



Lessons Learned From Sequenced, Integrated Strategies of Economic Strengthening of the Poorest

Q & A Session Transcript

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Female: So as we mentioned, we're running a little late. I would like to take Q&A for the next 30 minutes. Usually we end at 10:30, so we'll end at 10:45. If you need to leave early please fill out the survey.

I would like to start with the webinar question, because we have 50 people on webinar that are still actively participating. And there have been many questions on effective targeting, and they came from various places. So question is to Jan on "How can you have effective targeting in a situation where everyone is poor, including the structures that provide oversight? Are there effective tools available to address this situation?"

Male: And I think that two panelists could probably speak more to that as well with their direct experience. And I was actually going to talk a little bit about this. Effective targeting, first of all, is not always needed. It's especially needed with these push strategies. And we have more tools than we used to have. People are using those poverty tools that I mentioned. They have issues too, those poverty tools, because they look at income level and it's hard to say what really makes someone poorer when someone is just below the poverty line versus above, so you don't really understand yet where the poverty comes from and what issues need to be addressed.

Other tools exist. I really like the Sustainable Livelihoods framework as a conceptual framework, because that makes you look at all the assets that are a part of poverty of vulnerability; physical, human, social, natural assets. There's also something that's called the "household economy" approach, that was developed by SAFE and the Food Economy group, which I think is quite an expensive tool to use, but it provides a really interesting conceptual framework, 'cause it looks at cash and food that is coming into households and to what extent it meets their basic survival needs. And then it looks at the assets and opportunities more or less like the Sustainable Livelihoods framework and how to address that.

But back to the question, I think we need to develop a common terminology of looking at poverty in different degrees that also allows to look at the contextual factors of extreme poverty.

Female: Thank you. So if you have a question please raise your hand and Joe will come with the microphone. Please speak into the microphone for the webinar audience. Are there any questions from the room?

Audience Member: Hi. Chris McRae. I'd like to reverse things a little bit, because I was quite surprised that you said that the group structure was a surprising impact, because most ultra-poor work I've ever seen has actually started by trying to get them a center or a community, because in a sense one definition of

ultra-poor is that they are the most excluded in that rural area, so they have the most advantage to having an informal market exchange or knowledge hub or whatever it is. And so I think there's this issue of how you measure individual versus how you measure group development, and oftentimes I think the American minds set it up the wrong way around for improving the ultra-poor. So I'd like to hear your reactions to that.

Female: Yeah. No, it's a good question, and I agree with you, I think – I didn't mean to mean it was a surprise. I think what we have found, and it's linked to the issue of targeting, that when we go into communities and we employ a poverty-wealth ranking mechanism that involves the communities and looking at the poor what we do find is people living in ultra-poverty, and that goes back to Jan's point about the segmentation of the poor, often are very isolated. And for example, people living with disabilities don't participate in groups. The group I showed in Guatemala really hadn't ever met as a group before.

So I think that the group mechanism is a very powerful component, and I agree with you. It's interesting to sort of see what kind of indicators can we have to look at the social capital, and not only the financial capital and the savings that the group has, but also the social capital that they are generating, and what would be the indicators for that in terms of impact and addressing the kind of exclusionary barriers that they are facing in terms of not only financial, but also the discrimination and other barriers that they're facing. But I'm not sure if – yeah.

Audience Member: That's what also makes me wonder if the very start of it in terms of the metrics for looking for the ultra-poor are actually the wrong way around, because that's now how the bottom-up organizations in Bangladesh or India do it. They don't find it costly to identify the ultra-poor, 'cause it's fairly obvious by observation that they are the most isolated in the areas. So it's not specifically a monetary measure if what you're trying to do is create an informal exchange where 80-percent of it is non-monetary to get them started.

Female: Yeah, I'm not sure I understand-

Female: Can I just jump in here from Paris?

Female: Yeah.

Female: Just on the group dynamics, I find it interesting to mention that several pilots have wanted to set up peer groups and to really try and foster those group empowerment dynamics. Interestingly, several sites, and actually that's true also at BRAC, think that people who start in the program are so isolated and so socially excluded that they need several months of one-on-

one kind of hand-holding, as Joya described, before they can positively interact with a wider group. That story maybe Kathleen can _____ from _____, but this is for example an example in Haiti. And if you look at Fune Cozi's – if you type them, Fune Cozi's – if you look at their website and look at the blogging that Steve Wellen has been doing, he's a program manager in Central Plateau in Haiti. He really takes cases of people on a weekly basis and he really shows this story of people being isolated, really relying on their case manager before they're able to kind of interact more positively with wider groups.

Female: Thank you. There is a question for Joya on collective action from Karen Fankosay in Haiti. A question, "How does Trickle Up provide training to accompany the group and promote collective action?" And then there is a follow-up question from Colleen Green, who joins us from Tanzania, she's interested again in this collective action and how are you promote or facilitated in order to maybe also see it in a _____ as collective marketing?

Female: Mm-hmm.

Female: So _____.

Female: Okay. I think I should preface that by saying we're really seeing it as a kind of emerging trend, and a lot of the direct interventions and terms of the program, I would see that as sort of a second phase of our more individual and formation of the health groups in the first phase of the program. So part of what we do is awareness-building, as Aud said, drawing the links between the programs that are available to people, that they may or may not know of, they might be afraid to access, so it's building the confidence and sort of working with them on that.

Another area is actually to work at the government side as well. So look at what are the sort of formal ways, for example, in India people need to get job cards to access a certain provision in the law that they're guaranteed a certain amount of days of labor per year. Do they know that? If they know that how do they fill in those kinds of forms? So there are some very simple things in the health sector as well; it's sort of doing a scan of the kinds of programs that are available and just really performing that linking function between building awareness, building group confidence so that then women can go. So I think we'd like to explore this further is the answer at this point, and we'd be very keen to hear other peoples' experiences as well in looking at that, particularly with this group of the ultra-poor, which I think don't necessarily come to this already having a lot of experience in collective action. They have come to it in sort of from an isolation, so that's a big difference in the nature of the groups.

Female: Thank you. Are there any more questions from the room? Then I will take a question for Aud; it's a question again from Colleen Green and the question is "Have the graduation pilots looked at self-esteem, self-stigma, and its impact on self-efficiency and empowerment or ability to adopt productive livelihood behaviors?"

Female: Yes, Sue, I was just responding on webinar. Especially the qualitative research has looked into these questions of self-esteem, often using very simple tools. For example, the self-esteem ladder or happiness of life ladder, where people place themselves on different steps of the ladder before and after the program. And also this question of self-esteem has been tried to measure it in a more quantitative way by several of the randomized control impact assessments. For example, in the case of BanBan, JPEL has put together an index of empowerment and confidence, which is quite complex, but I can post the link after, but they've really tried to measure this quantitatively.

Of course, also many of the sites will tell you they don't need that; they see the difference in participants. But I'll share both of the links on the webinar page.

Male: Let me add one thing to that. I want to make a plug for the qualitative research that has been done by Kharisma Hooda at CGAP and Ford Foundation. It is fascinating work that really looks at the qualitative aspects. And it goes back to that issue again of segmenting and really understanding different levels of poverty. And she has come up with integrated _____ programs, they were classifying fast climbers, people that weren't making any progress and some that might have been doing worse, but some of them were doing really well, some of them were doing okay, and some of them there was nothing.

And when you looked at these issues, some of these idiosyncratic factors that you wouldn't necessarily see in a poverty tool show up were very important. And one of them I remember very well is that having a non-cooperative husband in your household was actually worse than having no husband at all as a factor in how poor you were and how able you could get out of poverty.

Female: There's a question from Karen again from Fune Cozi _____, and it's a question about social and economic characteristics of the ultra-poor. So Karen mentioned that in the beginning you described the level of poverty that is very economic in nature; assets, income. However, when you described the ultra-poor person you mentioned social capital and lack of confidence and key characteristics. In an example of Fune Cozi those soft characteristics are actually key in defining the difference between

someone who could benefit from a loan program and someone who needs more intensive follow-up. Could Jan explain his view and the importance of characteristics such as social capital and confidence? And if anyone could mention ways to measure that.

Male: Absolutely. And I couldn't agree more. I certainly didn't want to portray poverty as an economic phenomenon, and that's why I brought up the sustainable livelihoods framework where, you know, some of those assets are exactly about that social and human assets, and that's where these important interventions are coaching. Social capital formation is so important, I think even more important than some of the others, and that's part of what graduation was all about.

Within the savings led microfinance, that's a common observation for people, that yes, savings and money is the way to get people into groups but when you ask them what's the biggest benefit of it, you won't hear them talk about finances about the first thing; it's always about that human and social capital formation that's so important.

And that too also leads to what I mentioned in my earlier point, those idiosyncratic differences are exactly about these, for lack of a better word, soft issues, even though they're so crucial as, you know, family structure, literacy, but also confidence, ethnicity, caste, all of those things.

Female: Thank you. We'll take questions from Sharon and then I'll take Kara's. Okay?

Audience Member: Thank you. Sharon Denofrio from the SEEP Network. I think somebody mentioned one of the key issues is scalability of these interventions, and just first impression of some of the pilots that were mentioned, highly subsidized, very small scale. And so I'd be very interested in knowing what type of analysis you're incorporating or have generated around basic issues of cost, 'cause I think a major obstacle to replication will be funding and sustainability of these interventions long-term. So that could be to anyone, I guess.

Female: Well, I don't know _____.

Audience Member: Yeah, sorry, it's very, very similar. I had a question to sustainability, but also maybe the replicability of the different models. I'm thinking of the work that OXFAM, the different savings group models that they're testing, and one of them being OXFAM, where they're looking at sort of it being auto-generating, auto-replicating. Do you – I don't know, comment on that, I guess.

Male: I even wrote the word “viral replication” at some point. Maybe Aud would be the best person to answer Sharon’s question. And then maybe Aud or Joya can respond to you, Sabina. Aud, do you want to take this issue?

Female: Yeah, I can talk quickly about the costing, ‘cause we have done costing exercises in four of the ten pilots. Obviously they’re very early costing exercises and we’ll be doing more as the pilots develop. But basically we saw that the programs at the pilot stage cost between \$330.00 to \$1,900.00 per participant for the duration of the program, that is 18 months to 3 years in some cases.

Basically Haiti is an outlier because the costs there are much higher than elsewhere, and Kahin can talk to the fact that they were actually able to reduce the cost since this pilot phase. We’re also – we were hoping and anticipating that cost would be reduced when the pilots got slightly bigger, with some economies of scale kicking in hopefully.

Just on the question of scalability, that’s the major issue, it’s the major concern of most of our pilots right now. Let me just say that in the two examples we have in the room right now, with Fune Cozi and Trickle Up, we see very different ways of scaling up this experience. With Fune Cozi, Fune Cozi was able to raise additional funding to expand the pilot with largely – to a largely bigger size and through funding including from the MasterCard Foundation, but also others. And they just went on with what they were doing and adopting it in different areas.

In the case of Trickle Up it’s interesting to see that Trickle Up has actually learned from the pilot and has actually, as they described, mainstreamed some of the learnings from this pilot into other programs that they were doing elsewhere, which I find is also another way that these programs have been scaled up.

Finally the last question for us, and that will be the big one, is how can these programs be replicated also within larger government social protection strategies, for example? Right now we’re working with several organizations including UNATR, WFP, and others to see if there’s any scope for this kind of approach within larger national or much bigger programs.

Female: I would just add on to what Aud said, is I think that one of the great lessons from the CGAP and this ability to talk amongst ourselves is that we really are getting a better and better understanding of the most effective interventions. So I think there’s two things; one is that generating the political will and sort of looking at the reasoning behind these social protection frameworks, and the other is I think we have an

important role to play as practitioners in extending the downreach of those programs. So there are, for example, in India many earmarks, many policies that favor the poor. They don't always reach. So how can we help connect those resources and make them – help them to be delivered in a way that's more effective for the particular population that we're interested in in terms of the ultra-poor.

So I think in that, what's interesting to me about that as well is that I think we've often talked mainly from sort of an economic microfinance linkage, and this would really sort of spill our conversation over into a rights-based framework and a right-based dialogue. So at that point how do we respond to the rights of the ultra poor, is part of that answer is around livelihood, part of that answer is economic, the social capital but also sort of the political will to be able to address and to want to address that condition. And as we said in the beginning, that just ultra-poverty should become unacceptable.

Male:

And I want to add something to that too. The question of is it cost effective of course always comes up, but it's also an issue of not everyone has to take on everything. And I think there's still a little bit of a belief within microfinance that microfinance somehow has to do this. And I don't think that's necessary at all. And there are so many links to be made of existing programs. Again, the India example, where social safety nets exist, that's a government program; microfinance doesn't have to provide social safety. The linkages often don't exist.

This program, originally the graduation program, as Aud explained, comes from BRAC with their program for the ultra-poor. BRAC is providing a lot of services that the governments usually should provide. So it's also for us to look at places where the opportunities are. If there is a country where very little social assistance exists the challenges will be much harder. If there is a social safety net that is funded, like in many Latin American countries and India, for example, it becomes a different exercise. I think in some of the African countries, where there's so little money that can be spent on government safety net programs that the issues are, of course, much, much harder, more challenging.

But I think we haven't answered Sabina's question yet, and would you like to do that or?

Female:

Right. In terms of the replicability, the role of replicability of self-help groups and solidarity groups themselves, is that-

Audience Member:

Yeah, basically for example off-

Female:

One second.

Audience Member: Oh yeah. Sorry. My thought is sort of taking the model that OXFAM is trying to do, where it's the savings groups are trained to be able to create other savings groups to address the sustainability, the cost issues. Is that something that has been considered or could it be something that is included?

Female: Yeah, I think Aud probably would have more to say about this, but just to start off, I think one is there is a very hopeful sign in terms of the self-help groups and the solidarity groups as a replicator and model. The only caution I would put on that is the notion of the exclusionary factors and discriminatory factors that also keep the ultra-poor in ultra-poverty, right? So I think it's very important if a solidarity group is to take on that kind of a role, that there's a great emphasis in terms of looking at inclusion. So what does inclusion look like? Who are we leaving out? Why are we leaving them out? What sort of – how can we include them? And I think we have that notion of integration and really reaching out to others in our community, whereas, you know, the communities are also not homogenous, right? There's demarcations and discriminations and exclusions within communities as well. So I think part of the trick in that kind of model would be to see how do people break down those kinds of barriers amongst themselves.

Female: Thank you. Are there any more questions in the audience? I would like to thank you for your time today and I would like to thank Annika for moderating. Would you like to mention anything? Thank you.

So we still have a few questions that we're not asking. I'll post them on the events page and maybe our presenters could take a look and respond to them. I would like to thank Karen and Sabina for working on the guest log today for this event. It will be available as a post-event resource, and the presentation as well as a screencast will be available in a few days.

I would also like to mention that the next After Hours will be here at 4:00 with Jake Kendall. He will be speaking about his research on remittance in Africa; it's a new research that he is developing and presenting, but now in Kenya. That will be on April 23rd, Monday at 4:00.

We have the next breakfast seminar tomorrow and that will be a subject presented by Meda on Ukraine. I don't know exact title; that's tomorrow morning here. And on March 30th we have emergent payment system seminar on mobile uptake in Ghana. So please stay tuned. I will hope to see you soon and thank you for your time today. Thanks.

Female: Thank you.

Female: Thank you, Aud.

[End of Audio]