Assets, Asset-ness and Graduation

Understanding the graduation model through asset-based approach

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Introduction:
Asset-based approaches

- The “turn to assets”
- Vulnerability, household risks and social risk management
- Sustainable rural livelihood framework
Asset? Capitals? Capital assets?

• Asset and (or) liability?

• Livelihood capitals (physical, natural, financial, social and human)
## Assets and asset-ness

<table>
<thead>
<tr>
<th>Description of assets</th>
<th>Attributes of assets</th>
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<tbody>
<tr>
<td>By form (tangible/intangible)</td>
<td>Productivity</td>
</tr>
<tr>
<td>By type (physical, social, natural, etc.)</td>
<td>Utility</td>
</tr>
<tr>
<td>By accessibility (time &amp; space)</td>
<td>Security</td>
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<tr>
<td>By fungibility (liquidity)</td>
<td>Holding costs</td>
</tr>
<tr>
<td>By use and users</td>
<td>Lifecycle</td>
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<td>By potential yield (return)</td>
<td>Convertibility</td>
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<td>Complementarity</td>
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<td>Ownership &amp; control</td>
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</tbody>
</table>
The attributes and asset-ness of livestock

- Ownership & Control
- Utility
- Productivity
- Complementarity
- Security
- Lifecycle
- Convertibility
- Holding costs
Empirical case:
Holistic microfinance and livestock in India

“Livestock for the poor – under what conditions?” (Augsburg 2011)

• Intervention: A microfinance loan for buying a cow/buffalo

• Objective: Milk for consumption and/or income generation

• Conclusion: Fodder and water availability and provision (holding costs) are often neglected in programme design and evaluation

The value of the assets (utility) is over-estimated
Empirical case: Importance of training – the Girinka

“Livestock asset transfers and the provision of training: evidence from Rwanda’s One Cow Programme” (Argent et al. 2013)

• Intervention: Livestock (cow) asset transfers

• Objective: Livelihood promotion (household diets and child nutrition, soil fertility, income generation activities)

• Conclusion: Training was a significant factor affecting productivity, earnings and asset accumulation

*Long term prospects for productivity dependent on capacity (skills and ability) building*
Empirical case: Soil fertility management – the Girinka

“Soil fertility and manure management – Lessons from the Knowledge, Attitudes, and Practices of Girinka farmers in the district of Ngoma, Rwanda” (Kim et al. 2013)

• Intervention: Livestock (cow) asset transfers

• Objective: Livelihood promotion
  (household diets and child nutrition, soil fertility, income generation activities)

• Conclusion: Positive attitudes toward manure use despite the physical constraints and structural limitations

*Strong complementarity with soil fertility objective is key in Rwandan context*
Implication: Asset-based approaches and graduation

Targeting
Consumption support
Skills training
Coaching & follow-up

Without extended support & risk management...

Extreme poverty

Asset accumulation

Dis-accumulation
Conclusion: Asset-based approaches and graduation

The idea of asset-ness has received little attention...

1. As the costs of managing the asset increases,

2. With increasing variability in objectives, risks and contexts,

3. The likelihood of graduation diminishes.
Murakoze cyane!
References

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Additional bibliography


