

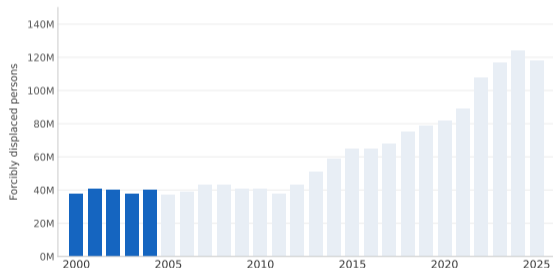
Breaking the Cycle: Poverty and Mental Health among Forcibly Displaced Populations

Andrés Moya – Universidad de los Andes

4th JDC Research Conference on Forced Displacement
Bangkok, June 2026

Twenty years later, three times as many displaced, the same question

Figure: Forced Displacement 2004



2004

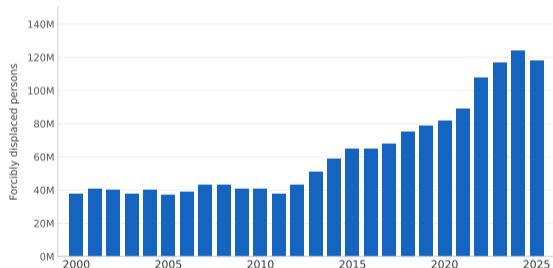
- 40 million displaced persons
- 2.2 million IDPs in Colombia

Guiding questions:

- Consequences of displacement
- Impacts of humanitarian assistance
- How to promote movements out of poverty?

Twenty years later, three times as many displaced, the same question

Figure: Forced Displacement Globally - 2025



2025

- 123 million displaced persons
- 8.6 million IDPs in Colombia

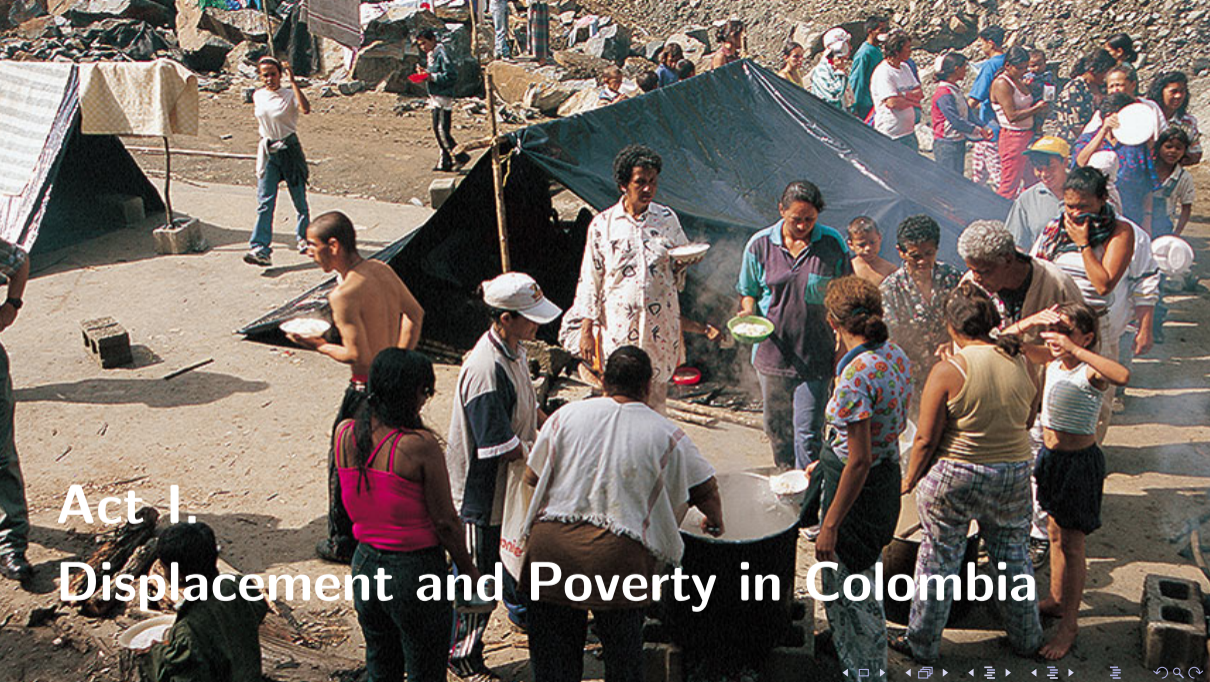
Guiding questions:

- Social protection
- Self-reliance
- How to promote movements out of poverty?

This talk: mental health as a missing link

1. Econ perspective on displacement and poverty
2. Bringing mental health into the 'equation'
 - Beliefs, skills, and income
 - Early childhood development
3. Breaking the cycle:
 - Caregiver mental health and child development
 - Hope and agency





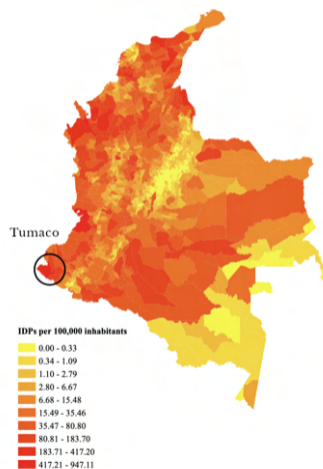
Act I.

Displacement and Poverty in Colombia

Colombia is one of the longest-running displacement crises in the world

- Protracted conflict since the 1950s
- Since 1985: 9.1m IDPs \approx 11% of IDPs worldwide
- 2025: 261,600 displaced or confined
- Since 2016: 2.9 million Venezuelan 'refugees'
- IDPs + Refugees \approx 20% of population

Figure: Displacement (1997-2018)

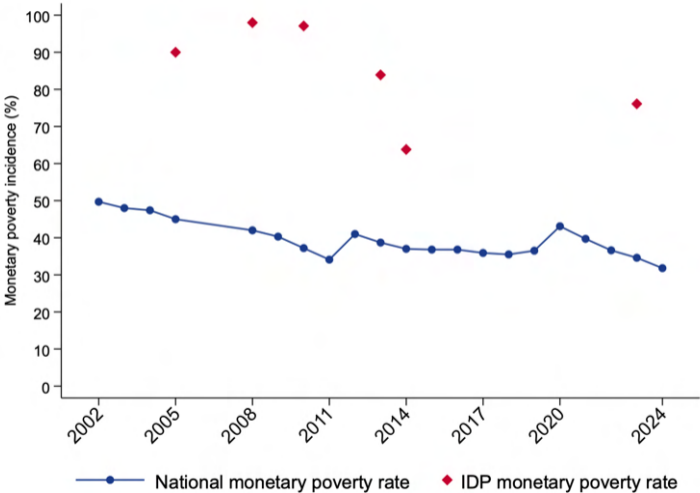


Comprehensive legal and policy frameworks

- Legal frameworks:
 - 1997 Law 387: prevent displacement, provide humanitarian assistance, and protect the rights and property of IDPs
 - 2004 Constitutional Court ruling: provide support with priority over other vulnerable populations
 - 2011 Victims' Law: transitional justice framework to guarantee truth, justice, reparation, and non-repetition
- Policies: Humanitarian assistance, social protection, reparations
- Victim's Law fiscal cost: $\geq 35\%$ GDP if fully enacted
 - Would take 100+ years to complete under current pace and funding allocations

Yet, 70% of IDPs are in poverty and 30% extreme poverty

Figure: Colombia Poverty Rates: 2002-2020



Standard take on forced displacement and chronic poverty

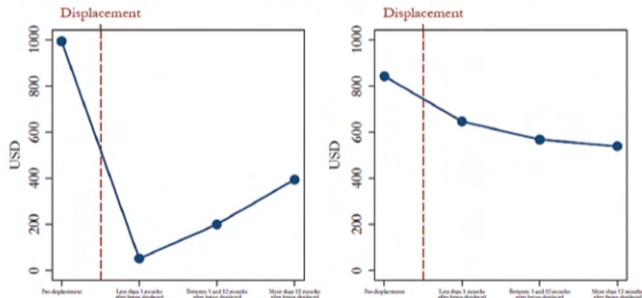
Poverty explained by (massive) loss of assets and capacities (Ibáñez and Moya 2010)

- :
- Lands and other physical assets
 - Human capital
 - Disruption of social networks
 - Costly consumption smoothing strategies

Suggests an asset-based poverty trap

Figure: Income and Consumption trajectories

Figure 6: Aggregate income and consumption before and after forced displacement.



Notes: The figure illustrates the evolution of annual income and consumption per equivalent adult before and after displacement using the data from [Ibáñez and Moya \(2010a\)](#).

Standard take on forced displacement and chronic poverty

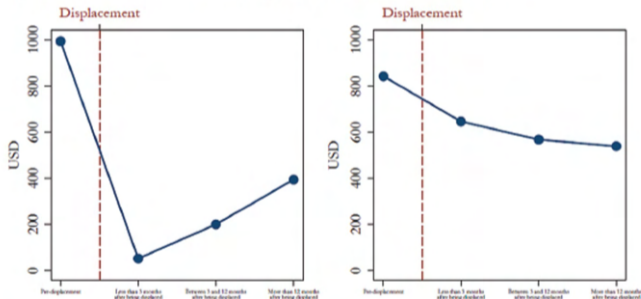
Implications for programming

- Humanitarian assistance can only do as much
- Social protection can contribute towards restoring some capacities
- Moving out of poverty requires restoring assets and capacities

⇒ a "big push"

Figure: Income and Consumption trajectories

Figure 6: Aggregate income and consumption before and after forced displacement.



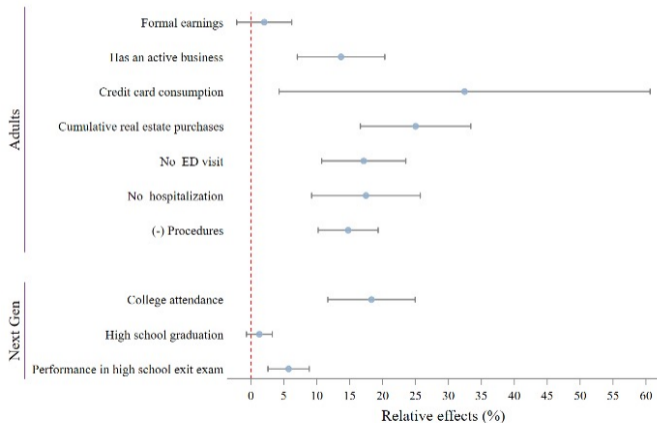
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Recent evidence on reparations

Guarin, Londoño, and Posso (2024)

- + Impacts on well-being
- No impacts on formal earnings
- + Impacts on entrepreneurship and investment in physical assets
- + Impacts on children's education trajectories

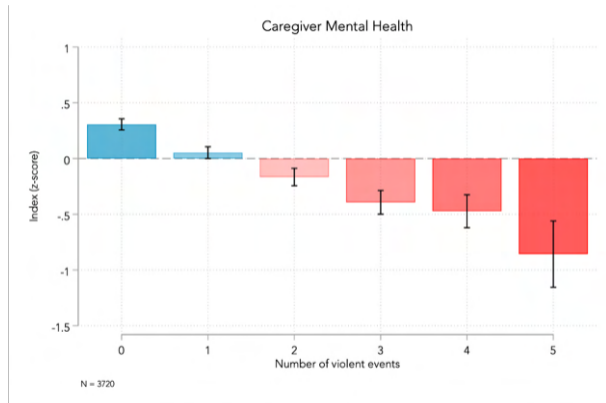
Figure: Impact of Reparations





A Missing Link

Displaced populations face a disproportionate mental health burden



- Mental disorders affect 970 million people globally (WHO 2022)
- Rates are 2-3 times higher for displaced populations (Blackmore et al. 2022; Charlson et al. 2019)
- Follow a dose-response relationship (Mollica 1998; Moya 2018)
- Prevalence exceeds 20% five years post-displacement (Bogic et al. 2015)

Why focus on mental health?

- Mental health problems cause profound suffering and are a fundamental dimension of human well-being — addressing them is a goal in of itself
- Economics has recently engaged with mental health as an economic mechanism (Baranov et al 2020; Blattman et al, 2023; Angelucci and Bennet, 2024)
- Evidence of a bivariate causal relationship (Ridley et al 2020)
 - Most work runs from economic conditions to mental health
 - Less is known about how (improving) mental health affects poverty trajectories (Lund et al 2024)

Trauma can drive poverty persistence through multiple mechanisms

1. **Behavior**: increase risk aversion, affecting investment and consumption decisions
2. **Beliefs**: generate pessimistic expectations of socioeconomic mobility, sustaining poverty traps
3. **Human capital accumulation**: impair skill acquisition, reducing returns to education and training
4. **Stigma and discrimination**: reduce access to labor markets, credit, and social networks
5. **Early childhood development**: intergenerational dynamics

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Hopelessness: overly pessimistic beliefs about socioeconomic mobility

Moya and Carter (2019)

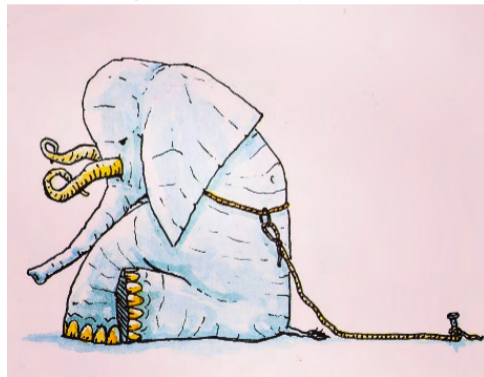
You know, doctor, it's been a few nights since I do not sleep, I have dreams where I see the heads of my neighbors. I see that they cry, that they supplicate, ask for mercy. I wake up crying. I start thinking about the farm, about my plants in the garden, about our chickens and cattle, and about our dogs that wanted to come with us, but we had to scare them away with rocks so that they would not follow us. I had never felt this way. I had never seen my husband so quiet; I had never seen him cry in silence. [...] I do not know what's going to happen with us, only that we have God and that our life will never be the same since we are now displaced. (Doctors Without Borders, 2010)

Hopelessness: overly pessimistic beliefs about socioeconomic mobility

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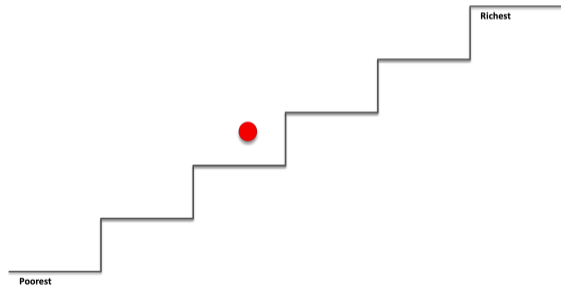
Figure: Learned Helplessness



Hopelessness: overly pessimistic beliefs about socioeconomic mobility

Moya and Carter (2019)

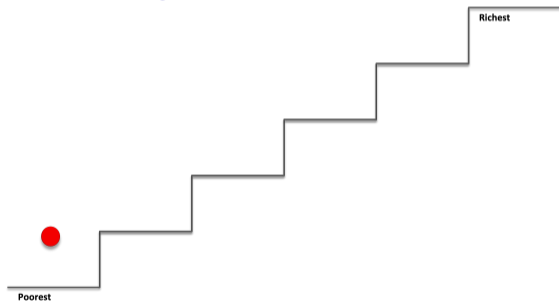
Figure: Ladder of Life - Pre-displacement



Hopelessness: overly pessimistic beliefs about socioeconomic mobility

Moya and Carter (2019)

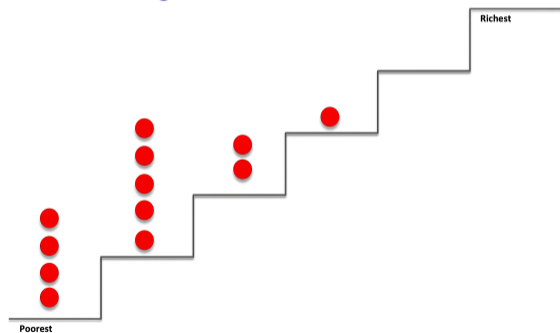
Figure: Ladder of Life - Current



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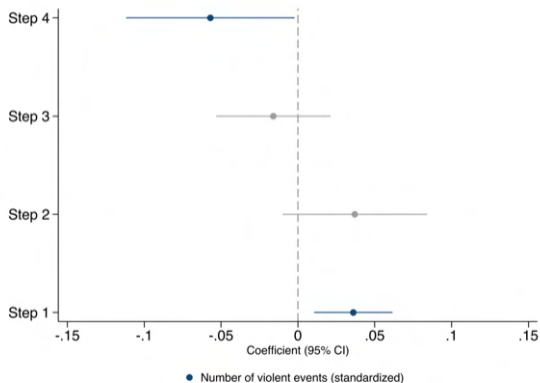
Figure: Ladder of Life - Current



Hopelessness: overly pessimistic beliefs about socioeconomic mobility

Moya and Carter (2019)

Figure: Ladder of Life - Expectations

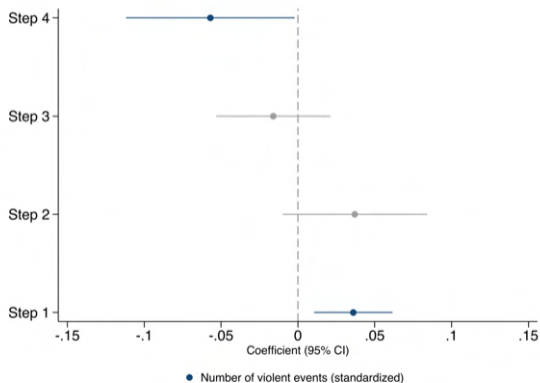


- Displacement increased prospects of staying at the bottom of the ladder
- Driven by the severity of violence
- Trauma also increases the vividness and emotional weight of negative future scenarios (Ashraf et al. 2022)

Hopelessness: overly pessimistic beliefs about socioeconomic mobility

Moya and Carter (2019)

Figure: Ladder of Life - Expectations



- Displacement increased prospects of staying at the bottom of the ladder
- Driven by the severity of violence
- Trauma also increases the vividness and emotional weight of negative future scenarios (Ashraf et al. 2022)
- Beliefs are inaccurate? Or consistent given psychological constraints?

Loss of psychological “assets” \Rightarrow psychological poverty trap

Means standard interventions may be ineffective

Figure: Income Trajectories: according to severity of trauma and under asset transfer

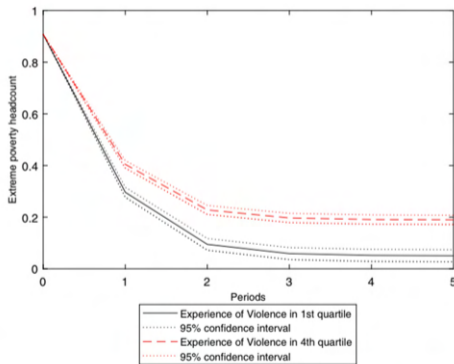


Fig. 4. Extreme poverty headcount. Notes: Simulated evolution of the extreme poverty headcount based on the transition matrices depicted in Table 6.

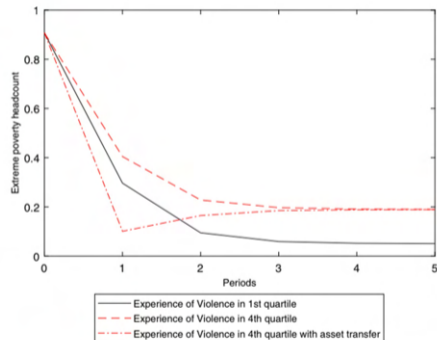


Fig. 5. Extreme poverty headcount under a need-based asset transfer. Notes: Simulated evolution of the extreme poverty headcount based on the transition matrices depicted in Table 6, and an asset transfer for the victims who experienced more severe violence that elevates them one step in period 1.

Trauma can drive poverty persistence through multiple mechanisms

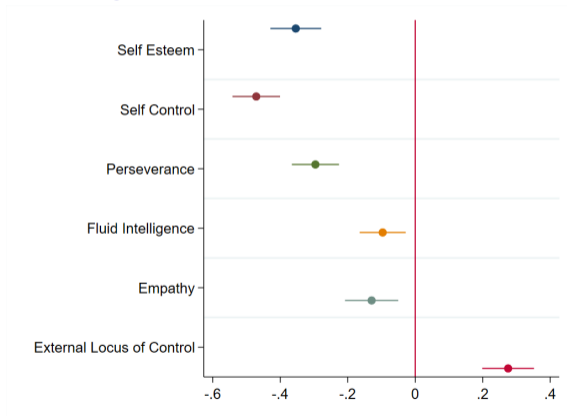
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Trauma “deteriorates” socioemotional skills and affects econ trajectories

Duryea, González-Velosa, and Moya (2022)

- Failed RCT on vocational training + soft skills
- Baseline trauma associated with lower:
 - socioemotional skills
 - program performance
 - employment and income
- Again, limited impacts of standard approaches

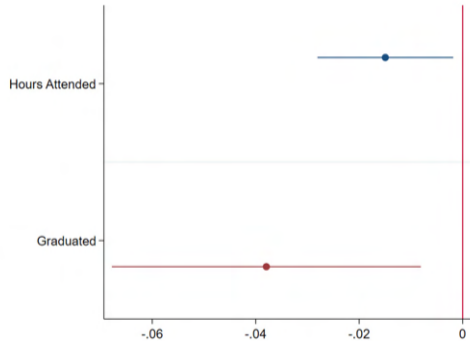
Figure: Trauma and Socioemotional Skills



Trauma, education, and income

Duryea, González-Velosa, and Moya (2022)

Figure: Program Performance and Employment Trajectories



Addressing economic and psychological constraints jointly

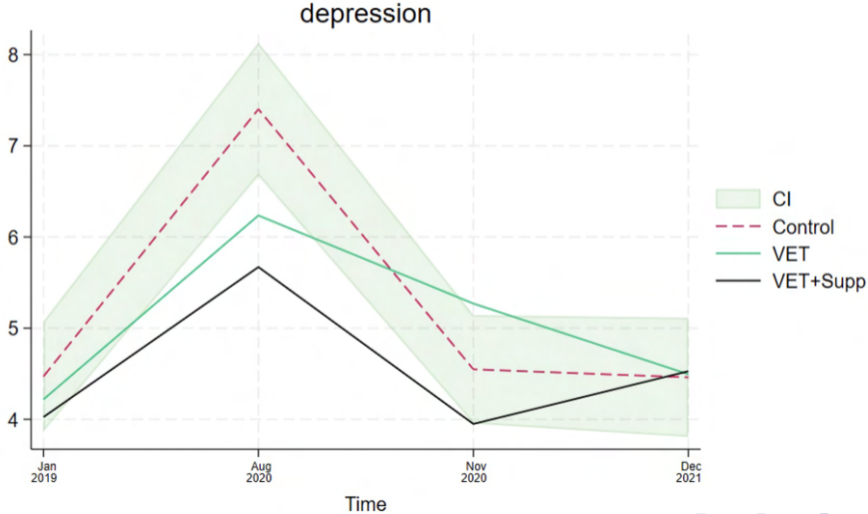
RCT of entrepreneurship program + visualization (Ashraf et al 2023)

Table 4. Colombia: Traditional Training Reduces the Quality of Mental Experiencing, GME Training Restores it

	Sub-indices in business domain					
	Overall index	Business index	Non business index	Frequency of use	Specificity	Emotionality
	(1)	(2)	(3)	(4)	(5)	(6)
<i>Panel A: Traditional vs Control</i>						
Traditional training	-0.069 (0.075)	-0.157* (0.089)	-0.049 (0.074)	-0.073 (0.086) [0.249]	-0.129 (0.080) [0.249]	-0.122 (0.081) [0.249]
<i>Panel B: GME vs Traditional</i>						
GME treatment	0.026 (0.063)	0.178** (0.074)	-0.006 (0.061)	0.090 (0.072) [0.083]	0.133* (0.068) [0.054]	0.167** (0.065) [0.034]
<i>Panel C: GME vs Control</i>						
GME treatment	0.014 (0.066)	0.046 (0.076)	0.004 (0.064)	0.023 (0.073) [1.000]	0.037 (0.070) [1.000]	0.044 (0.069) [1.000]
Mean DV in Control	0.00	0.00	0.00	0.00	0.00	0.00
Mean DV in Traditional	0.00	-0.10	0.00	0.00	-0.10	-0.10
N in Control	550	390	550	390	390	390
N in Traditional	656	456	656	456	454	454
N in GME	1140	839	1140	838	835	835

Addressing economic and psychological constraints jointly

RCT of vocational training + psychological counseling (Esposito et al 2023)

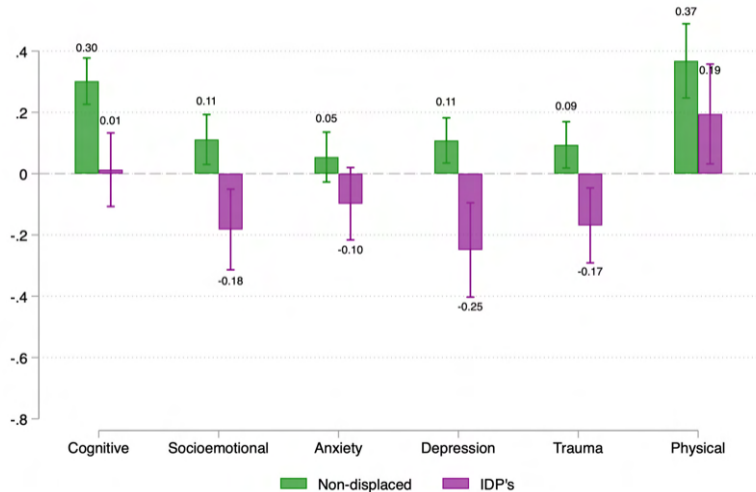




Early Childhood Development

Developmental gaps between displaced and non-displaced children

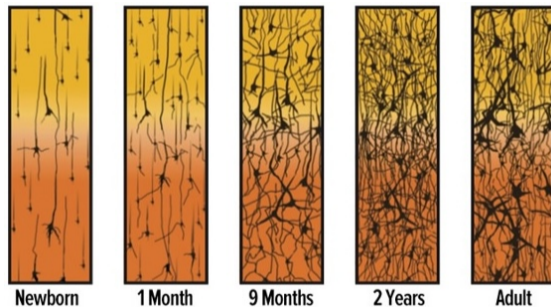
Hiller, Moya, and Rozo (2026)



Early childhood is a unique stage in our life

- Rapid brain development: one million new neuronal connections per second;
- Foundations for life-long health, skill acquisition, and socioeconomic trajectories.
- To thrive, children need:
 - adequate nutrition and good health
 - opportunities for early learning
 - **safety and security**
 - **sensitive caregiving** (Britto et al 2017)

Figure: Brain Architecture

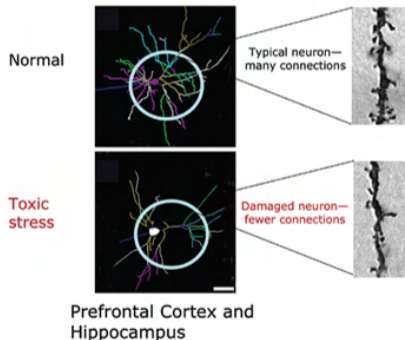


Source: Corel (1975)

Early childhood is also the most sensitive period to stress and adversities

- Prolonged adversities & deficits in sensitive care ⇒ **Toxic Stress**
- Overactivation of different biological systems, including the stress-response system.
- Affects brain architecture, skill acquisition, and physical and mental health.
- Life-altering effects.

Persistent Stress Changes Brain Architecture



Source: Radley et al. (2004); Bock et al. (2005)

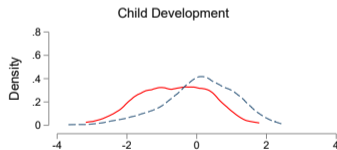
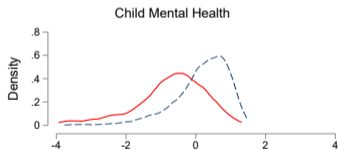
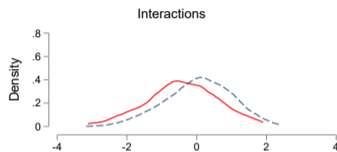
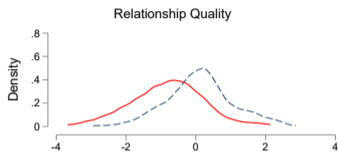
Caring for young children amidst forced displacement

- Sensitive care can buffer the physiological effects of stress \Rightarrow **Tolerable Stress**
 - The most important factor of impactful ECD and parenting programs (Almond and Currie 2011; Black et al. 2016)

Caring for young children amidst forced displacement

- Sensitive care can buffer the physiological effects of stress \Rightarrow **Tolerable Stress**
 - The most important factor of impactful ECD and parenting programs (Almond and Currie 2011; Black et al. 2016)
- However, trauma hinders the capacity to provide sensitive care
 - Interactions of caregivers experiencing mental health problems are often dysregulated and emotionally disengaged (Lieberman et al 2005)
 - Family dynamics mirror the broader adversity of the environment
- A mechanism for the intergenerational transmission of trauma and poverty
 - Trauma explains 50-80% of the effect of conflict on young children (Sánchez-Ariza, Cuartas, and Moya, 2023; Moya and Vlasak, 2026)
 - Also evidence on impacts on epigenetic signatures (Binder et al (2025))

Caregiver mental health problems \Rightarrow more stressful relationships and worse child outcomes



— At risk

- - - Not at risk

ECD interventions have ignored caregivers' mental health

- Standard programs address **cognitive constraints**: why and how to promote responsive care and stimulating environments as pathways to empower caregivers
 - Most successful: Jamaica Home Visit Intervention and Reach-Up (Grantham-McGregor et al 1991; Black et al. 2017; Attanasio et al 2019; Bernal et al 2020)
 - Null impacts when caregivers had a mental health problem (Jiang et al 2022)
- Only 12% of 478 ECD impact evaluations measure maternal mental health (Evans, Jakiela, and Knauer 2021).
- A **tiny** fraction of resources is invested at the intersection b/w maternal mental health and early childhood development.



Act II.
Breaking the Cycle

Semillas de Apego

Community-based psychosocial program for caregivers of young children affected by displacement and conflict

Model

- 15 weekly sessions (2.5 hrs);
- Groups of 15-20 caregivers;
- Led by 2 community facilitators

Objectives:

- Restore caregiver mental health
- Promote sensitive care & ECD



Semillas de Apego

Sessions follow the same structure:

1. Emotional awareness & regulation
2. Main activity: reflective practice
3. Group reflection

Community and group approach:

1. Reduce stigma
2. Promote self-efficacy
3. Foster collective agency



Semillas de Apego

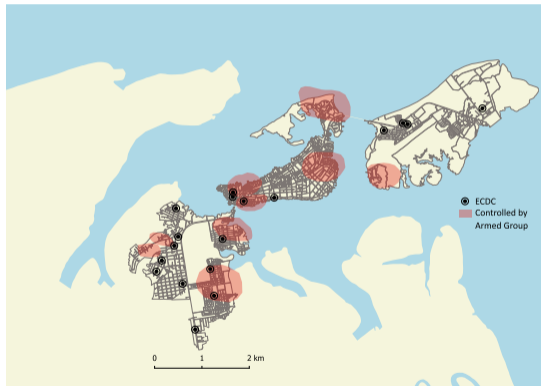
Impact Evaluation - Tumaco, Colombia (2018-2020)

Setting of ongoing conflict and vulnerability:

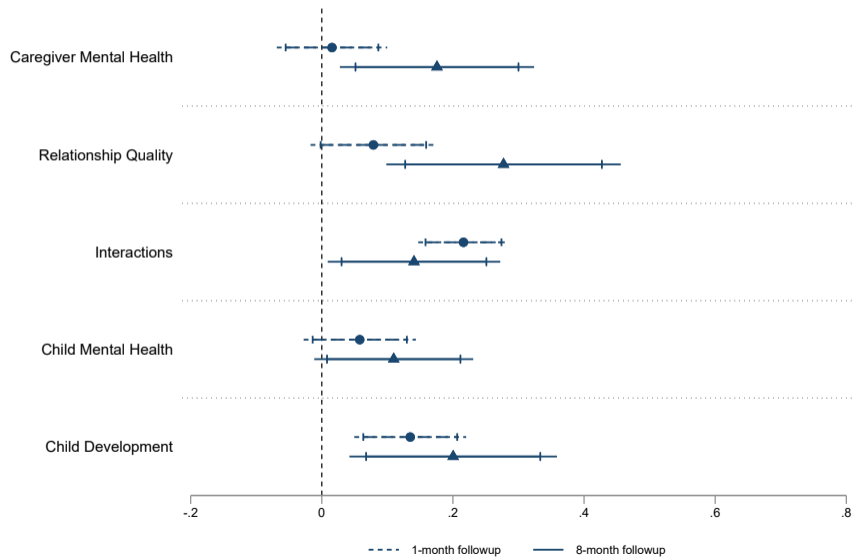
- Homicides: 101 vs 29 in Col
- Displacement: 943 vs 238 in Col.
- Poverty: 45% vs 20% in Col.

Sample: 1,376 caregivers of young children in 18 childcare centers.

- 57% IDPs
- 82% victims of conflict
- 40% at-risk of MH problems



Results at 1 & 8-month follow-ups



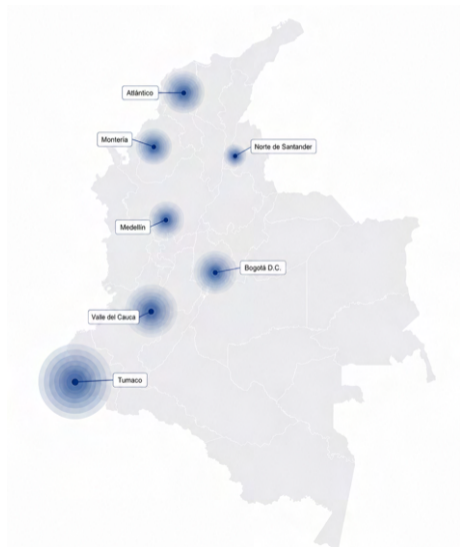
Path to Scale



2018-2020

- 350 caregivers per year
- 6 community facilitators

Path to Scale



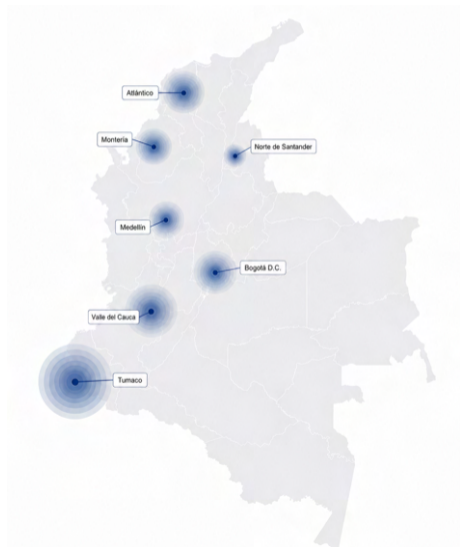
2018-2020

- 350 caregivers per year
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2025-20206

- 4,200 caregivers per year
- 72 community facilitators

Path to Scale



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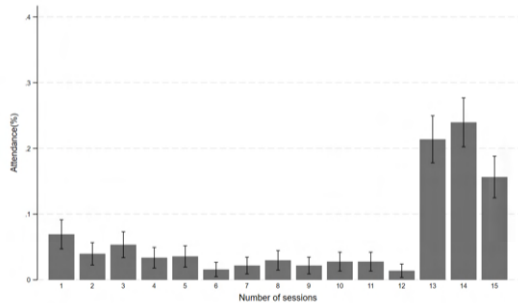
Scale-up effect (voltage drops)?

- External validity
- Training, supervision, and support
- Monitoring

At-scale process evaluation

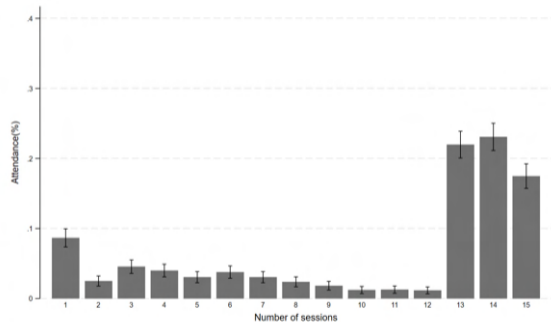
Similar dosage, fidelity, and quality (Moya et al 2026)

Figure: RCT 1



Dosage: RCT 1 = 10.6 sessions

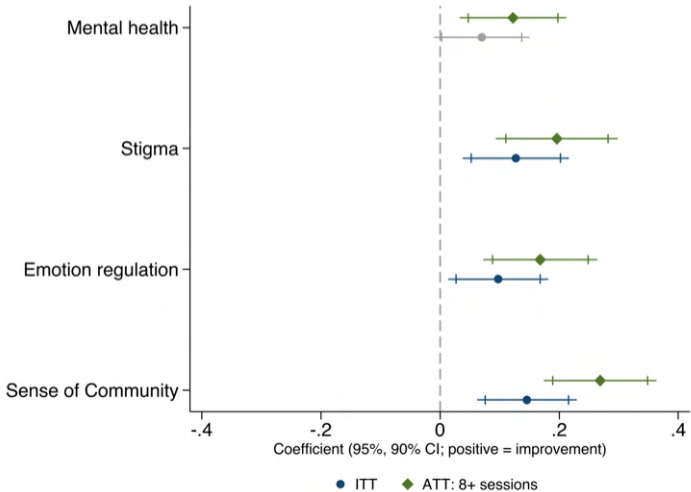
Figure: RCT 2



RCT 2 = 10.5 sessions

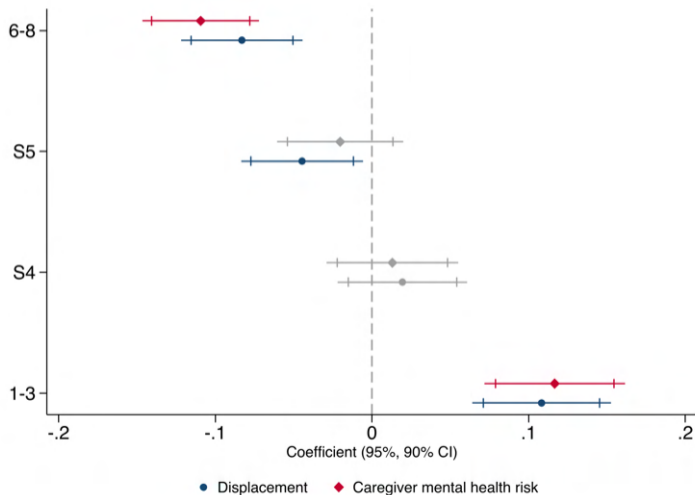
At-scale impact evaluation

Positive impacts at the 1-month follow-up (Bonet et al, 2026)



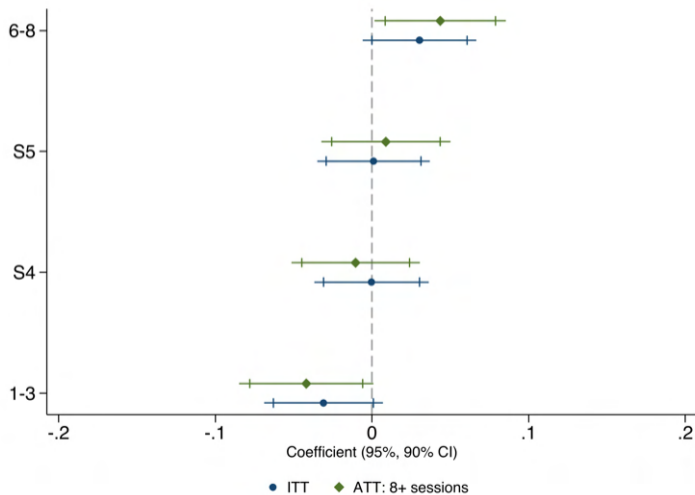
From learned hopelessness to hope

Displacement and trauma again associated with pessimistic prospects of mobility



Positive impacts on hope

Enough to break the cycle – overcome the effects of displacement and trauma?



Breaking the cycle – conclusions and open questions

- Chronic poverty among the displaced reflects far-reaching erosion of capacities — economic, social, and psychological
- Mental health has been systematically ignored – sometimes considered a luxury
- Yet, it contributes to poverty persistence, limits the impact of standard interventions, and transmits disadvantage across generations
- Targeting psychological constraints— directly or in combination with standard interventions— can break the cycle

Breaking the cycle – conclusions and open questions

Open questions: measurement

- Does not exist if not measured
- Standard scales are difficult to administer at scale and may not be contextually valid
- Developing low-cost, scalable, and contextually appropriate screening tools is a first-order priority

Breaking the cycle – conclusions and open questions

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Open questions: programming

- Task-shifting models are a promising path to scale, but fidelity and quality at scale remain an open question
- Digital delivery is promising based on reach and cost, but open concerns about take-up, adherence, ethics, and social connection as an active ingredient



Self-reliance will remain elusive without complementary progress on growth and economic opportunities

Thank you! – a.moya@uniandes.edu.co



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