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Reducing vulnerability matters. But what do we do about it?

Risk-taking is often glamourised as the route to riches. We sometimes forget that risk-taking can as easily make you poor. A paper by the ODI's Adam Pain and Simon Levine[1] goes far beyond this simple observation. The authors insightfully suggest how development programmes can help poor women and men to reduce their exposure to risks, in other words to become less vulnerable.

Pain and Levine highlight how important this is. Exposure to risk is a big part of many poor people's lives. Few poor people enjoy the safety nets which wealthy entrepreneurs can fall back on. Climate change is making matters worse. And risks – as well as poor people's efforts to mitigate them – often perpetuate poverty.

Contrarians will note that poor women and men can sometimes raise their incomes whilst reducing their vulnerability. Nigerian women who get their chickens vaccinated[2] are one example. Furthermore, as Stefan Dercon and others note[3], being less poor is in itself a way to reduce your vulnerability. Yet many poor people seem to be caught in a trap, making choices which keep them alive, but which also keep them poor. Pain and Levine give good examples. Poor farmers who maintain exploitative patron-client relations because they have no social and crop insurance, for instance. When crops fail, only the local "big man" has enough resources to fall back on. Farmers who stick with low-yielding but drought-tolerant seeds are another case in point.

Despite risk's importance to poor women and men, and the difficult trade-offs it forces them to make, development programmes have rarely paid risk much attention. That is starting to change. Donors increasingly recognise that many risks are cyclical and predictable, and are investing more in preventing crises, rather than simply dealing with them.

This shift in thinking deserves praise, but success will require more attention to how programmes can reduce vulnerability most effectively. Pain and Levine note that despite much talk of 'resilience', many of us are unsure what to do about it.

We can start by learning from well-measured pilots. As well as Nigeria's chicken vaccinators, Kenyan herders starting to buy livestock micro-insurance[4] are a good example. In both cases, development programmes are partnering with businesses and research institutes. Firms are discovering that they can improve the accessibility, affordability, availability or acceptability of technologies which can help poor people to avoid age-old trade-offs between high risks and low rewards. Elsewhere, as Pain and Levine suggest, programmes might achieve the same by supporting poor women and men to push for social change.

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[1] http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7928.pdf
[2] https://www.youtube.com/watch?v=xcqzeDWacAs
[3] http://elibrary.worldbank.org/doi/pdf/10.1596/1813-9450-6231
[4] http://www.aljazeera.com/video/africa/2014/03/insurance-protects-kenya-farmers-from-drought-201432674122605362.html

Yet many crisis prevention efforts fail to do either. Too many such interventions replace existing vulnerabilities with a new one: aid dependency. For example, in drought-prone regions, agencies often hand out seeds and fertiliser. Clearly this is better than delivering food aid six months later. But where sustainable alternatives exist, such as the affordable sale of seed and fertiliser, we can avoid exposing vulnerable people to the risk of donor funding ending abruptly, without leaving behind a system capable of supplying them.
How? What can Nigeria's chicken vaccinators and Kenya's livestock insurers teach us about where to look for sustainable ways to reduce vulnerability? Drawing on learning from these pilots, and Pain and Levine's paper, below I suggest how other programmes can search for opportunities.

First, I suggest investing in understanding the major risks which different people in your target group face. Gather data and look for trends. Pay attention to differences between income, ethnic or age groups, regions, genders, etc. The Propcom Mai-karfi programme in Nigeria, for example, noticed that wealthier farmers were already buying chicken vaccinations, but nobody was targeting the millions of poorer Nigerian women who kept a few poultry in their yards.

Secondly, identify each risk's root causes. Pain and Levine emphasise the need to link local problems to their wider causes – and tackle these wider causes. For example, the absence of crop insurance can rarely be solved at the household or village level. Likewise, livestock insurance usually requires many thousands of customers to become commercially sustainable. Similarly, a distribution of land ownership which leaves many people vulnerable to famine may require a national institutional response.

Thirdly, understand how much, how and when people in your target group would be willing to pay to reduce the risk. Poultry owners' willingness to pay a sustainable price for vaccinations, and herders' willingness to buy insurance, have helped programmes to persuade firms to start offering solutions. One caveat is that where poor people's ability to pay appears an insurmountable barrier, you might also need to explore other payment arrangements or sustainable sources of funding.

Fourthly, look for opportunities to address these root causes. Pain and Levine argue that programmes which aim to reduce poor women and men's vulnerability should do so by enhancing their agency. I agree; we can do this at scale by changing the rules, products and services which shape the risks in poor women and men's lives. In doing so, we might also change poor people's attitudes towards these risks, either by helping them to avoid crises or to mitigate crises' effects.

So far I've explained why I think we can do more to reduce vulnerability, and how I think we spot opportunities. I now want to reflect briefly on what it might take for interventions to succeed. I see three challenges.

Firstly, let's be realistic about timeframes. When you expect local actors, often poor people themselves, to create or pay for solutions, sustainable change usually takes years. Clearly, if people are already at high risk of dying or losing livelihoods, we need emergency measures

first. But where possible, we should deliver these emergency responses without compromising solutions which are likelier to last and likelier to be scalable.

Secondly, let's recognise that reducing vulnerability requires a wider set of experts and extra management time. Giving income-focused programmes a second, competing priority can dilute programmes' focus and is particularly disruptive once implementation is underway. Donors should properly weigh the benefits and costs before adding 'reduce vulnerability' to existing programmes' objectives. And funders who do ask programmes to reduce vulnerability, please recognise that success will probably require additional research and a broader range of specialists.

Thirdly, let's accept that reducing vulnerability is a development priority, even if it can't be easily measured quantitatively during the life of a programme. We can only measure precise *quantifiable* differences in well-being indicators if disaster strikes at the start of the programme (baseline) and again, before the end of the programme, but after interventions have had their effects. Otherwise, we rely on assumptions.

These are minor challenges compared with the importance of reducing poor people's vulnerability, sustainably and at scale. And potential solutions such as investing in staff and qualitative research are not new. If donors are willing to invest in more pilots, and practitioners can learn more about how to spot opportunities and address them, the world might just become a bit less dangerous for its most vulnerable people.