

Rapid appraisal of good practices: better growth and results from asset transfers

The Resilient Livelihoods for the Poor program, implemented with DFAT support, includes asset transfer and livelihoods support for production of pigs, goats, poultry (chickens and ducks), mushrooms and home gardens. The program conducted enterprise analysis, prepared posters describing the enterprise maintenance cycle and caring for assets (what to do) and employs people to mentor families receiving and managing assets.

This rapid appraisal reviews more than 10 years of experience in Laos and other Asian countries to identify good agricultural practices for better growth and results in targeted livestock production enterprises. The information is designed to complement local knowledge and experience, resources developed by the Resilient Livelihoods for the Poor program, and information available from the District Agriculture and Forestry Office.

For those in Laos wanting more information, we encourage you to start by exploring the large volume of relevant information from Lao researchers and research conducted in Laos available for free at the Lao Agriculture Database hosted by the National Agriculture and Forestry Research Institute (see: <http://lad.nafri.org.la/>)

Our approach to the rapid appraisal identifies the importance of technical information as a core component of effective asset transfer and livelihoods programs. Recent comparisons of micro-finance, asset transfer and skills development programs highlight the effectiveness of asset transfer approaches to poverty reduction when they are supported by strong technical information and effective mentoring for the families receiving assets.¹

Higher, more stable income for the poorest people is the ultimate aim of the Resilient Livelihoods for the Poor program. This will come, at least in part, from more hours of work that deliver a return on effort. This does not, however, necessarily mean “job creation”² because in Laos, unemployment is not the main problem.³ Few adults in Laos are unemployed in the sense of having zero hours of work – it is more accurate to call them “underemployed”. In Laos, poor households typically have a “portfolio of work” rather than a “job”.⁴ Commonly, each member earns income from many sources, from agricultural enterprise and casual labour to petty trade and formal work, in part because it mitigates the risk and seasonality inherent in any one source, and because it is often not possible to sustain sufficient income from a single source of work. This is consistent with the livelihoods experience of poor households in other countries.⁵

In this context, one way to increase incomes is to improve portfolios of work rather than “create jobs”. Recent research suggests that new assets, combined with technical information and initial support to use assets for income generation is an effective way to help poor people raise the productivity of their current livelihoods, and how to help them access new occupations that offer higher returns to their effort. This evidence shows that improving poor people’s portfolios of work can be done on a large scale, cost-effectively.¹

These rapid appraisals are designed to demonstrate the value of existing technical resources for enhancing the effectiveness of asset transfer and identifying related work portfolio opportunities for participating households. For example, production of tree legumes for goats or *styro* for pigs could be offered as an enterprise service by landless households to coffee farmers (e.g. *Gliricidia* tree legumes as a shade tree in a coffee plantation) or crop producers (e.g. *styro* as an inter-row crop to suppress weeds in maize or cassava).

¹ Blattman, C., and Ralston, L. (2015) *Generating employment in poor and fragile states: Evidence from labour market and entrepreneurship programs*. White Paper prepared for World Bank Development Impact Evaluation, Social Protection and Labour, and Fragility, Conflict & Violence groups, Washington DC, USA.

² World Bank (2012). *Jobs - World Development Report 2013*. Washington, DC, USA.

³ MAF (2012) *Lao Agricultural Census*. Ministry of Agriculture and Forests. Vientiane, Lao PDR.

⁴ LSB (2014) *Lao Expenditure and Consumption Survey V*. Lao Statistics Bureau, Vientiane, Lao PDR.

⁵ Banerjee, A. V. and Duflo, E. (2011) *Poor economics: A radical rethinking of the way to fight global poverty*. New York: Public Affairs, New York, USA.

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