

TOWARDS AN APPROACH BASED ON THE ASSETS OF THE POOR

The Rural Context

TWO OPPOSING APPROACHES

- Traditional approach based on needs
- A new approach based on capacities

The Traditional Approach

- Based on needs, deficits and problems
- Leads participants in development processes to see themselves as:
 - Consumers of services with no incentives to become producers of goods and services
 - Victims who are incapable of taking charge of their lives or the future of their communities

Other Consequences of the Traditional Approach

- Channels resources to providers of services and not to the resident target population
- Diminishes community leadership
- Deepens the dependency cycle
- Conspires against development of a plan which includes the energies of the community

A New Approach

- Developing policies and activities based on the capacities, abilities and assets of the rural poor and their institutions
- Building new structures for opportunities, new sources of income and new production possibilities

Community Assets: individuals, associations and organizations

- Individuals, men and women , the youth, the elderly, the poorest, vulnerable and marginalized groups
- Associations of all types: religious, cultural, sports and recreational
- Public institutions such as schools, hospitals, the police and the judicial as well as private enterprises big and small

The New Approach is Based on

- The capacity of the population and their associative and organizational structures
- The internal capacity to establish agendas and solve problems by groups, associations and organizations
- The constant capacity to build relationships between the population, associations, organizations and institutions

The Assets Approach

- Promotes full participation
- Builds a stronger civil society
- Creates economic opportunities at the local level

Conceptual Framework

The approach is centred on the following assets of the community:

- Productive
- Social and
- Locational

Productive Assets

- Natural resources
- Human capital: education, skills, health household composition
- Physical capital: housing, equipment and household goods appliances
- Financial capital: savings, access to credit, livestock

Social Assets

- Social networks, inclusion and or exclusion
- Political networks: participation in political decision making
- Governance and organizational capacity

Locational Assets

- Access to infrastructure and services
- Distance to urban centres
- Agro ecological characteristics, altitude, soil and water quality, climatic conditions

Components for Analysis

- The tangible and intangible assets of the poor
- The institutional and policy context, past present and future defining a sense of ownership and possible risks
- The results in wellbeing and growth possibilities in time

Implementation Mechanisms in Latin America

- Beneficiary identification and preparation of business plan or profile
- Transparent and competitive award process
- Transfer of financial resources
- Signing of legally binding contract and opening of bank accounts
- Self evaluation and monitoring

Thank You