality has a bearing on poverty only if hard working conditions have such an adverse impact on levels of living that they threaten to lead to poverty outcomes as conventionally understood.

Moreover, the issue of how to weigh the different dimensions of poverty selected to enter into the MPI is left unresolved, as witnessed by the common practice consisting of assigning equal weights to all the dimensions. A direct implication of this practice is that the contribution of each dimension to the aggregate index is diluted as the number of dimensions is increased to better cover the possible manifestations of poverty. This is not a wise way to proceed since some dimensions obviously matter more than others, either because they are more important in their own right or because they condition other dimensions.

This said, a “scoreboard” approach that addresses each dimension separately is not an adequate option since it ignores that there may be compounded effects arising from interactions between poverty dimensions. These interactions, monetary or non-monetary, should receive special attention and be integrated into policymaking. This is because policies that combine different objectives are more effective in reducing poverty.

In addition, poverty should be distinguished not only according dimensions but also according to its chronic/transient condition, the compounded effects of multiple deprivation and its links to social exclusion. It is equally important to see that intergenerational poverty transmission is not necessarily linked to deprivations but may arise from initial unfavourable conditions. Social interactions and transformation processes transiting through markets, public decisions etc. may also play an important role behind insufficient outcomes. This may be particularly the case in the presence of discrimination (in its many dimensions) and negative neighbourhood effects.

Particularly promising is a conceptual framework in which a distinction is made between conditions at the source of inequality of opportunities, transformation and social interaction processes, outcomes and agency. Unequal opportunities are related to inequalities that emerge as a result of initial conditions beyond the control (agency) of individuals. Birthplace (in remote rural areas without public services for instance), ethnic origin, family wealth, etc. are all important factors conditioning outcomes. Inequalities and poverty can also be transmitted from one generation to another through inequalities in agency (individual preferences for risk, effort, educational and job aspirations, etc.) and this also concerns generally the same social groups that suffer from inequalities of opportunities (there is most probably a double causality link between inequalities of opportunities and agency, reinforcing each other). Processes also matter for outcomes, in particular those that are directly related to income generation. Labour market rules are very often playing against deprived groups (discrimination and social capital instead of meritocratic rules are a pervasive phenomenon in developing countries’ labour markets). Access to formal credit is very limited to micro entrepreneurs and the quality (if not the access) of public educational systems are also generally poor. Each dimension has different causation channels and therefore requires specific policies.

2) Poverty analyses

Rather than listing all the research projects and summarizing their findings very briefly (which is done in the report itself), we have chosen to present below a few selected pieces of research that appear to contain original lessons and/or to raise interesting issues. These contributions are not personalized as their authors can be easily identified from the complete report. We naturally distinguish between macro and micro-level analyses.

Micro-level studies

Reducing market imperfections for subsistence goods

A well-established fact is that two types of circumstances tend to make pervasive poverty more likely: fragility of the state and remoteness. We indeed know that the poor tend to be concentrated in countries with fragile states or in remote areas that are typically endowed with poor soils. The former predicament cannot be overcome without reforming the state, and this is obviously a political economy issue that belongs to another Work Package. As for the second predicament, it can be fruitfully addressed through the lens of market failure analysis. This is precisely what has been done in an in-depth study of Burkina Faso where an experiment in activating local food markets through granaries has been attempted in so-called treatment villages.

As evident from anthropometric measurements, the community-based food granaries and the associated activation of the local food markets have had a positive and large impact on the nutritional status of both adults and children. More precisely, in treatment villages the nutritional situation has been stabilized during a drought year whereas, by contrast, villages not covered by the program experienced some adverse nutritional stress. Importantly, the positive effects of the program were observed for the whole population of the beneficiary communities, and not only for those who actually purchased food from the granaries. This confirms the existence of positive spillovers from an intervention that affected local market conditions. Equally significant is the fact that the effects have been more pronounced in the more remote communities.

If the intervention has caused a significant decrease in the price paid for cereals, suggesting an improved availability of, and better access to, food, there is no evidence that this improved access translated into higher or better food consumption. Those results lead to two puzzles. First, why households have not increased the quantity of grain purchased while prices have decreased? And second, how can we account for an improvement in nutrition when total grain available (the sum of own production and purchase) did not increase as a result of the program? In fact, the timing of purchases is critical to understand these puzzles. By purchasing food later on in the cycle, households better manage the allocation of consumption throughout the year. In particular, they can increase food consumption when heavy work is required in the field and they rely less on costly body fat storage. Moreover, limited storage in the dwellings allows households to avoid redistributive pressures exerted by close relatives and neighbours (see also the experiment conducted by Boltz in Senegal, which shows that these pressures are real).

In conclusion, the program reached its objective of enhancing food security and nutrition in a drought year through an activation of local food markets. The role of well-functioning markets is precisely to enable households to adjust their purchases so as to minimize the transaction and other costs of consumption. When markets are fraught with uncertainty, such smooth adjustment is not possible and costs are unavoidable. It is noteworthy that the program has had the most pronounced effect on remote areas where food markets are most imperfect and where the potential for improving food security through market activation is therefore the largest.

Policy implications are straightforward. In a context of pervasive market failures, an intervention aimed at strengthening market integration can improve food access and nutrition. This is especially true for populations from remote areas in which vulnerability to food shocks is typically higher. It appears that community and market-based interventions like cereal banks may perform well for the above purpose. Although not large, the grain shift operated by village granaries change market conditions in a way favourable to local consumers: cereals are bought closer to the dwellings and are supplied at lower prices.

Gender imbalances

Somewhat surprisingly, the above study did not detect chronic gender bias in nutrition and basic consumption levels. Yet, in other contexts and along other dimensions, gender discrimination can be quite significant. Two studies, both dealing with Latin America, may serve to illustrate this basic truth. In Mexico, it is argued that women are a vulnerable group because in their lifetime they devote more

time to non-remunerated activities than men. In particular, due to the time invested in children's education, to the responsibility to care for ill or elderly people, to a variety of household chores, and to devotion to their husband's professional development, married women with children have fewer opportunities in the labour market than their male counterparts. They are thus less able to accumulate assets in their own names and, consequently, to obtain credit and insurance in the event of divorce. In the latter case, indeed, women are especially vulnerable insofar as they lack assets and good skills for the labour market, and if the responsibility of children's custody befalls them. When such vulnerability persists, the risk of falling into chronic poverty increases dramatically.

Another aspect of gender imbalance lies in anti-women violence. This is illustrated in the case of urban Peru (Metropolitan Lima) where the role of education and socioeconomic diversity in mitigating violence against women is emphasized. In communities with less education and smaller socioeconomic diversity, women are more likely to experience physical violence by their partners or spouses. The same two variables appear to influence attitudes toward schooling: in more socially diverse neighbourhoods, attitudes toward women's education are more progressive. The study also inquires about the determinants to refer acts of domestic violence to the legal system. The decision of a woman to abstain from filing a report is caused by the fear for the children's lives and her own economic dependence which instils doubts about the effects that a legal recourse may trigger. A legal complaint has more chance to be lodged if women are more educated or if violence was particularly severe. The more routinized is the violence the less likely it is to be denounced. At a community or neighbourhood level, both social acceptance of violence and fear of stigmatization drive people not to reveal personal experiences of physical ill-treatment. Moreover, at the institutional level, obstacles arise from the political and administrative malfunctioning of institutions in charge of overseeing cases of violence. They include a lack of physical proximity to the homes where cases are registered, and acts of corruption which prevent complaints to be followed to their end.

Macro-level studies

Poverty dynamics and the role of public interventions

A study on Senegal shows that, not surprisingly, the main determinants of poverty are a large household size, a high proportion of dependents in the household, and a high rate of unemployment. These factors tend to cause not only chronic poverty but also vulnerability to adverse shocks and the associated transient poverty. Such a diagnosis, however, goes only some way toward understanding poverty. We would indeed like to know how the three factors are themselves determined, which implies understanding the processes of household formation and the causes of low education and other sources of ill-adaptation to labour market opportunities.

Whatever the root causes of poverty, fighting against its transitory forms means protecting to the most vulnerable (who are also likely to be chronically poor) against the costly consequences of negative shocks such as droughts, which are quite frequent in a country like Senegal. This can be achieved through the implementation of policies such as safety net policies, preventive care and social protection for the poor and vulnerable. Family Safety transfers, sufficiently high pensions, and universal health coverage are important illustrations of these anti-poverty policies.

Interestingly, the decomposition of the poverty incidence reveals that redistribution is more effective than economic growth as an instrument to reduce poverty. Because of their highly redistributive character, social policies significantly reduce inequality. As a matter of principle, reduced inequalities do not automatically lead to a smaller incidence of poverty, yet this appears to have been the case in Senegal. The main channel through which economic growth affects poverty is through its positive effect on employment, provided that job creation occurs in the most critical sector for poverty reduction, namely agriculture.

Vietnam is a especially interesting country case study because poverty has dramatically and consistently fallen during the last decades. In particular, an impressive decline in poverty has been observed in the years 2010-12 as compared to the years 2006-2008, and this is in spite of less favourable macro-economic conditions. Studying poverty dynamics in such circumstances is worthwhile. The most salient finding of the study is that household-level factors that include

household size and dependency ratio as well as the education and employment status of the highest-earning members have only a small influence on the probability of moving out of poverty, both in terms of statistical significance and directions of the effects. In addition, the magnitudes of the effects are generally smaller in the 2010-2012 period. By contrast, the disadvantage of minority ethnic groups that are characterized by a lower probability of moving out of poverty is roughly constant across the two time periods. Changes in effects of regions and commune-level factors between the two periods are more striking. Compared with their counterparts living in the Red River Delta or in non-remote areas, households living in the North Central Coast or in the remote areas were no longer disadvantaged in the 2010-2012 period. Still, communes that have paved roads or a local market appear to have a higher probability of being lifted out of poverty in the same period.

Divergences in growth rates

The « convergence debate » refers to the question of the manner in which the disparity in the growth rates of various geographical units evolves over time. It is typically studied in the context of international comparisons of different countries. The objective is to test a standard prediction of growth theory according to which the less developed countries or regions will "catch up" with the more developed ones (through faster capital accumulation). The same test can be carried out in the context of a single (developing) country that includes different regions. This has been done in India, a country which is organized as a federal state and has experienced a fairly impressive growth over the past two decades following the liberalisation of the Indian economy in 1991-92. A new analysis has used the income (Net State Domestic Product) of 15 major Indian states representing around 90% of India's population, and the time period considered exceeds 40 years. In contrast to existing studies, a non-parametric approach allowing to endogenously determine the clustering of states has been applied. The new study thus identified three types of Indian States: rich, transitional, and poor (all terms understood with India as a reference point). The most striking result is that over an important part of the period covered by the study, the presence of a transitional group of states has emerged, implying that there is a degree of mobility into and out of either the rich or the poor group.

Moreover, the convergence analysis at the sectoral level allows for a revisiting of some fundamental questions of economic development, such as the role of agricultural growth (surplus) in fuelling subsequent growth in industry or services, and the importance of having an industrial sector to start with. Initial economic conditions and the distribution of federal powers over economic and social policies have been shown to significantly influence the inter-regional disparities in economic growth, inequalities and poverty inside India. The role of urbanization in economic growth has also been highlighted. More precisely, agglomeration between small and medium towns, through effects of geography and scale, turn out to have affected the trajectories of development in an important manner: states where the urbanization process has taken the form of fusion between small and medium towns have been placed on a higher steady state path.

WP4 – Impact of international aid on poverty

Objectives:

- *Evaluate the effectiveness of foreign aid in poverty reduction with new insights into the impact of aid on recipients (empowerment and ownership);*
- *Paint a picture of recent developments in the international aid architecture, including the Paris Declaration, private donors and South-South cooperation;*
- *Consider alternative sources of development financing, particularly hard loans ;*
- *Derive guidelines for a reform of EU aid policy.*

The scientific program of WP4 is divided into three tasks. While the first two tasks deal with the development cooperation of established OECD/DAC donors, looking at the recipient and donor side, respectively, the third task takes into account the rising importance of “new” actors such as China and an increasing number of international NGOs.

Research within these three tasks has advanced in accordance with the varying deadlines. For Task 4.2, the respective deliverable has recently been submitted. Investigations in Task 4.3 are close to being completed, whereas work in Task 4.1 is still at an earlier stage.

4.1. The impact of public aid on poverty

The answer to the question of whether foreign aid is effective in improving the lives of poor people has many dimensions that go beyond purely monetary considerations. Over the last decades, the Millennium Development Goals (MDGs) have arguably been the most influential benchmark for assessing aid effectiveness. In a first program, we investigate the impact of aid on MDG-related education and health indicators. Employing a cross-country panel data approach, we obtain mixed evidence: while aid for health has been associated with reduced child and maternal mortality since the early 2000s, we find no significant relationship between aid for education and either primary enrolment or primary completion. Mortality and primary enrolment are also among the indicators considered in the second program. By means of a comparative case study for Benin and Togo, two countries with different trajectories of foreign aid inflows, this research adds to the evidence that aid has the potential to improve health conditions in recipient countries. The third program takes a grassroots view and studies the specific women empowerment approaches of EU-funded organisations in Vietnam, Mexico and Botswana in the context of urban poverty alleviation. It uses participatory methods such as photo-interviews. One important common result of these empowerment projects is that women learn to perceive themselves as agents not victims. Finally, we examine the link between aid and conflict. The absence of violent conflict is a fundamental pre-condition of successful poverty alleviation. Again based on cross-country panel data, we find no evidence that development aid prevents wars in general. However, aid appears to have a stabilizing effect in post-war situations by enhancing economic growth.

4.2. Analyse aid on the donor side: Aid effectiveness and its impact on poverty

We propose an approach centred on the concept of need-adjusted aid effectiveness. This means that the donor's objective function explicitly takes into account the trade-off between considerations of needs and considerations of governance. Moreover, the donor is willing to exert external discipline on the recipient countries. To the extent there is a negative correlation between the extent of needs and the quality of governance, we expect that the donor would bring more discipline to bear upon the poorer countries with the consequence that they would not be excluded from aid programmes. Working within a one-donor-two-recipient framework, in which one recipient country is relatively poorer and worse-governed than the other, we are able to show that many intuitions regarding effects of parametric changes are too simple. In particular, the improvement in the governance of the poorer country does not necessarily induce the donor to raise its aid share.

4.3. The emerging international aid players: South-South cooperation and private donors

1) NGOs have the advantage of getting into direct contact with the beneficiary populations, outside the official channel and its associated constraints. Moreover, some of them devote the whole or a part of their effort to advocacy activities that aim at making the government more accountable of its citizens. To the extent advocacy efforts have the effect of decreasing corruption, there is an obvious spillover from such efforts to the effective mess of aid-on-the-ground.

2) Because they have the character of a public good, advocacy activities will be under-supplied by the NGOs which have a fixed amount of aid money to allocate between advocacy and direct aid to beneficiary populations (or by NGOs which are specialized in advocacy and have a flexible amount of money to spend). If NGOs are able to coordinate their efforts, however, they will cause direct aid transfers to be reduced owing to the induced repression of the local government whose rents are being threatened. For this reason, it is not desirable to rely entirely on the NGOs sector's efforts to improve local governance. This means that the governments of donor countries cannot eschew their duties to complement the advocacy efforts of NGOs.

3) The danger that new donor countries will not join the coordinated efforts of old donors to impose governance-related conditionalities on recipient countries may be over-estimated.

4) In their direct aid efforts, NGOs may evince a number of weaknesses. In particular, they may follow a herd behaviour that prevents them from optimally locating their development projects on the ground. Moreover, there is no clear evidence that they better target the poor than public assistance efforts.

5) The need to produce visible results in rather short periods of time to persuade their fund-providers to renew their support distorts the allocation decisions of the NGOs. Long-term development efforts along not easily measurable dimensions are at the risk of being neglected. This applies not only to NGOs that implement development projects but also to Civil Society Organisations (CSOs). Regarding the latter, the problem arises that the funding agencies not only have a short-term horizon but also do not get a proper understanding of the advocacy mission of the CSOs. Funding organisations such as the European Union should therefore aim at devising measures of the effectiveness of NGOs that are appropriate to their specific mission, and at enforcing decisions based on them. The former objective implies that (i) inputs or effort measures are taken into consideration (payment by results is not necessarily adequate), and that (ii) the way intermediary objectives are achieved should be measured and used as the basis of decisions.

6) The existence of scale economies in fundraising activities tends to cause a growing concentration or integration of NGOs. The positive aspect is that the adverse effects of acute competition among NGOs for aid funds are averted, especially if the aggregate amount of funds available for aid is more or less fixed. The negative side is that the variety of services offered by the NGOs may thereby be hampered. It is therefore important to study more carefully the experiences of countries, such as Belgium, where the NGO sector is being increasingly coordinated, yet without threatening the autonomy or particular profile of the member NGOs.

7) The aid allocation formula proposed by Bourguignon and Platteau (2014) is based on an explicit trade-off between needs and governance considerations, as does the formula used by the EU when allocating its aid money between the eligible countries. There are three important differences between the former and the latter, however. First, while the EU formula is computed in a rather ‘ad hoc’ manner, the Bourguignon/Platteau formula is rationally derived from an explicit optimization exercise. This exercise involves an objective function that embeds the needs/governance trade-off confronted by the donor. Second, while the Bourguignon/Platteau formula allows for zero allocation to countries that are too badly governed and not too poor, the formula actually used by the EU does not permit such extreme decision, because political considerations intervene. Third, the quality of governance in the recipient countries can improve, with the result that poor countries initially badly governed can become eligible for aid. This approach nevertheless complicates the choice of appropriate governance indicators to the extent that governance is no more a given but is endogenous to the donor’s own efforts.

WP5 – Impact of globalisation and international migration on poverty

Objectives:

- *Discuss the relationship between the extent and nature of specialisation (e.g. primary vs. manufacturing industries) and poverty transiting through the labour market and wages, internal migration and pressure on basic resources.*
- *Assess the balance of contradictory effects on poverty of outward-looking “clusters” and free trade zones within countries.*
- *Introduce international migration as a basic characteristic of globalisation.*
- *Develop a legal analysis of economic and social human rights and their incorporation in the current framework of world trade law (including EU trade and cooperation agreements).*

WP5 may be divided in four main subjects. First, some case studies on industrial strategies chosen by different countries and its effects on poverty. They cover Brazil, Mexico and Madagascar. The second part analyses how trade and industrial policies affect poverty or contribute to its reduction. The third part is a set of four studies relating to international migration and poverty that includes Mexico,

Ecuador, Mali and Senegal. The fourth part refers to results of trade specialization and free trade agreements (FTAs) on the economy and its consequences for poverty.

5.1. How trade globalisation affects poverty

The influence of globalisation on poverty and living conditions in less developed countries is a very complex phenomenon. The main objective of this WP was to assess how the different processes of integration into world markets have influenced poverty at different levels and the potential ways of improving the contribution of globalisation to poverty reduction. This is a subject of great interest for the development of EU policy. Comparative studies were conducted with the participation of NOPOOR partners and helped to shape a clear view of the relationship between trade liberalisation and poverty reduction.

The first study shows the danger of considering the Sub-Saharan countries (SSC) as a whole when taking into account the effects of trade liberalization policies on poverty mitigation. In the basis of a Computable General Equilibrium Model (CGE) of one archetype, an efficient tool to estimate the impact of different liberalization policy oriented strategies on GDP, employment, public revenues and other variables was developed.

Treating SSC area as a whole implies huge problems when analysing the effects of trade measures and, then, a mechanism to avoid this excessive generalization is necessary. However, the problem of the lack of statistical information subsists. Looking for a partial solution for this problem and using information of several sources, we can create a link between World Development Indicators dataset and SAM available data for some countries to analyse which are the more similar countries inside SSC area in terms of the economic impact measure of potential free trade areas plans. With the available information, eight countries inside SSC have served to create a total of six clusters of countries, containing detailed information for 28 countries of the Sub-Saharan area.

The second study shows that one contributing factor for the dynamism of the Brazilian economy in the 2000s was the exceptional performance of Brazilian exports. This growth was accompanied by an important change in the country's export pattern, which can be characterized as a “primarization” trend, due to the increasing weight of primary goods in total exports. It was observed in the same period an impressive reduction in poverty and an improvement in income distribution, both unparalleled in Brazilian history. In order to estimate the total employment generated by exports, it was taken into account not only direct employment but also all employment created by intermediate consumption and by the provision of services within each exporting sector.

The results of the study suggest that the good export performance during the 2000s made no significant contribution to the enhancement of the Brazilian labour market. Furthermore, the largest portion of jobs generated by exports is of low quality, especially when compared to the overall employment profile. The main conclusion is that the contribution of exports to poverty alleviation in the country seems to be a limited one when considered the labour market transmission channel.

5.2 . How industrial strategies affect poverty

One of the major trends of industrial policies in developing and emerging countries is the relocation and concentration of production of manufactured goods inside the countries as a way to promote the insertion of the country in globalized markets. Simultaneously to the openness of the economy, fiscal, legal and custom incentives have been granted to firms or areas with the objective to encourage their insertion in the global value chain. This strategy has been frequently successful in terms of international trade. However, the models are contrasted and may pursue complementary goals as regional development. Moreover, the social performances of these strategies and their capacity to reduce poverty and to promote labour rights are more debatable. Industrial “clusters” and free trade zones (maquiladoras in Mexico, EPZ in Asia, Manaus Free Trade Zone in Brazil) are a practice used in a large number of countries and represent a large part of trade in emerging and developing countries. They frequently exonerate national and foreign firms from tax, customs and legal exemptions. They frequently present higher levels of employment, FDI, technology transfers and externalities.

While the number of SEZs has been increasingly growing in the world, particularly in developing countries, their record of success, both on economic and social grounds has remained controversial. The specialized literature shows that, while some countries have been able to capture the gains from zone operations, many others have not. In addition, the special regimes applied in FTZs may be considered as potential sources of distortions, to be offset by the expected effects of their externalities for the country due the combination of manufactured activities and the spread of new methods and technology by multinational firms.

For example, some exporting firms may well desert their initial area of establishment to relocate to an FTZ. So although the FTZ is a success, the location of exports has merely been displaced within the country. In terms of the GVC, high import tariffs raise the cost of imported inputs and affect the competitiveness of firms. FTZs can eliminate this counter-productive effect of high tariffs on imported inputs. FTZs then sustain questionable protectionist final product policy without harming the competitiveness of the export processing industries. So there is no certainty that protectionist countries with FTZs export more than less protectionist countries without FTZs.

Case studies in Brazil, Madagascar and Mexico show that industrial policies associated to regional and social transfer policies can succeed in terms of growth, employment, regional development and insertion in globalized markets. Incentives have generally acted on the poverty reduction. However, performances are more mitigated under other aspects. Social spillovers on surrounding areas are sometimes questionable and some standards, as labour conditions or wage discrimination, have too slowly progressed. The consequences of distortions introduced by targeted incentives and, sometimes the protectionist measures in manufactured goods, have also to be evaluated.

Even if some social performances have to be mitigated, there is no evidence of a systematic "course to the bottom" in the studied countries. With support of legislation, firms located in targeted zones frequently practice higher standards than the country average.

The diversity of models shows that there is not only one relevant industrial and trade policy. Our main conclusion is that there is a margin for making industrial and trade policies not only oriented to industrial growth, which is a necessary condition for poverty reduction, but also to the promotion of higher labour standards, as a condition for benefiting of tariff and fiscal advantages.

5.3. Survey based analysis of the dynamics of international migration

International migration affects poverty by various channels such as influencing flows of income (remittances), investment (including public goods), knowledge and technologies and social values. If relative poverty contributes to causing migration, migration may act in a balanced manner, benefiting both the home and host countries. The developed research in this WP was intended to look at both sides of the migration phenomenon. Four studies have been developed.

The first study, prepared by the DIAL team, highlights the role played by Home Town Associations (HTAs) in the local development of villages in Mali. It is observed that villages targeted by an HTA registered in France are better off in terms of public goods provision. The impact varies depending on the type of public good considered and on the timing of the intervention of the HTAs. We find that targeted villages exhibit a significantly steeper upward trend in public goods over the 1987-2009 period than villages with no HTA. This significant difference is noted for schools, health centres as well as water amenities, whereas this difference in terms of water infrastructures is observed only for the second period (1998-2009).

The impact of HTAs may be first explained by the capacity of migrants to collect funds, either because their private incomes are high enough to finance collective projects, or because they are able to get access to French public funds through the so-called co-development initiatives. They expanded in the nineties, HTAs being one of the main actors of these decentralized official development assistance projects. Secondly, the positive impact of HTAs on public good provision may stem from greater effectiveness and better choices in terms of local development. HTAs may notably contribute to improve local governance by asking for more accountability of the local elite and transparency of public affairs, thus reducing the capture of public funds. Finally, cross-sectional evidence of a

correlation between HTAs and local public good provision are presented, which again remains significant and stable when current and return migration are controlled for.

These results suggest that Malian villages targeted by an HTA registered in France are significantly better endowed in terms of local public goods than the others. Despite large scale public investments in social services implemented since the nineties, villages with no HTA did not manage to catch up with those benefiting from these collective transfers.

This study shows how migrants have a positive impact on their communities of origin. It favours measures to both reduce the cost of remittances and to encourage co-development policies. However, it also questions the consequences of migration in terms of unequal access to public goods. National development policies should ensure to allocate national public investments in zones that are now the neediest ones than those benefiting from collective remittances.

The second study, carried out by the IfW team, aims at capturing the remittances effect on productive investment in Mexico and highlighting their multiplier effect. It shows that capital from migration appears to be used mainly to invest in subsistence categories such as growing food crops but not for other risky activities such as livestock production. At the same time, migration that occurs at a late stage of the household life-cycle might not change productive investments due to the short horizon for the realization of investment returns.

The study does not find a clear-cut evidence of productivity enhancements through migrant remittances, with small multiplier effects and positive investment effects only for subsistence-related parts of agriculture.

In terms of public policy, it is highly unlikely that governments can have a direct impact on how households use remittances, but they may indirectly help raise productivity. For multiplier effects of remittances to materialize, local productive capacity has to be adjusted in order to cope with the increase in demand. There are various options for governments to affect the supply response of the local economy, e.g. by investing in rural infrastructure, supporting the establishment of competitive markets and well-integrated markets, and by reducing the bureaucratic requirements for opening up a new business. These kinds of measures may also make it more attractive for migrant households to channel part of their remittance income into productive investment.

The third study, carried by CRES team, explores the effects of migration and remittances on migrants' families left behind in three Western African countries (Burkina Faso, Nigeria and Senegal). They first estimate the impact on household poverty and inequality. Second, they evaluate the impact on child time allocation. Finally, they analyse how the channels for receiving remittances affect the marginal spending behaviour of households on a broad range of consumption and investments goods.

The effect magnitudes of internal and international migration and remittances differ from each other. International remittances have decreased poverty depth, while internal remittances have increased it. In addition, inequality has increased more among international remittance households than internal ones.

The results found suggest that households receiving remittances through unofficial channels spend more at margin on key consumption good-food. Finally, they point out that official remittance channels lead to significant increase on marginal investments goods education and productive goods.

From a policy perspective, the results found in this study underscore the importance of distinguishing between the impacts of remittances and migration on policy making. Specifically, if the objective is to raise investments in children's human capital, policies that are aimed at increasing remittance flows (e.g., by lowering remitting costs or by offering matching funds) can be particularly helpful for developing countries experiencing extensive out-migration.

The fourth study, conducted by the UAM team, is focused on how wellbeing and family factors shapes Ecuadorian migration and return dynamics, how migration impacts wellbeing and which was the impact of crisis in Spain in this context. The main results show that Ecuadorian labour migration is not about subsistence, but about improvement and that migrants succeed fast in Spain, until the crisis erupted. They show that the crisis indeed generated a considerable increase in aggregate

unemployment among immigrants, but also a significant worsening of working conditions for those who managed to keep their jobs.

Somehow unexpectedly, some evidences suggest that worsening of labour and living conditions does not drive return. From the perspective of immigration or emigration policies either in origin or destination countries, that entails that return cannot be taken for granted even in the presence of a shocking shift in the economic cycle. When the lack of employment turns migrants' return into a policy objective in developed countries, proactive and specifically targeted policies are needed.

We highlight that family is a crucial dimension in both the emigration and the return decision and policies should target the migrant's family and not individuals. Any policy, in both origin and destination countries, which lacks in covering family as the context in which opportunities, risks and expectations are evaluated, will thus have a limited scope.

Finally, it is pointed out that the return is not the end of the migratory process and, from the migration policies point of view, it seems clear that in both sending and receiving countries, little attention is given to the re-emigration issue. The action space between migration policies and return policies seems to be getting wider and policy makers should observe this phenomenon with more interest.

5.4 . How trade and cooperation agreements impact poverty

According to the original NOPOOR proposal, globalization is structured and governed by multilateral and bilateral agreements. The consequences of world trade and cooperation agreements on poverty were analysed from two different angles. First, developing simulations of the impacts of the implementation of the agreements on labour market and poverty, at national and regional level, with a focus on the EU's EPAs in ECOWAS countries. Second, providing a legal analysis of economic, labour and human rights as well as verifying how these rights are incorporated and applied in the current framework of World Trade Law (FTAs, WTO, GSP, ILO).

The first study analyses the impacts on West African countries of the Free Trade Agreement between EU and ECOWAS. They find that without any accompanying programs, West Africa economy faces pressure when the liberalization reaches 75 percent of imports from the EU, leading to a slower growth rate and an increase of poverty compared to the non-FTA scenario. The deterioration of the trade balance and the loss of Government revenue comes out as the main cause of the economic slowdown under the simulated FTA scenarios.

This general picture of the FTA scenarios impacts hides significant disparities among economies in the sub-region. With an accompanying policies program on building energy production and transport, the simulations indicate better impacts of the FTA in term of growth rate and poverty reduction in all the countries. The findings indicate also that, implementing the EPA would lead to a trade diversion in favour of the EU at the expenses of other trading partners. The simulations show that the FTA have little impact on the interregional trade as it remains relatively constant. The findings of the study show that accompanying programs to boost competitiveness of the West African firms during the liberalization processes must be taken place.

The second study, carried out by Dauphine team, investigates the link between labour clauses in trade agreements and national labour standards, contrasting the effects that these provisions have at a legislative level, such as the ratification of ILO conventions, and, at a practical level, on workers' rights practices. Their results show that the inclusion of labour provisions in trade agreements has a positive effect on the rate of ratification of ILO conventions. Stronger is this relation, more intensively the countries trade with their partners. Provision's effects differ by the coverage of different issues, the juridical form, by procedures for consultation and dispute settlement. Trade agreements seem to have a positive effect on ratification even if they do not include labour clauses. The empirical estimation indicates that labour provisions have not had a significant role in the improvement of labour practices, and that their effect has been limited to symbolic measures such as the ratification of ILO conventions.

In comparison with USA or Canada, EU is not the most activist trade power to include provisions concerning fundamental labour rights (chapter or annex) in RTAs. Although the efficiency of such inclusion is debatable, these provisions reinforce and legitimize the domestic pressure of civil society

and give a lever to governments for acting in favour of more respectful of labour rights applied in partner countries where they are clearly violated. Anyway, the disappointment in the world for the social benefits of trade openness and the political pressure – including the ratification process by the European parliament- will imply that all new steps to a more opened world, should drive more attention to labour rights and, more broadly, to sustainable development.

The third study carried by EGAP team analyses the application of the EU's human rights clauses in the context of its preferential trade agreements with special emphasis to the ACP development cooperation. They highlight that the negative component of the human rights clauses so far has been mainly applied in cases of coups, electoral frauds or severe human rights violations of civil and political rights. It indicates that most of the suspensions took place under the ACP development cooperation. Generally, the application of the clause stands in conflict with the interests of protecting human rights on the one hand and the geopolitical and economic interests of the European Union and its member states on the other hand. However, so far the European Union has not developed any objective and verifiable criteria under which the EU does apply and does not apply the human rights clauses in its external relations. A few policy recommendations are proposed: i) the development of a public policy regarding the application of the human rights clause and suspension of the agreements, ii) the strengthening of the application of economic and social human rights in the context of trade and development agreements, iii) the consideration of the tensions between civil and political rights and social and economic human rights, iv) the periodically publication of human rights application in the EU's trade and development aid context, v) the economic analysis of the effects of free trade and development agreements by the European Union and publication of its results.

WP6 – Inclusion/exclusion in social networks, work and cities

Objectives:

- *Identify labour market dysfunctions that cause poverty.*
- *Precise the role of social networks as a dimension to be taken into account for strategies leading out of poverty*
- *Identify the new trends of urban poverty.*

Introduction

The research activities in this Work Package may be divided into two main areas. The first looks at the relationship between education, social mobility and poverty providing novel evidence from Peru, India, South Africa, and Vietnam. The second area refers to analyses of social policies and their consequences for poverty. Various countries are analysed, such as Brazil, Chile, Ghana, India, Mexico, and Senegal. All these countries have introduced important social policies in recent times and therefore provide valuable evidence on the subject. A subset of these studies also tries to link social policy experiences in different countries in a comparative perspective.

The research in this WP sheds light on various mechanisms underlying the relationship between education, social policy and poverty. One mechanism highlighted in the research is the role of educational aspirations and credentials. Evidence from Peru show that the socioeconomic status predicts the level of aspirations, which in turn impacts school outcomes. In addition, family and academic preparedness appear to be key determinants of the long-term economic success of children in Peru. The study on Vietnamese data further investigates how skills contribute to the earnings gaps between various groups.

An often cited reason for educational quality differentials is that schools are not always held accountable for their services. In this context, two studies in India and South Africa, respectively, explore possible ways of equalising the achievement gap. The Indian study focuses on the role of information flows between parents and schools. Preliminary evidence shows that parents respond to information about the absolute performance of their child as well as on the relative standing of different schools in the area. Results from on-going primary data collection efforts in India are expected to shed further light on the challenges of education as a vehicle for social mobility. The study on South African schools shows that simply increasing the material resources transferred to schools

may not be the best way to address inequalities in human capital acquisition. The study shows that additional resources may not translate into better school outcomes and that school administrators may respond to incentives in sub-optimal ways.

With regards to the studies conducted on specific social policies adopted in various countries, research efforts in this WP have provided evidence on Brazil, Chile, Ghana, India, Mexico, and Senegal. The research on Brazil shows that the increase in the minimum wage reduced poverty and income inequality, representing a successful example of a socio-economic policy. The Chilean evidence highlights that the country administers social policy through targeted and very narrowly-focused social programmes. The project team in Ghana is currently undertaking an extensive desk review on social protection systems, which will add an interesting case for comparison. Evidence from the National Rural Employment Guarantee Scheme in India highlights the risks associated to negative labour supply effects, although India's size and complexity makes it necessary to be cautious in generalizations. The evidence from Senegal shows that household vulnerability varies significantly by geographic areas and sector. In particular, public sector workers are much less vulnerable. In addition, the evidence from urban Peru shows that there are several constraints in the political and administrative functioning of institutions in charge of overseeing social policies.

Finally, this WP has a number of on-going papers that can be used to compare poverty reduction policies across countries and their effect on poverty rates, inequalities, vulnerabilities, and participation in the market. The analyses take into account gender dimensions, poverty-related stigmas and the cost to the public. In addition, they examine how institutional variables, such as democratic rules, affect the probability of redistribution.

Overall, our research on education and social policy highlights the importance of country-specific institutional constraints, as well as the need to take into account behavioural responses to policy actions from the concerned parties.

6.1. Labour market patterns and their impact on poverty

The studies shed light on a variety of obstacles to poverty alleviation and inequality reduction. Interestingly, the case studies reviewed here are based in regions of the world that have experienced substantial (or at least significantly positive) economic growth in recent years. The evidence provided in this collection of studies highlights the risk of relying solely on growth as poverty deterrent.

From a policy perspective it seems that increasing economic growth need not be accompanied by a decrease in various form of disadvantage for certain segments of the population. The evidence reviewed here shows that well-targeted labour market policies may be needed to spread the benefits of economic growth amongst the largest number of people.

Opportunities in the labour market should contribute to alleviate poverty. However, various obstacles in developing regions may deter the labour market from filling its role. This task presents labour market case studies in a variety of contexts and continents (Africa, India, Latin America).

Two research teams from Ghana and India use survey data to understand the effect of employment policies adopted there. The research on India characterizes the evolution of the wage distribution in rural India between 1999 and 2009. The authors then examine the changes in this distribution over time, with a specific focus on the influence of the National Rural Employment Guarantee Scheme that was launched in 2005. The team from Ghana investigates the efficiency of the National Youth Employment Programme. They seek to address questions such as what labour market policies have been put in place (if any) by government to cater for the young and largely uneducated and semi-educated workforce. The authors discuss the likely impacts on the labour market if such issues remain unaddressed.

The work on South Africa examines on-the-job discrimination in an experimental setting. Discrimination in employment has been subject of numerous studies. However, much of the evidence in South Africa is weakened by a number of unobservable variables and the existence of measurement errors. The study pins down the extent of on-the-job discrimination by running a set of experimental games that examine the impact of racial identity and family background on labour market outcomes.

This is done through use of a gift exchange game framed within a labour market setting, where the racial identity and socioeconomic status of partners is revealed by photographs.

The case study from Latin America provides original evidence on “quality” of employment. The study task explores various definitions of the quality of employment in a comparative context. Definitions established for the Chilean case are applied to the labour markets of other developing countries thus allowing us to examine the linkages between labour markets and poverty more closely. The research compares available data on employment conditions in different Latin American countries with the objective of establishing comparable indicators on the quality of employment that can then be used in the analysis of human development and poverty in the region.

6.2. The third economy as an alternative? Social networks and informality

This report summarizes numbers of studies on the theme of social networks and informality in developing countries. All studies’ task aims at understanding to what extent and why different social networks may lead to different informal businesses outcomes, and how social network create the resilience in the informal sector. Furthermore, some tasks also try to analyse the dynamics of the informal sector and to identify the mechanism at stake, which entail the formalization of some units or the relationship between informality and poverty in some countries. The collection of research results highlights the important role of social networks in terms of credit access, functioning of household businesses, hiring labour and coping strategies of household businesses in uncertainty situations. Moreover, through membership in social networks many entrepreneurs seem to be able to informally access production factors as it enforceable trust prevails.

From the policy perspective, results call for supporting of public policies to mitigate the negative consequences of the prevalent use of social networks in terms of inequality in opportunities. Expanding the coverage of social protection system including insurance against risks should be a major concern for public policy. Although social networks facilitates household business in access both formal and informal credit, policy should be directed towards strengthening the formal credit market and improving access to this market particularly for vulnerable groups namely small, informally operating entrepreneurs or those who have little collateral.

This task investigates the functioning of informal economy from which a great part of the population in developing countries draws their income. Original surveys in several countries will gather a new type of information, particularly on social networks, for a better understanding of the informal sector.

Two research teams from GIGA use survey data to understand the role of social capital in alleviating credit constraints of entrepreneurs in Sri Lanka and successful minority entrepreneurs in developing countries. They use nonparametric regression methods to estimate the development of capital stock, capital-output ratio and capital-labour ratio over time. They also distinguish between firms that are credit-constrained and do not have access to family finance, firms that are credit-constrained with access to family finance and credit-unconstrained firms. Credit-constrained firms act the most dynamic in adapting their capital stock and factor inputs over time.

The work on Vietnam examines the use of social networks in the functioning of household business. Authors try to answer five important questions namely (i) how household business use social networks to access informal and formal credit; (ii) what is association between social network and access to physical capital, including premises and equipment; (iii) to what extent social network releases constraints that household businesses are facing to find trustworthy and productive workers; (iv) the role of social network in accessing information; and (v) whether household businesses can rely on social network to be less vulnerable and stresses that a large tier of the household business sector is excluded from informal risk-sharing mechanisms.

Another work on Vietnam tries to capture the dynamic of the labour market and the link between informality and poverty. In this paper, author explores two national representative datasets includes (i) Labour Force Survey from 2007 to 2015 and (ii) three-waves panel data from Vietnam Household Living Standard Survey in 2010, 2012 and 2014. While descriptive analysis is used to calculate number of important labour market indicators that reflect the dynamics of labour market, particularly

in the economic slowdown, two probit models for the joint probability is applied to check whether poverty and informality has any relation in Vietnam.

The case study from Niger checks is there any spillover effect among sibling's social network and labour market outcomes. They consider sibling like a community network of people brought up by the same parents, and the ties between members of this community are significantly stronger than in any other form of community network. Thus they try to identify how this special network is effective in helping its members to access better position in the labour market. Authors use parental education level and professional status to control for the self-selection bias, and they also run separate models for siblings from disadvantaged families and for those from better-off families to avoid unobserved factor that simultaneously determine parental and children positions like family intergenerational ability. Moreover, authors also question the heterogeneity of siblings' network effect according to the gender of siblings and other labour market competitive factors such as family background or own educational level.

Finally, work on South Africa focuses on the topic of informal sector and unemployment. They present novel evidence on wage gaps in South Africa. Using detailed earnings information from the Survey of Employers and Self-Employed authors try to investigate the impact of mis-reporting amongst the informally self-employed on estimates of the wage gaps. They also apply number of econometrics methods such as Fixed Effect Quantile Regression, Quantile Regression to answer their questions.

6.3. Microfinance

The debate turns around the issue of formalization of credit association and on financial inclusion of the poor.

In Mexico, prior to 2001, almost all microfinance institutions (MFIs) which offer credit and savings services to the poor in Mexico were part of the informal economy. As the government committed itself to formalizing them in order to secure people's savings, it faced major operational and political obstacles. Ten years later, new legislation allowed private actors to generate business models targeting the poor and expanding financial inclusion, but which also set up a fierce competition to profit from the "base of the pyramid". This brief discusses the policy dilemmas involved in the process of expanding financial inclusion in Mexico. Further, it focuses on the lessons learned which can be applied to developing countries with an innovative private sector in the process of implementing digital and mobile technologies in the financial sector.

In Madagascar, a national survey on the financial institutions and poverty was made by Nopoor. Among other studies, it allowed to analyse the effectiveness and efficiency of financial inclusion in reducing poverty. Only one quarter of microfinance institutions have a positive impact on poverty reduction. Many poor people, because they live in remote areas or have no social network, are excluded from microfinance programmes.

In Brazil, we analyzes the reach of productive inclusion via entrepreneurship, through Individual Microentrepreneur (MEI) formalization program and microcredit. Moreover, we estimate the effect of microentrepreneurs formalization and of having been interviewed for the Unified Registry for Social Programs (CadÚnico) in the chances of obtaining microcredit. The results show a positive and significant effect on the probability of having received microcredit in all model specifications. This means that the probability of a microentrepreneur having received microcredit, other factors remaining constant, increases if he or she is registered as a MEI. Furthermore, if the person was interviewed for the CadÚnico and is registered as a MEI, the probability of having received microcredit is even greater. However, the interaction with poverty showed a negative result. Due to the still low access to credit and greater difficulty for poor microentrepreneurs, it seems important to maximize the effects of the programs integration.

6.4. From rural misery to urban poverty

Little attention has been given to demographic dynamics and social risks related to the reproduction and consequences of poverty in the economic literature. This is important because demographic dynamics and social risks are keys to understand the intergenerational transmission of poverty and the consolidation of social and economic structures that consent the reproduction of the informal sector and segmented as well as discriminatory labour markets. Also little attention has been paid to the effects of changes in migration patterns in developing countries: urban-urban migration and the emergence of megacities, and the consolidation of intermediate cities as economic dynamic centres for rural dwellers (as well as centres to access secondary and postsecondary education for rural youth). (OECD (2002, 2009), Berdegué et al. (2012, 2010) Rodriguez 2008, Rodriguez & Arriagada 2004).

As a result the demographic transitions can stand as a great opportunity to economic growth, but only if everyone has a fair chance to access markets. If markets are segmented and low labor mobility is feasible, this opportunity may be lost. Instead, social risks as gang behavior and violence, together with low school quality and discrimination in labor markets may lead to worsening socio economic conditions for poor (and non/poor) people. (Lee 2003, Peng 2005, Gros 2005, Komine&Kabe 2005).

At the same time the poverty experience is not the same in megacities as compared to intermediate cities and rural areas. Thus, moving out of poverty seems to be remarkably different in each context. Fighting poverty is not just about improving the quality of dwellings, challenges are different.

It is also important to incorporate other dimensions of the urban experience. In spite of economic linkages between the centers, residential segregation remains and stands out as a key factor in perpetuating intergenerational poverty traps (Rodriguez&Arriagada 2004). Residential segregation makes evident social risk factors such as violence (both at the family and at the community levels), gang behavior in young populations, low school quality

Our academic contributions will also help to address policies in a different way. The policy challenges to improved access and profitable connections to markets are quite different in urban and rural areas. In urban areas, markets are physically close to poor people, but those markets tend to be segmented. Informality prevails in low income metropolitan segments and both segmentation and discrimination in labor markets tend to be the norm (Ñopo&Chong 2010, Moreno et al.2011, Atal et al. 2009, Maloney 1999). In rural areas the primary challenges rest on providing infrastructure and information to the population, as well as skills to reach and interact in such market environments where usually cultural background is different (Berdegué et al. (2011, 2012).

Using different case studies this task 6.4 addresses all these issues: Rural and urban poverty (India), poverty reduction processes in Brazil as well as the consequences of poverty in urban spatially segregated contexts (Peru and Mexico).

WP7 - Education and Social Protection to alleviate poverty

Objectives:

- *Identify obstacles to social mobility.*
- *Identify social policy implementation conditions and context.*
- *Evaluate the interplay of education, research and other public policies, including the IPR regime, market and network mechanisms, and cultural constraints on the spread of knowledge.*

The research activities in this Work Package may be divided into two main areas. The first looks at the relationship between education, social mobility and poverty providing novel evidence from Peru, India, South Africa, and Vietnam. The second area refers to analyses of social policies and their consequences for poverty. Various countries are analysed, such as Brazil, Chile, Ghana, India, Mexico, and Senegal. All these countries have introduced important social policies in recent times and therefore provide valuable evidence on the subject. A subset of these studies also tries to link social policy experiences in different countries in a comparative perspective.

The research in this WP sheds light on various mechanisms underlying the relationship between education, social policy and poverty. One mechanism highlighted in the research is the role of

educational aspirations and credentials. Evidence from Peru show that the socioeconomic status predicts the level of aspirations, which in turn impacts school outcomes. In addition, family and academic preparedness appear to be key determinants of the long-term economic success of children in Peru. The study on Vietnamese data further investigates how skills contribute to the earnings gaps between various groups.

An often cited reason for educational quality differentials is that schools are not always held accountable for their services. In this context, two studies in India and South Africa, respectively, explore possible ways of equalising the achievement gap. The Indian study focuses on the role of information flows between parents and schools. Preliminary evidence shows that parents respond to information about the absolute performance of their child as well as on the relative standing of different schools in the area. Results from on-going primary data collection efforts in India are expected to shed further light on the challenges of education as a vehicle for social mobility. The study on South African schools shows that simply increasing the material resources transferred to schools may not be the best way to address inequalities in human capital acquisition. The study shows that additional resources may not translate into better school outcomes and that school administrators may respond to incentives in sub-optimal ways.

With regards to the studies conducted on specific social policies adopted in various countries, research efforts in this WP have provided evidence on Brazil, Chile, Ghana, India, Mexico, and Senegal. The research on Brazil shows that the increase in the minimum wage reduced poverty and income inequality, representing a successful example of a socio-economic policy. The Chilean evidence highlights that the country administers social policy through targeted and very narrowly-focused social programmes. In Ghana, evidence from the National Rural Employment Guarantee Scheme in India highlights the risks associated to negative labour supply effects, although India's size and complexity makes it necessary to be cautious in generalizations. The evidence from Senegal shows that household vulnerability varies significantly by geographic areas and sector. In particular, public sector workers are much less vulnerable. In addition, the evidence from urban Peru shows that there are several constraints in the political and administrative functioning of institutions in charge of overseeing social policies.

Finally, this WP has a number of on-going papers that can be used to compare poverty reduction policies across countries and their effect on poverty rates, inequalities, vulnerabilities, and participation in the market. The analyses take into account gender dimensions, poverty-related stigmas and the cost to the public. In addition, they examine how institutional variables, such as democratic rules, affect the probability of redistribution.

Overall, our research on education and social policy highlights the importance of country-specific institutional constraints, as well as the need to take into account behavioural responses to policy actions from the concerned parties.

WP8 – States and political systems

Objectives:

- *Understand the link between poverty and political institutions.*
- *Provide a new detailed measure of the quality of elections.*
- *Understand the determinants of political accountability and state legitimacy.*
- *Analyse the role and emergence of local governance in developing countries.*
- *Determine strategies for supporting the building of pro-poor political institutions (in accordance with WP10).*

States and political systems have a key role in reducing poverty. Fundamentally states have to fulfil two roles: The most basic role of the state is to provide physical security to its citizens through maintaining a monopoly of organized violence within the society. Where the government fails to do this and rival organizations of violence emerge, the state descends into armed conflict, making development impossible. However, in the modern world citizens do not only demand security but also economic opportunities. Thus, the second role of the state is to provide an institutional framework for

private economic activity, and as suppliers of public goods such as transport infrastructure, health and education. The quality of institutions and public goods is crucial for the capacity of citizens to earn an income and thus escape poverty. In this work package researchers have investigated a wide range of relationships between state institutions and their impact on poverty and wellbeing. The importance of the interaction between formal, i.e. state institutions and informal institutions, e.g. customary practices, received particular attention. Other projects have focused on citizens' participation and representation in different political systems. Elections form an important part of a representative democracy and if elections are free and fair they should result in designing a society in which public service delivery is inclusive, with public service provision for the poor which help them to improve their welfare and potentially enabling them to lift themselves out of poverty. Two strands of research used large cross-country time series panel data to investigate (1) the impact of fraudulent elections and (2) the effect of social transfer policies. Other studies focused on the effect of country specific programs and interventions. Examples include the representation of women in local politics in India, health service delivery in Ghana, how civil and political movements influence the urban poor in India, the continuing practice of female genital mutilation (FGM) in Senegal, an analysis of the social contract in Madagascar and the opportunities for disadvantaged youth in Peru. Given the breadth of the research, the rest of this section highlights three projects: elections in Ghana, female political leadership in India and the politics of pro-poor policies.

8.1. The Voice of the Poor and Democracy: Voters' Expectations in Ghana

In this project NOPOOR research partners, the Center for Democratic Development (CDD-GHANA), conducted a study to examine voter expectations of Member of Parliaments (MPs) in Constituencies with high incidence of poverty. This study was conducted close to the 2012 presidential and parliamentary elections in Ghana. The research was to assess voters' perception of candidates aspiring to be Members of Parliament, look into the core issues that influence voters' preferences for a candidate and the extent to which an election is an instrument of accountability. The study used both qualitative and quantitative method of data gathering. The researchers conducted field interviews and interviewed one thousand two hundred citizens who were registered voters in ten constituencies with high incidence of poverty across the ten regions of Ghana ahead the 7th December, 2012 elections.

The study revealed that Ghanaian voters (44%) are very much interested in public affairs. The study further showed that majority of Ghanaians (59%) of Ghanaians actively participate in community meetings. In spite of the active nature of Ghanaian adults, in terms of interest and participation in public affairs, Ghanaians appear to have very limited knowledge and understanding of the core functions and responsibilities of MPs. For instance, majority of respondents considered the ability of their MPs to draw attention to the developmental needs of the constituents, the provision of socio-economic development of constituents, and lobbying of developmental projects as the core functions and responsibilities as against the constitutional assigned functions, which are lawmaking, representation and oversight of the executive. Another significant revelation from the study, which is a determinant of voting decisions, is that 84% of respondents indicated that they are "to a large extent" influenced by the extent to which a candidate can directly provide personal resource, provision of developmental projects in the constituencies and the ability of the candidate to help many people.

First, while Ghanaians exhibit strong interest in public affairs and follow the campaign promises of their Parliamentary candidates, Ghanaian voters perceive their MPs as being primarily responsible for their direct personal needs as well as community development projects. Voters do not place a high priority on the constitutional mandate of their elected representatives - law making, representation and executive oversight. The ability of MPs to carry out these apparent personal/community responsibilities, their track record for doing so and their promises to do so in the future are all significant in influencing the voting preferences of individuals.

Second, the study reveals that there is still a low level of participation in formal methods of ensuring accountability. Not only is there a low level of interest in formal engagements to hold representatives to account but a majority of Ghanaians do not know that there are routes available to them to do so.

Third, and finally, the study shows that a large portion of Ghanaians would want to contact their MPs if they could. This is a very positive observation and should be considered in designing appropriate accountability interventions. It is instructive to note that while respondents in the study constituencies prefer a dependent clientelistic relationship with their political representatives, it appears that there is a latent desire to hold representatives to account over issues of concern to the local community

Following from the above, the researchers concluded that fundamental features of policy issue-based criticism and thus democratic accountability are already in place in Ghana. Furthermore, good democratic practices can foster public official accountability that can impact positively on poverty alleviation. Given that citizens are interested in public affairs, the researchers suggest that democratic accountability is practically feasible in Ghana.

Among the recommendations based on this research is that Ghana's constitutionally created bodies, such as the National Commission for Civic Education (NCCE) and other non-governmental groups, step up their civic/voter education during elections and beyond on how citizens can engage their elected representatives in a democracy. The NCCE, which is a constitutional body established to, among others, create and sustain within society the awareness of the principles and objectives of the Constitution as the fundamental law of Ghana and to educate and encourage the public to defend the Constitution at all times, against all forms of abuse and violation, must be resourced and strengthened to play its role as the guardians of the democratic integrity of the state.

Another recommendation is that there is a need to address the inappropriateness of a patron-client style relationship. Ghanaian civil society organizations should design and engage in creative ways and methods to strengthen MPs accountability. Developing and nurturing appropriate political relationship between citizens and MPs will compliment local efforts at resource mobilization to fight poverty in a holistic manner. The Public Affairs unit of Parliament of Ghana could play a key role in developing strategies to strengthen MPs and citizens interaction thereby educating the people on the role of MPs and promoting parliament as the democratic 'Light House' of Ghanaians.

8.2. Women Political Leaders, Corruption and Learning: Evidence from a Large Public Program in India

Political reservations for women offer prospects of diversity and other governance dividends. Yet, in settings where gender discrimination affects the attributes and attitudes of candidates for political office, female representatives are likely to assume office with less political and administrative experience. Thus, even if women political leaders were intrinsically more development-oriented than their male counterparts, extant disparities might initially blur and significantly delay the onset of governance gains.

Using cross-sectional survey data and a panel of official social audit reports, we present rigorous analysis of the impact of village council headship quotas for women on corruption and on the quality of delivery of a large scale, rural poverty alleviation program in India. Our paper is the first to shed light on how governance and corruption evolve from the time women elected leaders in reserved seats assume office (2006) and towards the end of their tenure (up to 2010) and thus as newly elected women leaders accumulate political and administrative experience. The timing of the relevant election overlaps almost exactly with the roll out of the public program (2006) and enables us to study short and long term program implementation with the characteristics of the village council (including the council head) unchanged. Specifically, we are able to demonstrate (a) whether newly elected women leaders in reserved seats initially perform worse; (b) whether they partly catch up, fully catch up or eventually outperform (male) leaders in unreserved seats and (c) the time it takes for such partial catch up, full catch up or overtake to occur.

The results, across both the household survey data and the audit data, suggest that female reserved council heads (sarpanches) accumulate experience through learning by doing which in turn, translates into governance improvements. Providing the first rigorous evidence on the time it may take for women political leaders in reserved seats to become effective, we are able to show that catching up occurs quickly and is not just remedial but complete. However, there is also the higher possibility and risk of capture of power in GPs governed by reserved female heads in the early days of their tenure.

The results are attributed to the lack of prior political and administrative experience of sarpanches. Substantive backing for this explanation is obtained from the audit data analysis which shows that as experience accumulates, governance improves. The explanation is also supported by results which suggest that sub-district (mandal) level bureaucracy are more likely to be held responsible for malfeasance in the program in GPs reserved for a woman sarpanch. While there is no effect of experience on reducing bureaucratic capture of power per se, it is somewhat ameliorated in GPs where reserved sarpanches have had prior political experience.

Given that women's status in south India (viz. Andhra Pradesh) is relatively favourable, our estimates are likely to represent a lower bound of the 'costs' of political reservations: catching up may take considerably longer in settings where gender disparities are more deeply entrenched e.g. in large, north-Indian states. The variation in women's performance during their tenure highlights the importance of timing of measurement of relevant outcomes in efforts to evaluate the impacts of political reservations using cross-sectional data. The study also highlights the need for more research addressing the dynamic aspects of political gender quotas in developing countries. These findings underline the need for capacity building and institutional support to reduce corruption and make women's political participation and affirmative action policies more effective.

8.3. The Politics of Pro-Poor Policies

Social policies are an effective tool in the fight against poverty and different kinds of poverty-targeted social programs have been increasingly adopted in the developing world in the past 20 years. However, the effectiveness and efficiency of these programs may be hampered by the political process, for example by political motivations to choose specific pro-poor policies to please certain groups instead of directing funds towards the poorest and most vulnerable.

Political motives influence social policy decisions. In particular, it has been shown that voters reward politicians for higher government spending, generous social policy or improved public service delivery. Consequently, politicians may use pro-poor policies to gain votes in the next election. In addition, there is increasing evidence that the allocation of social funds and the selection of beneficiaries into social programs in developing countries are based not only on pure redistributive motives but also on reciprocity and support buying mechanisms. Politicians thus target and reward the citizens who vote for them, or, oftentimes, politicians reward citizens on ethnic, kinship or other ties. However, these studies focus rather on how politics distort the implementation of pro-poor policies. NOPOOR research has enriched these findings by exploring the politics of social policy formulation in developing countries context.

The analysis of data on non-contributory pro-poor transfers in all developing countries for 1960-2014 shows that the probability of having a transfer program is higher in democracies than in autocracies. This implies that democracies tend to redistribute more than autocracies through pro-poor transfers.

Furthermore, certain types of policies like conditional cash transfers seem to expand faster than others and NOPOOR research indicates that conditional transfer programs are likely to be chosen under more democratic regimes. One plausible explanation for this finding is that conditional transfers typically link schooling and health interventions to redistributive policy. This means that they include investments in human development. Hence, they will only pay off in a relatively distant future, which implies that they are less likely to be chosen out of political motives and aim rather at long-term development. These results are in line with a body of research which finds that democracies perform better at improving the welfare of the poor than autocracies. The analysis also shows that autocracies tend to approve more unconditional but targeted schemes of transfers. Since targeting facilitates selection of specific groups, this lends support to the hypothesis that these transfers are used to buy-off opposition and prevent social unrest. However, in all regimes a rationale to choose specific programs and attach conditions may be to facilitate targeting and provide only the "deserving poor" with transfers that ultimately help to buy public support.

Finally, NOPOOR researchers studied whether policies are actually "successful" in changing political behaviour. The literature has, for example, discussed the political impacts of conditional cash transfers in Brazil, Colombia, Mexico and Uruguay. Specifically, it has been shown that voters respond to cash

transfers by supporting the incumbents in elections. However, these studies mostly focus on electoral returns and do not consider other political impacts. In contrast, this study, using the examples of Mali and Ghana, finds that conditional cash transfers lead to a decrease in non-electoral political participation of citizens, for example engagement in demonstrations, meeting activity or party affiliation. The basic insight is that in regimes without incumbency advantaged citizens may “support” politicians by participating less in opposition activities and showing less interest in politics after the implementation of the transfer program.

The impact of politics on social policy formulation and implementation has important implications for the assessment of transfer programs as an instrument for poverty reduction. Recent research on the political economy of social policies implies that the effectiveness of these policies can be compromised or even misused in many cases. This should be kept in mind when social assistance programs are considered as a panacea to alleviate poverty. Understanding the specific features of political systems and potential biases due to political motivations needs to be taken into account when designing and supporting such efforts in developing country contexts.

WP9: Emerging issues and Poverty Scenarios in XXI Century

Objectives:

- *To examine the contribution of new technologies to poverty reduction.*
- *To take into account the consequences of demographic trends.*
- *To identify the major facts possibly affecting the evolution of different scenarios in a medium and long-term perspective.*
- *To extract useful lessons of previous dealings of shocks affecting poverty.*

WP9 is focused on future events that might condition poverty extent and dynamics in a long term perspective. The WP is divided in four tasks covering new technologies (as an instrument to tackle poverty in the long term), demographics (exploring how different future population scenarios may condition poverty dynamics in the future), natural shocks (with the aim of learning a bit more about how to manage the massive effects of natural catastrophes in poor countries) and finally a prospective exercise combining qualitative and quantitative approaches that aims to identify future scenarios of world poverty for the next 20-30 years and to elaborate policy recommendations.

9.1. Can the diffusion of new technologies be an instrument for tackling new challenges?

This task examines the impact of information and communication technology (ICT) on poverty. It comprises several papers that discuss the positive impact that ICTs can have on poverty outcome, including case studies from Brazil, Chile and Madagascar.

Can the diffusion of new technologies be an instrument for tackling new challenges? Learning to walk before you run: financial behaviour and mobile banking in Madagascar

In Madagascar, Orange introduced its mobile banking services in September 2010. Mobile-banking is a system that allows users to conduct a number of financial transactions through a mobile phone. The existing body of literature suggests that using m-banking services may have a positive impact on individual savings, affect money transfer behaviour and/or encourage financial inclusion. In 2012, we conducted a survey of 598 randomly selected Orange clients in Antananarivo. We use the matching methodology to assess the impacts of m-banking on clients' financial behaviour. The results show that using m-banking services increases the number of national remittances sent and received. Yet we find that using m-banking services has no significant impact on sums saved by users or sums of remittances sent and received. This lack of impact on savings may have to do with the characteristics of the individuals we studied as well as a lack of financial incentives.

What are the barriers to the spread of new technologies in agriculture?

An original survey, conducted in 2011 was used as starting point. Before month 30, two papers were produced entitled "Liquidity Constraints and Innovation Adoption: Evidence from the Peruvian

Highlands" and "Assisted Technical Change and Income Inequality in a Poor Area: Distinguishing between Price and Quantity Channels".

In January 2017, a POLICY BRIEF was released by NOPOOR¹ co-authored by Isabelle Bonjean, Jean-Philippe Platteau and Vincenzo Verardi. This policy brief is aimed at identifying the constraints to innovation adoption in agricultural production in developing economics. It focuses on the effect of a program aimed at activating a market for technical innovations in the region of Highlands in Peru. The authors find that innovations were widely adopted and that liquidity constraints played only a limited role. They show that this is driven by two main reasons: (1) some key innovations were cheap and/or divisible and (2) the extension agents lifted liquidity constraints by providing credit to help the purchase of inputs.

The impact of ICT use on productivity and by extension poverty in Chile

Research has been carried out that clearly highlights the linkages, on the one hand, between ICT and firm productivity and on the other, between ICT and education and wage differentials. Most of the available work (some references below) links these effects through the use of computers either at home and/or at the workplace. But we do not know much about the quality of channels that may affect the efficiency of this effect. This paper examines the impact of connection speed, network structures, pricing, and geographical distances on how these potential effects benefit consumers, especially in rural areas where a major portion of the poverty is concentrated in most Latin American countries using plant level and household level data to evaluate the impact of access, use, and connection speed of ICT related tools on productivity (labour, TFP, education and learning).

How to diffuse IT in poor communities? Brazil's One Laptop Per Child Program: Impact Evaluation and Implementation Assessment

It was seen that without UCA, students living in poor or extremely poor families (with per capita familial monthly income below R\$140 or 45 USD) would normally have no computer, nor regular access to broadband at home. More than 90% of students with per capita family income equal to or below the poverty line reported that they had access to just one computer at home – the UCA laptop, of course. Individual possession of a laptop is certainly an opportunity created by this policy for the most needy, but also for the half of students whose families are not poor. All benefit, in this case. In addition, the UCA experiment appears to galvanize use of computer labs. Finally, UCA laptop has quite positive effects at the very start of the literacy process, increasing 6-year-olds' propensity to learn to read and write. Therefore, schools continue serving as vectors for the transformation of local society, and for access to new technologies, notably in remote areas, expanding learning opportunities for the neediest.

9.2. Can demographic trends lead to a decline of poverty?

The analysis of the different periods of the demographic transition can help in understanding how the changes in the age structure of a population can have an impact on the economic performance of a country in the form of "demographic dividends or bonuses". In other words, during the period in which a Demographic Window of Opportunity opens – that is, the moment when the share of working age population increases and peaks – a country can benefit from the diversion of both public and household level expenditure (initially more concentrated in sectors concerning the dependent population: health and education) towards investment in productive sectors and increase of savings.

From a geographical point of view, although a great deal of countries are already reaching later stages of the demographic window, some with major or minor success in terms of maximizing their demographic bonus, Africa, and more concretely Sub-Saharan Africa, is the only region that is still at an incipient state due to its late and slow demographic transition. In this sense, the objective of this Task is to investigate the conditions under which the demographic dividend can materialise in Sub-Saharan Africa. Concretely,

¹ <http://www.nopoor.eu/download/file/fid/1573>

- Under a macro perspective, a simulation panel data model is constructed to identify which policy action areas have greater importance in determining whether a demographic dividend can be achieved or not in the future.
- Under a micro perspective, the following questions are explored: the impact of demographic dependency ratio at childhood on adult outcomes; and the impact of fertility on female labour participation.

Demographic scenarios and their impact on poverty. Construction of a simulation model to identify action areas of interest (UAM)

In order to identify which policy areas are more relevant for capitalizing a demographic dividend in Africa, a simulation panel data model has been constructed. Alternative regression estimates were performed separately for the Total sample and by regions. According the results, during 1960-2014 the demographic dividend has contributed in 0.7 percentage points, every year, to the change in the growth of GDP per capita worldwide. However, in Africa this contribution has been less than 0.1 pp due to the following reasons: the reduction of its child dependency ratio over this period has been much smaller; and the capitalization of this reduction has been less significant than in other geographic areas given its socio-economic characteristics. Asia can be regarded as an example of success, faring well in both the demographic and socio-economic policy fronts, especially in terms of Total Unemployment, Human Capital, and Female Education. Africa could benefit from learning from the Asian experience and thus obtain greater returns from its demographic transition. However, in order to do so, the region's heterogeneity cannot be omitted. Hence, the results of the analysis has allowed to identify for each individual country those specific policies that ought to be implemented, as well as the approximate time frame that these countries have for enacting their appropriate policy action.

Taking advantage of the Demographic Dividend for Poverty Reduction in the Sub-Saharan Africa

In June 2016, a Policy Brief was released by NOPOOR² co-authored by Eva Medina and Sonia Chager (Universidad Autónoma de Madrid (UAM)). According to the results obtained in the present investigation in terms of the specific policies that guarantee to take advantage from the benefits of a demographic gift, Africa's key challenges that merit special attention are the following: (i) its high fertility is a serious obstacle, markedly because the equally high infant mortality demands more children so as to guarantee a major number of survivors; (ii) the region needs to improve its human capital and employment necessities, given its shortage in terms of qualified and skilled; (iii) a positive advantage is the Role of Women in Africa since the female labour force participation is relatively high, therefore, strengthening and maximizing women's participation in more qualified and better jobs becomes imperative in order to avoid their inclusion in the dependent group, alongside children and the elderly; (iv) all previous policy accomplishments could become futile if no action is done in the battle against Adult Mortality, namely through a better control of the three big killers in Africa (malaria, HIV/AIDS, and tuberculosis), and avoiding as much as possible debilitating wars that destroy the foundation that the demographic gift offers, the working age population.

Although all these measures would facilitate to increment the gains from a potential demographic dividend in Africa and, thus, boost its development, not all of them have the same priority according to each individual country. In this sense, given the great heterogeneity existent in the African continent, the policy recommendations are classified in four groups of countries, each with specific implications: Group 1) Success is on the near horizon, but you face two problems: HIV/AIDS and total unemployment [all Southern Africa + Gabon]; Group 2) Very limited timing, focus on the labour market and, especially, in employing your female population [mainly Northern Africa + the islands + Djibouti]; Group 3) Speed up the timing of the demographic window, you have good socio-economic tools in place [mostly Eastern Africa + a few Western/Middle region countries]; Group 4) Watch out! Urgent action is required in three spheres: fertility, infant mortality and education [mostly Western/Eastern Africa + some in Middle Africa + Sudan].

² <http://www.nopoor.eu/download/file/fid/1557>

The demographic dividend: lessons from Asia and Latin America for Africa. The impact of demographic dependency ratio at childhood on adult outcomes (UPD)

The objective is to study, estimate and quantify the impact of the demographic dependency ratio at childhood on adult outcomes (e.g. ownership of durable goods, labour market participation or educational attainment). The variation in the possible impacts over the developing regions will be emphasized, as well as the possible differences in dynamics/trajectories. To tackle this research question, we compile a dataset that brings together (i) information from the latest Demographic and Health Surveys (DHS) collected in all possible developing countries (Asia, Africa and Latin America), and (ii) time series data on the demographic dependency ratio within each country of the sample. For each adult “i” living in region “r” in country “c”, we will estimate the impact of the demographic conditions at childhood on their current outcomes.

Fertility and Female labour participation (IRD)

Anne-Sophie Robilliard (IRD) worked in this research. The objective was to estimate the impact of fertility on female labour force participation using DHS data from countries across three regions (Asia, Africa, and Latin America). DHS survey data provides both information on the occupation of females aged 15 to 49 (participation and sector) and detailed information on their fertility. Many empirical studies have measured the impact of fertility on female labour supply in developed countries (Angrist & Evans, 1998; Rosensweig & Wolpin, 1980). Yet studies on this impact in developing countries are more recent and thinner on the ground (Porter & King, 2012). Following Agüero & Marks (2008), our identification strategy relies on the use of infertility shocks as an instrumental variable.

9.3. Learning from past: Shocks that will affect poverty

Three activities were initiated under this task. The first investigated the consequences of climatic shocks on the efficiency of cereal production in Mali and the second, using data from Mexico, looked at how natural disaster are translated into poverty. The third looked at the vulnerability of households to the 2010 earthquake in Haiti.

Consequences of climatic shocks on the efficiency of cereal production in Mali

On efficiency, LISER (formerly CEPS/INSTEAD) merged cereal production data and climatic data to generate a panel covering the between 1996 and 2002. Agricultural data are from “Enquete Agricole de conjoncture” and climatic data from CRU TS3 hosted by the University of East Anglia. Agricultural data are aggregated at a geographical unit corresponding to the “arrondissement” and climatic data are extracted at the corresponding geographical unit. A production function is then estimated with a special attention paid to climate variables: long term trend and deviation from the trend (shock). The preliminary results suggest that a climatic shock deteriorates efficiency of agricultural production. The magnitude of the effects still need to be properly estimated.

Relationship between the shocks and changes in the determinants of poverty. Disasters and poverty in developing countries

The research analyses the short- and long-term impact of disasters on the incidence of poverty in developing countries. It covers 200 countries, on the period 1970-2010, and takes into account all types of disasters except the geophysical ones. The data on disasters and their consequences are taken from the EM-DAT database of the Research Centre on the Epidemiology of Disasters (CRED) at the Catholic University of Louvain. Data on national poverty impacts, Gini indices for measuring inequality within countries, malnutrition rates, etc., and the control variables are from World Development Indicators of the World Bank. The results show a significant impact of disasters (whatever the type of measurement used) on poverty. This influence, however, is mitigated when the country reaches a relatively high level of development or receives international transfer from migrants. This influence is not only evident when all shocks are considered. Epidemics, storms and droughts increase significantly the incidence of poverty. But the impact of drought on the incidence of poverty is more pronounced in sub-Saharan Africa than in other regions of the developing world. Estimates using indicators of malnutrition and schooling have not yielded significant results. The results also

show that remittances of international migrants build resilience in developing countries faced with disasters. The following implications for economic policy emerged from work. Official development assistance should particularly target the fight against drought in sub-Saharan Africa, including contributing to greater water control in countries facing sudden rainfall variations, and facilitate to the producers the access to short cycle seeds that are more resistant to water stress. Policies to greater stability of the remittance flows and greater efficiency in the use of resources would accelerate the reduction of poverty and inequality in developing countries.

Evaluating the impact of the earthquake in Haiti

On the 2010 earthquake in Haiti, IRD used a double-difference (D-D) analysis that exploits spatial and time variation in earthquake incidence and intensity and found that Haitian households impacted by the 2010 earthquake saw a fall in their welfare and were likely to fall further into poverty as result of the event. They also found that the post-earthquake assistance programs were not well-enough targeted towards the most vulnerable population. Policy makers should therefore calibrate their approach on a need assessment.

Local natural shocks and labour outcome in urban Mexico. Natural disasters and poverty

We analyse the channels through which natural disasters affect poverty. We use holistic approach by proposing a Dynamic System Model that includes social and action context, preparedness, infrastructure, social risks and government capacity. In addition, we estimate the possible causal relations using an economic model that considers data from the Disaster Inventory System - DesInventar hosted by United Nations Office for Disaster Risk Reduction (UNISDR), in alliance with United Nations Development Program (UNDP) and European Commission. The database for Mexico includes data from 1970 to 2013, of 40 types of natural disasters, across the 2457 Municipalities embedded in the 32 States of Mexico. We use poverty indicators controlling for different socioeconomic characteristics and geographic risk. This paper is complemented by a case study at State level and the Risk Preparedness Framework of Mexico to provide policies in how to cope with natural disasters in a way to prevent poor areas from suffering for long periods or non-poor areas to become poor. The main findings point at policy coordination in the three Government levels for mostly water and health infrastructure.

One important conclusion is that the income generating capacity of the households and of the government acts as a safety net to face natural hazards. In order to reduce vulnerability, mitigation practices should be adopted. These pre-impact actions will protect passively against casualties and damage at the time of hazard; includes community protection works, land use practices, and building construction practices. Government agencies can encourage the adoption of appropriate land use practices using strategies like establishing regulations that prevent development in hazardous locations. Preventions are cheaper than interventions post natural shocks because disasters are manifestations of unresolved development problems.

9.4. Defining scenarios of future poverty: a prospective assessment

The main objective of this subtask is, through a multidisciplinary approach, answer the question: which are the major facts we can identify likely to change the way of poverty?. For this purpose a working group was created, conformed by ITESM-EGAP, UAM, OIKODORM and Dauphine. This is an on-going activity and the group is working on a research agenda to identify drivers and key uncertainties and threats in the medium and long term to prepare policies in order to prevent their adverse effects on poverty and the rising of new poor.

During the past period the group designed a questionnaire and conducted a first inquiry to define which could be some of the most important topics on poverty for the next 20-30 years. The pilot research generated a wide list of the most relevant topics and we are conducting now a second round with the Consortium partners to validate and prioritize that preliminary list. In the last stage of the project the group will be working on public policies recommendation based on the previous results.

The idea of ‘strategic scenarios’ could help policy-makers to anticipate threats, by measuring likelihood and eventual impacts, and to “rehearse the future”. What are the implications for policy depends on the regions of the world where these issues are identified. Therefore, policy makers should address issues taking appropriate measures according to each geographical area.

In order to address this challenge, more than 200 experts among NOPOOR researchers, stakeholders, external experts, and NGOs have been consulted. Here, we present a summary of the research results, defining three potential futures, and some main levers, which will activate or deactivate them.

It was clear that a regional perspective was fundamental to identifying the different impacts of these factors. At this point, the research focuses on what are considered the most vulnerable regions of the world: North and sub-Saharan Africa, East Asia and the Pacific, South Asia, and Latin America. Aspects such as development level differences, physical exposure to the different factors and ways of addressing these factors in the recent past are key considerations in the production of the different scenarios of poverty by 2030 and, more importantly, in the design of strategies to prevent certain threats and drive forward other poverty alleviation opportunities.

In sum, results of consultation workshops highlight five main areas with most acute challenges for poverty reduction: governance, education, water and sanitation, natural disasters, and military conflicts. The results are very similar to and make the link with many of the UN’s Sustainable Development Goals (SDG). Mainly: “end poverty in all its forms everywhere” (SDG 1); “ensure inclusive and equitable quality education and promote life-long learning-opportunities“ (SDG 4); “ensure availability and sustainable management of water and sanitation for all” (SDG 6); “protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss” (SDG 15); and “promote peaceful and inclusive societies” (SDG16).

The report present, for each one of the five main factors, the strategies identified for implementation in each of the regions considered in the above analysis. Most of the factors are endogenous in that they are characteristic of the country and it is hence the country that should address the issue, taking appropriate measures or action. Other factors are exogenous in that they are not inherent to the country, but are rather environmental. In these cases, the countries cannot take concrete measures or specific policy actions.

Potential impact and dissemination

Potential impact and policy implications

Policy recommendations

Stakeholders conferences

The three major Stakeholder conferences in Southern countries programmed: India (11-12 March), Ghana (23-24 May) and Mexico (6-8 July). The first took place already under the current Periodic Review. It focused on 5 main topics: Education, Employment and Social Protection and Networks, Human Capital, Poverty and Growth (see Program, Conference Flash and presentation in www.nopoor.edu). The lessons learnt from the interaction with stakeholders in the three Southern Conferences will be sent to the Commission after the Mexican one, as part of Deliverable *D10.4 Stakeholder Conference Report*.

Nopoor Stakeholder conference Vienna “From MDG to SDG – new Aspects of Global development strategies”, in collaboration with the University of Vienna, the Austrian Federal Ministry of Science, Research and Economy, and the Europe Integration Foreign Affairs Federal Ministry. The conference was attended by representatives of four Austrian ministries and over 100 participants. Topics addressed were associated to SDG 1, 5, 11, 12.

See WP10

Potential impact

One of the main objectives of the Nopoor project was to dialogue with policy makers. The production of policy briefs, films and the organisation of conferences and workshops with them was one of our main actions during period 4.

Research for policy

During the project, some of our findings were used to change or adapt laws and regulations, or modify existing policies towards the poor.

In Ghana, the CDD has made investigations on the accountability of Members of Parliament towards the poor voters and their expectations of the poor. They have shown that the trust of the poor to their politicians was limited and that they had not many expectations of political actions in their favour. This research engaged the Government to embark to extensive voter education and civic rights of citizens (with a funding from the European Union).

In Peru, research on segregation in poor quarters of Lima metropolitan produced results on domestic violence against women, and the reasons for which women do not complain or report as they could legally do. The Peruvian partner, GRADE, now collaborates with one of the municipalities for testing experiments for reducing violence against women and for developing a system of monitoring violence and other social problems.

In Vietnam, one of the researches has focused on self-employed workers or working in small family businesses (informal sector). These workers (one third of the labour force) usually get small incomes. They do not get social insurance and many of them, although poor, are not beneficiaries of poor allocation. Following this research, the National Assembly widened the law on small enterprises to family businesses including special provisions on tax exemption, acceptance of simple accountings, etc. Besides, the national insurance is now extended to self-employed workers.

Nopoor research has evaluated poverty reduction programmes such as Oportunidades in Mexico or Bolsa Familia in Brazil. In India, the CDE made a positive evaluation of affirmative action for women leaders in villages and their capacity to better target the poor and to avoid corruption in the MGNREGA programme. In Ghana, CDD research led to a re-evaluation of assistance to the poor.

Research for science and for societal impact

Research not only brings enlightenment to the researcher but also helps build a well informed public more able to question and hold its government to account. Beyond the dialogue with policy makers, scientific research participates to changes in ideas among societies. Several of our work contribute to rise debates.

Research on Ecuadorian migrants in Spain showed that there is a need of coordination between the two governments to select and help potential returnees in Spain and in Ecuador.

Our researches show that both access to labour, the quality of work, which was degraded in emerging countries with high growth with the risk of keeping people into poverty, as in Latin America. In Chile, this has an indirect impact in that the quality of employment has become increasingly recognised as an important topic of policy debates. Chile's measure of multidimensional poverty now includes the dimension "quality of employment". The same occurs with our research on education showing the need for quality to reduce poverty on the long run.

Macro-economic research in domains such as the new architecture of aid, the role of NGOs, the impact of globalization on poverty or, in the political arena, on the trust and confidence of individuals in their institutions also contribute to review aid policies.

The originality of the Nopoor project is that we have used different perspectives to analyse similar problems alternating between case studies in different countries and macro-economic analyses, views

from the grassroots and also the impact of globalisation, showing that different remedies are necessary according to different contexts.

Dissemination

Publications

Nopoor has set up two series of publications:

- Nopoor working papers: These papers give the results of research without standardised format. Some are quite long. Many have the form of academic articles. There are 83 working papers, all freely downloadable from the Nopoor website.
- Nopoor policy briefs: These short papers (4 to 7 pages) give the main results of research and their policy implications. Research parameters and methodological aspects are briefly given at the end of the papers. 62 policy briefs have been produced and are freely available on the Nopoor website.

	Working paper	Background Paper	Policy Brief	Nopoor Article	Chapter	Book, Report	Total
WP2	0	0	0	0	0	1	1
WP3	14	17	6	4	2	0	43
WP4	11	2	7	7	0	0	27
WP5	14	10	8	5	0	0	37
WP6	13	7	12	7	7	2	48
WP7	14	3	10	3	1	1	32
WP8	10	5	12	8	3	1	39
WP9	7	3	7	3	0	2	22
NOPOOR	83	47	62	37	13	7	249

(see in annex the list of policy briefs and working papers)

Accounting for articles submitted or being submitted soon, it is expected that Nopoor researchers will produce more than 50 articles in academic journals (peer reviewed) and more in other journals.

Films

A DVD named The NOPOOR Film Collection is the final outcome of task 11.4 and was launched soon after the Policy Synthesis Seminar in Mexico. The NOPOOR film collection contains

- The NOPOOR Diaries. Documentary film (47 min)
- All about NOPOOR. Image Film (3 min)
- Results at a Glance. Motion Graphic (2 min)
- 4 Short Films on Research for Change
- 12 Interview Clips with NOPOOR Researchers

Short films finalised and uploaded to the NOPOOR video channel of YouTube (by uploading date):

- “Improving Social Mobility in India”, 2:36 min – 15.04.2016
- “Input to the Sustainable Development Goals: New Ways to Measure Employment” 2:28 min; “Should Donors Channel their Aid through NGOs”, 4:31 min; “Poverty Dynamics”, 4:23 min;

- “Free Trade Zones for Poverty Reduction?”, 3:15 min.; “Urban Segregation and Violence: Integrated solutions”, 4:15 min – 29.06.2016
- “Migration – Towards a Common Future?”, 10:13 min – 30.06.2016
- “NOPOOR results at a Glance”, 3:30 min – 23.11.2016
- “Democracy for Change. The NOPOOR Project in Africa”, 12:08 min; “The Impact of NGO work: Three Examples”, 5:39 min -14.11.2016
- “Minimum Wage Against Poverty, 2:12 min.; “Empowerment for Change”, 3:14 min – 17.11.2016
- “Scripts for the Future – The NOPOOR project in Vietnam” (editing, subtitles, text, off voice, production), “Improving Social Mobility in India”, “Education – What do Schools need to really Improve? Evidence from South Africa”, “Work for Life: On the Quality of Jobs”, “Education for Employment: Raising Workers Skills in Mexico”

Tasks carried out during the last period include the film shooting of final sequences with researchers and at NOPOOR conferences, the editing and processing of the final documentary film and the Motion Graphic Film “Results at a Glance”, and the final Nopoor DVD in a decent graphic design. All NOPOOR filmclips are available online on www.nopoor.eu and <https://www.youtube.com/channel/UC691SpsxB7FcDwf4n3rBzOA>.

The Nopoor DVD was disseminated to all research partners and institutions and to the EU. The films were shown on workshops and conferences, including the final project conference in Brussels that opened with the short film “Results at a Glance”.

Film on the informal sector in Vietnam: Nopoor supported a film made on the informal sector in Vietnam.

Newsletters, leaflets, brochures, flashes

Nopoor has produced nine newsletters. They present researches by topic and the events organised by the project. They are sent to a list of stakeholders

Newsletter 1, April 2014

This first newsletter from Nopoor comes after two years of research on poverty alleviation. Two years in which all our researchers have decided on the methodology they will use in this particular case; two years during which the different disciplines have started to combine their approaches, and two years in which we have launched our dissemination work

Newsletter 2, November 2014

You can find in this issue: an article on ‘Building new prospects for young researchers, the sum of the mid-term conference in Brussels, 20-21 nov. 2014. Research in progress, publications and GIGA and the entire Nopoor Project community bid farewell to Gero Erdmann

Newsletter 3, Decembre 2015

You can find in this issue : Foreword from Ashwini Deshpande, Delhi School of Economics, Research Flash India: Do women in political leadership positions perform better than men? Research Flash India: Localized Power Structure, Conflict and Poverty. Scientific Events and Publications. And finally, a ‘get to know the Nopoor research family’: Patrizio Piraino, Education&Social Protection

Newsletter 4, April 2016: Special focus – Education

In this issue: Research Flash, new evidence from Peru, Mexico and India; NOPOOR short film on Social Mobility in India and Worker’s skills in Mexico, and an interview on the Cotonou Agreement

Newsletter 5, June 2016: Special focus – Migration

In this issue: Foreword: Sandrine Mesplé-Somps, IRD economist, Head of DIAL Unit, Institut de Recherche pour le Développement, IRD, Survey-based analysis of the dynamics of international migration: Migrants' Home Town Associations and Local Development in Mali, Nopoor results spreading: Past and Upcoming events, Nopoor Moving Images: Six new films online and the interview with Fatou Cissé, CRES, Senegal

Newsletter 6, November 2016: Special Focus – Governance

You can find in this issue: Research Flash on Progress in electoral systems in Ghana; Determinants for redistribution in South Africa; and Harmful practices (FGC- female genital cutting) in Senegal

Nopoor Results dissemination: Past and Upcoming events, Nopoor Moving Images: Ghana - Democracies for Change, Nopoor Policy Briefs and Publications. And finally an interview with E. GYIMAH-BOADI, Executive Director of the Afrobarometer and Executive Director of CDD-Ghana, discussing the subject ‘Towards a Government of Citizens.’

Newsletter 7, April 2017: Special focus – Employment

You can find in this issue: Foreword by Kirsten Sehnbruch, Research Flash on Incentives and Challenges for Women Engaging in Local Economies: Nopoor Research in Mexico. Also, Nopoor Policy Brief on an Analysis of Earnings Inequality of Paid Workers in Rural India and NEW Nopoor Policy Briefs. Finally, this newsletter focuses on Nopoor Results dissemination: Past and Upcoming events, Nopoor Moving Images, and Nopoor Booklet

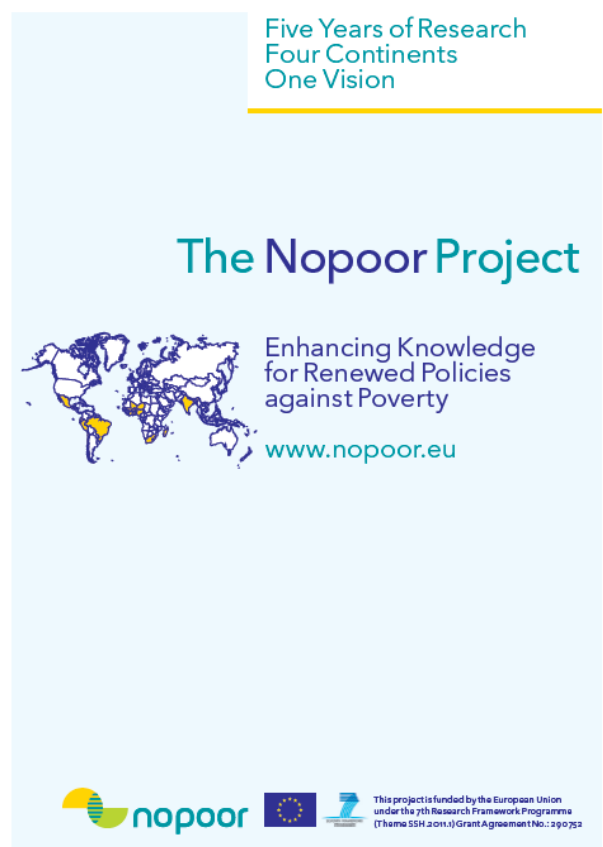
Newsletter 8, May 2017: Special focus – Policy-Making and Final Nopoor Conference

You can find in this issue: Foreword by Edgar Aragon, Research Flash on Key Findings and the Identification of Policy Implications Relating to the SDG’s, New NOPOOR Policy Briefs, NOPOOR Results spreading: Past and Upcoming events, NOPOOR Documentary Film and Acknowledgements from the Manager of the NOPOOR project

Newsletter 9, September 2017

You can find in this issue: Foreword by Xavier Oudin, Research Flash, New NOPOOR Policy Briefs, NOPOOR Results spreading, NOPOOR Film Box and Acknowledgements from the Manager of the NOPOOR project, Delia Visan

Nopoor has produced a 16 pages brochure presenting the different topics of research to a wide public, with examples of case studies. It has been widely disseminated in all participating countries (1500 copies).



Flash and minutes

A 136 pages book has been done. It contains 31 chapters on scientific and dissemination topics of the project. It has a nice presentation, drawings and photos. 1000 copies have been published and largely distributed.

NOPOOR – Towards a Decent and Fair Future, Heidi Dumreicher/ Xavier Oudin (2016), Verlag Bibliothek der Provinz, Vienna. Download link: <http://NOPOOR.eu/news/NOPOOR-towards-decent-and-fair-future>.

Relations with media

A great number of press articles have been produced, in particular when the project had its general assemblee and meetings with policy makers. Some of them are on the Nopoor website. Press release have been done after all general assemblies.

An NOPOOR event was covered by national press: Nopoor Final Dissemination Conference, on Poverty Dynamics and the Efficiency of Poverty Policies that took place in Dakar, Senegal, on September 14th, 2017

You can find the interviews, published by Dakar Actu TV [here](#)

The Conference was announced a few days earlier in [Dakar Press](#)

You can find a extract of the conference by Info 24 TV [here](#)

You can find the whole recording of the NOPOOR Conference [here](#)

Internet and social networks

On google search, the entry “Nopoor” yields several hundreds results (1560 for “Nopoor Project”, several thousands for “Nopoor”). Pictures of Nopoor events are also easily found (example: <https://www.flickr.com/photos/125401344@N03/>)

On YouTube, there is a “Nopoor project Channel” with 22 videos. The entry “Nopoor” gives more than 60 results connected with the project. Nopoor videos concerns many countries of the partners, especially when there was a Nopoor general assemblee or policy meetings: Senegal, Ghana, Vietnam, India, Mexico... Some Nopoor video are also available on Vimeo.

A Facebook page and a Twitter account disseminate information related to meetings or preliminary scientific results. Moreover, a professional group of the Nopoor project was created on the LinkedIn business related platform in order to offer the relevant Nopoor endeavours with the interested parties (the group members and all the LinkedIn users), with the possibility of direct interaction between Nopoor and the group members.

Website

The NOPOOR website is one of the most important tool of the project to disseminate and inform the public. Indeed, it states all the information and explains the wide range of research fields of the project, in [“The Project”](#), and [“Research field”](#)

The website is the sole platform allowing the public to download all the up-to-date NOPOOR publications: Policy Briefs, Working Papers, Deliverables, and NOPOOR related publications. This can be found in the roll down menu of [“Publications”](#)

Finally, it informs the public of all the events and happenings related to the NOPOOR Project. In [“Event”](#), you can find all the NOPOOR Conferences, meeting, reunions, and documents, such as Press releases, Conferences conclusions and papers, relating to the specific event.

Conferences and workshops

A list of non-academic conferences workshops and training sessions is given below. Besides Nopoor General Assembly where meetings with policy makers were organised, a number of workshop with stakeholders took place, either under Nopoor or

N°	Type of activities[1]	Main leader	Title	Date/Period	Place	Type of audience[2]
1	Conference	IRD, France	Nopoor Project Kick off meeting	11-13/06/2012	Paris, France	Academia, policy makers, NGOs
2	Internal Meeting	IRD, France	Second Steering Committee Meeting	22/10/2012	Namur, Belgium	Researchers
3	Conference	OIKODROM, Austria	Policy Dissemination meeting	22-23/11/2012	Vienna, Austria	Researchers
4	Conference	IRD, France	Coordination and policy dissemination meeting	18-19/04/2013	Brussels, Belgium	Researchers, media specialists
5	Workshop	LISER, Luxemburg	Internal workshop between NOPOOR statisticians	4-8/02/2013	Paris, France	Researchers
6	Conference	GRADE, Peru	Meeting of the consortium for the assessment of the different measures of poverty: relevance, feasibility and limits.	24/04/2013	Lima, Peru	Researchers
7	Conference	UFRJ, Brazil	Nopoor General Assembly	28/06/2013	Rio de Janeiro, Brazil	Academia, policy makers, NGOs
8	Training	CRES, Senegal	Training workshop data econometrics, AUF - Agence Universitaire Francophone	30/05-3/06/2014	Dakar Senegal	
9	Conference	CRES, Senegal	Nopoor Annual meeting	4-6/06/2014	Dakar Senegal	Academia, policy makers, NGOs
10	Conference	UPD, France	UNESCO roundtable "No one left behind"	14/10/2014	Paris France	Academia, policy makers, NGOs
11	Conference	NOPOOR Consortium	Nopoor mid-term conference	20-21/11/2014	Brussels, Belgium	Academia, policy makers, NGOs
12	Workshop	UAM, Spain	NOPOOR and TEMPER project workshop	22-23/01/2015	Madrid, Spain	Academia, policy makers, NGOs
13	Conference	IRD, France	Rethinking the role of social sciences in H2020; Towards a reflective and generative perspective	26/02/2015	Brussels, Belgium	Academia, policy makers, NGOs
14	Participation in	IRD, France	Participation of Nopoor team at the ASEAN – EU STI days	19/03/2015	Paris, France	Academia, policy makers, NGOs
15	Workshop	UAM, Spain	Future Scenarios Internal Workshop	15/04/2015	Madrid Spain	Researchers
16	Conference	UAM, Spain	Result of return migrants survey	29/04/2015	Madrid Spain	Academia, policy makers, NGOs
17	Participation in	IRD, France	European Development Days 2015	03/06/2015	Brussels Belgium	Academia, policy makers, NGOs
18	Conference	UPD, France	The future of free trade zones	3-4/06/2015	Paris France	Academia
19	Conference	VAAS, Vietnam	Annual meeting of the Nopoor project	10-12/06/2015	Hanoi, Viet nam	Academia, policy makers, NGOs
20	Training	UPD, France	Summer school	26/06-1/07/2015	Paris, France	Academia, policy makers, NGOs
21	Conference	UPD, France	DIAL Development Conference	2-3/07/2015	Paris France	Academia
22	Conference	IRD, France	ISSC - International Social Science Council	13-16/09/2015	Durban, South Africa	Academia, policy makers, NGOs
23	Participation in	CRES, Senegal	Expo 2015 – Promoting EU-Africa research and innovation Partnership	18/10/2015	Milano Italy	Academia, policy makers, NGOs
24	Internal Meeting	CSAE, Oxford University	NOPOOR 7 th Steering Committee meeting	22-23/10/2015	Oxford, United	Researchers

					Kingdom	
25	Conference	IRD, France	Trust: European Research Co-creating Resilient Societies	29-30/10/2015	Brussels, Belgium	Academia, policy makers, NGOs
26	Participation in	IRD, France	Participation of Nopoor team at the SEA-EU-NET	04/11/2015	Hanoi Vietnam	Academia, policy makers, NGOs
27	Conference	IRD, France	Return Migration and Development – Perspectives on Global Development 2016 – International Migration and Development Seminar Series	05/11/2015	Paris France	Academia, policy makers
28	Participation in	CRES, Senegal	Nopoor took part in a high-level consultation to prepare the Valletta Summit on Migration	05/11/2015	Brussels Belgium	Academia, policy makers, NGOs
29	Training	CDE, Inde/VAAS, Vietnam	SARNET Labour Economics Training for Young Scholars	27/10–7/11/2015	New Delhi India	Academia
30	Workshop	IRD, France	Nopoor project presentation in CNRS (National Center for Scientific Research)	16/11/2015	Paris, France	Academia
31	Conference	IRD, France	Les élites à Madagascar: un essai de sociologie	21/12/2015	Antananarivo Madagascar	Academia, policy makers, NGOs
32	Conference	OIKODROM, Austria	New aspects of global development strategies : from MDG to SDG	18/01/2016	Vienna, Austria	Academia, policy makers, NGOs
33	Workshop	UPD, Paris	Defining scenarios of future poverty: a prospective assessment, workshop	01/02/2016	Paris, France	Academia, policy makers, NGOs
34	Conference	CDE, India	India Policy seminar	11-12/03/2016	New Delhi, India	Academia, policy makers, NGOs
35	Workshop	University of Oxford	States Political Systems and Poverty Workshop	18-19/03/2016	Oxford, United Kingdom	Academia
36	Workshop	IRD, France	Presentation of Nopoor field results in Madagascar	24/03/2016	Antananarivo Madagascar	Academia, policy makers, NGOs
37	Workshop	IRD, France	Open Knowledge Lab between DG RTD and DG DEVCO, European Commission	31/03/2016	Brussels, Belgium	Academia, policy makers, NGOs
38	Conference	CDD, Ghana	Africa Policy Conference	23-24/05/2016	Accra Ghana	Academia, policy makers, NGOs
39	Conference		Governance, Peace and Security in Ivory Coast: a state of play to inform policymakers	21/06/2016	Abidjan Ivory Cost	Academia, policy makers, NGOs
40	Conference	ITESM, Mexico	Annual General Assembly	5-8/07/2016	Mexico, Mexico	Academia, policy makers, NGOs
41	Conference	UA, Madagascar	Governance, institutions and the role of elites	15-16/07/2016	Antananarivo, Madagascar	Academia, policy makers, NGOs
42	Training	UA, Madagascar	Governance, institutions and the role of elites	15-22/07/2016	Antananarivo Madagascar	Academia, policy makers, NGOs
43	Training	VAAS, Vietnam	Training on labor market analysis survey and analysis	4-7/10/2016	Hanoi Vietnam	Academia
44	Conference	UA, Madagascar	Dissemination conference of Nopoor project	3-4/11/2016	Antananarivo Madagascar	Academia, policy makers, NGOs

45	Training	UA, Madagascar	Measure of dynamics of rural poverty	4-8/11/2016	Antananarivo Madagascar	Academia, policy makers, NGOs
46	Internal Meeting	GIGA, Germany	Steering Committee of Nopoor project	19/11/2016	Hambourg, Germany	Researchers
47	Workshop	VAAS, Vietnam	Leaving no one behind the key role of household business and informal sector	03/01/2017	Hanoi, Vietnam	Academia, policy makers, NGOs
48	Conference	UDP, Chile	Employment poverty and social policies	20-21/04/2017	Santiago du Chili	Academia, policy makers, NGOs
49	Workshop	VAAS, Vietnam	Launch of the book "The importance of household businesses and the informal sector for inclusive growth in Vietnam"	26/05/2017	Hanoi, Vietnam	Academia, policy makers, NGOs
50	Participation in	UPD, France	The changing role of skills and social networks in labour aid mobility in India – Evidence from original quantitative and qualitative survey	26-28/06/2017	Paris France	Academia, policy makers, NGOs
51	Conference	NOPOOR Consortium	NOPOOR Final Conference	6-7/06/2017	Brussels Belgium	Academia, policy makers, NGOs
52	Participation in	NOPOOR Consortium	NOPOOR project participated in the European Development Days 2017	7-8/06/2017	Brussels, Belgium	Academia, policy makers, NGOs
53	Conference	IRD, France	6th French Network for Asian Studies International Conference: The changing role of skills and social networks in labour and mobility in India: Evidence from original quantitative and qualitative surveys	26-28/06/2017	Paris, France	Academia
54	Conference	UPD, France	DIAL Conference on Development Economics	29/06/2017	Paris, France	Academia
55	Conference	CRES, Senegal	Dissemination Conference of the results of Nopoor Project	14/09/2017	Dakar, Senegal	Academia, policy makers, NGOs

Training

The training and capacity building activities in NOPOOR were paramount, providing countless opportunities to young researchers to interact with each other and with their senior counterparts. These young researchers, be they Master, PhD or post-doctorate students, provided invaluable research contributions, and at the same time had the chance to be trained in the most recent knowledge on poverty issues. These trainings and research activities were registered through a questionnaire, then a reporting file. These WP12 information-collecting tools can be found in the appendix.

Young researchers

A considerable number of young researchers have been associated to NOPOOR with their collaboration taking various forms, from a three-month internship to a six-month postdoc. And some of them collaborated with NOPOOR from the start, and evolved from undergraduates to post-doctorates.

Overall, nearly one-hundred from 35 nationalities have been associated to NOPOOR. They were engaged in various activities such as designing and managing surveys, doing desktop research, exploiting databases, doing fieldwork Most of them took advantage of their participation to NOPOOR to write down their Master's thesis under the supervision of a NOPOOR senior researcher. Thirty-five PhD students also worked for NOPOOR, almost half of them having chosen a PhD topic

related to a NOPOOR research program, so they could benefit from the research environment of NOPOOR all along the writing of the PhD dissertation. And thirteen young professionals worked for NOPOOR as research assistants for a period spanning from a couple of months to a few years.

Note that some young researchers have been associated to NOPOOR activities from the start and their interest hasn't wavered. So, they evolved along with the project, starting as postgraduates writing down their Master's thesis on a NOPOOR subject, then enrolling in a PhD whose subject is related to NOPOOR. The involvement of young researchers in NOPOOR took a specific form for the students of Master 211 in Dauphine. This curriculum attracts many students from the South, some of them eager to work on poverty issues, hence the idea to select a few of them each year and give them the opportunity to be closely associated to the NOPOOR activities during their Master's year. From 2014 to 2016, five students were imbedded to the NOPOOR activities of IRD for a year, attending NOPOOR meetings or conferences and doing a NOPOOR internship at the end of their second semester.

Information about these young researchers involved in NOPOOR can be found in a file available in the appendix. We are confident that all these students whose formation has been closely associated with NOPOOR will form an active and lasting network of researchers interested in poverty issues.

Trainings

Capacity building is consubstantial to research: it is usually a team effort involving senior academics interacting with PhD students, post-doctorates and junior research fellows; and it implies dissemination activities which are merely occasions to pass on new knowledge. To this respect, the NOPOOR research project made no exception. All the conferences, seminars, workshops organized these past five years were training opportunities.

In addition, researchers in the project had the chance to instruct young research fellows during trainings organized or co-organized by NOPOOR. For instance, students associated to the dissemination strategy received a training preparatory to their participation to the EDD in Brussels in November 2015; seventy students in VASS-Vietnam participated to a training on labor market analysis in October 2016; students in CRES-Senegal benefited from a one-day introduction to the link between growth and poverty in September 2017; and NOPOOR researchers initiated two trainings in Madagascar (Southern Winter school in July 2016 and training on rural observatories in November 2016).

Besides, a demand for targeted trainings also emerged as the research work went forward: trainings on quantitative methods (UAM, GIGA) or on software (SPSS for UFRJ, STATA for UTC-SALDRU). And quantitative research usually entails the need to train on field work and data collection. To this respect, the trainings organized for enumerators by UAM in Ecuador, UNamur in Burkina Faso or VASS in Vietnam therefore contributed to capacity-building in the South.

Finally, the NOPOOR project gave rise to the organization of specific trainings for young researchers and professionals. NOPOOR annual meetings were gathering senior and junior researchers from all over the world. Therefore, it made sense to combine these events with trainings ambitioning to convey new knowledge relevant to the research project. The first one was organized by UAM in October 2013 by the time of the steering committee: for two days, students were introduced to the use of computable general equilibrium models (CGE) for poverty and income distribution analysis. Then ahead of the general assemblies in Dakar in 2014 and in Mexico in 2016, trainings were held respectively on panel data econometrics and impact evaluation. In the three cases, instructors were NOPOOR researchers or stakeholders of the hosting country invited to give the perspective of practitioners on the subject. The attendance of these trainings was usually a mix of students of the hosting institution and students from other NOPOOR institution. For its part, the summer school organized in Paris-Dauphine in June-July 2015 took advantage of the proximity of the 3rd DIAL Development Conference "Barriers to development" to invite top-notch academics to lecture students on the topic on poverty measurement. Twenty-three students from thirteen countries were

presented with the state of the art of the research in the World Bank on the subject, complemented with an introduction to the method of multidimensional poverty measurement and the view of an anthropologist.

Most trainings were evaluated by students using a paper or online assessment questionnaire, and it showed that there were appreciated. It is also important to note that young researchers in NOPOOR had the opportunity to share their expertise by becoming instructor for some trainings, thereby moving from student's to teacher's status, which is an important milestone in the life of a researcher.

The major trainings in NOPOOR, including those mentioned above, are listed in a table in a file named "NOPOOR WP12 Trainings" in the appendix. It provides details about the topic, the participants, instructors, ... Another file compiles the programs, attendance lists, assessment questionnaires, ...

Thus, the NOPOOR project provided countless opportunities for young researchers to increase their knowledge, thereby fulfilling its mission in terms of training and capacity building. We expect these years of interactions and collaborations in the context of NOPOOR to a long-term influence on the future career of these young researchers.