Authors
Abhijit Banerjee
Massachusetts Institute of Technology
Esther Duflo
Massachusetts Institute of Technology
Nathanael Goldberg
Senior Director, Sector Programs
Dean Karlan
Northwestern University
Robert Osei
Institute of Statistical, Social and Economic Research (ISSER), University of Ghana
William Parienté
Université Catholique de Louvain
Jeremy Shapiro
Busara Center for Behavioral Economics
Bram Thuysbaert
Dutch Development Bank
Christopher Udry
Northwestern University

Building Stable Livelihoods for the Ultra-Poor

A multidisciplinary program that provided ultra-poor households with a productive asset, training, regular coaching, access to savings, and consumption support led to large and lasting impacts on their standard of living across diverse set of indicators and implementing partners.

Key Results of the Graduation Approach:
A holistic livelihood program targeted at the ultra-poor helped them shift into more stable self-employment that increased their standard of living both bi-weekly and yearly after the program, and three years after the asset transfer—a year or more after all program activities ended.

The graduation approach created broad and lasting economic impacts. Product data from five store chains showed that the households of the intervention group consumed more at home and in social gatherings. Households of the intervention group had higher levels of self-employment, asset holdings, and savings. Most positive impact on participating households were consistent three years after the asset transfer—year one after all program activities ended.

The improvements in well-being were not the result of increases in self-employment income, but rather the combination of productive assets and enhanced skills. Moreover, it is important to recognize that the positive impacts were not limited to income and savings. Participation in the program led to improvements in health and education, which in turn contributed to better economic outcomes.

These effects were consistent across multiple countries and implementing partners. The program’s positive results are enduring, as they are not limited by any one country.
Building Stable Livelihoods for the Ultra Poor

A multifaceted livelihood program that provided ultra-poor households with a productive asset, training, regular coaching, access to savings, and consumption support led to large and lasting impacts on their standard of living across a diverse set of contexts and implementing partners.

September 08, 2015