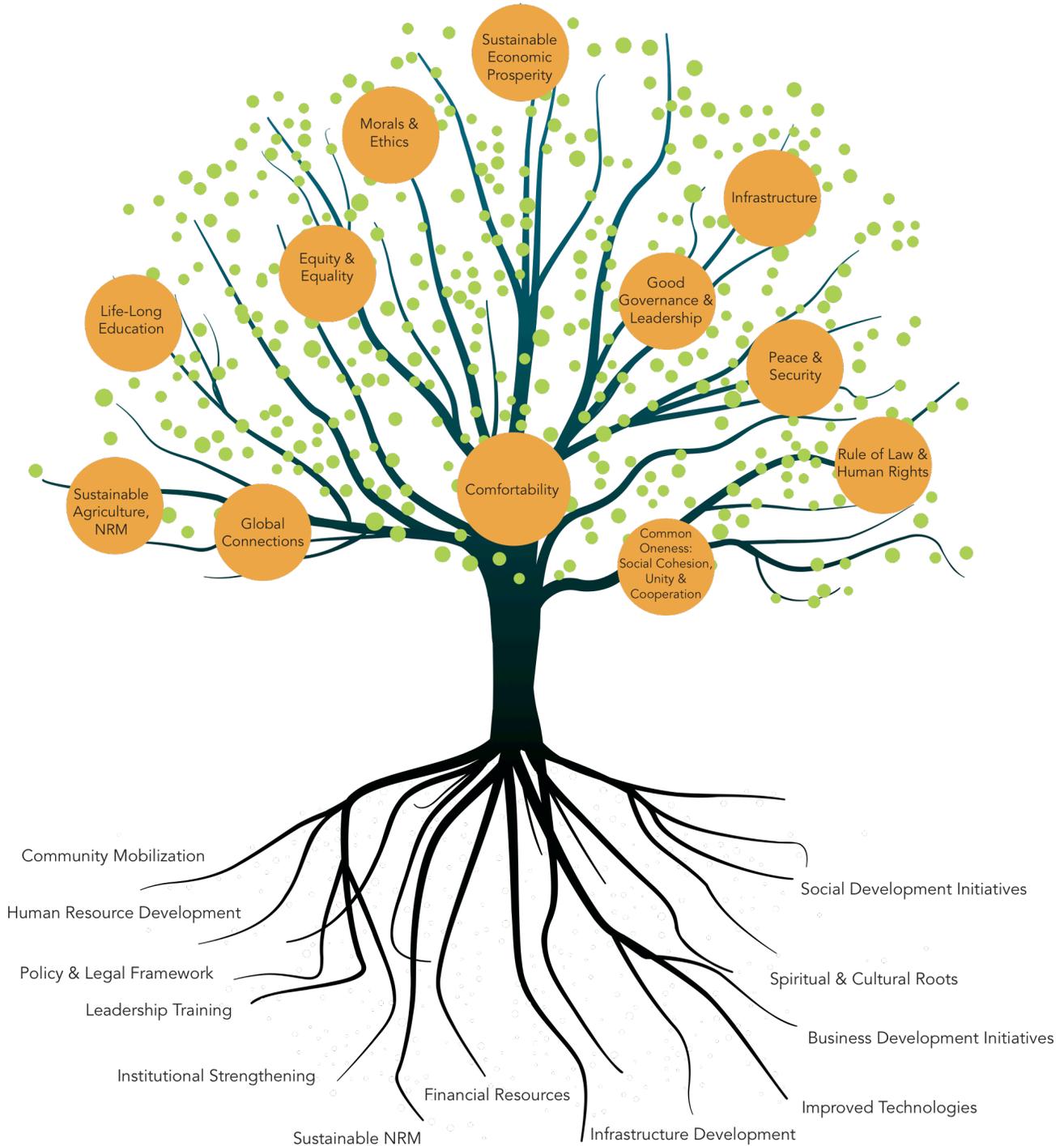
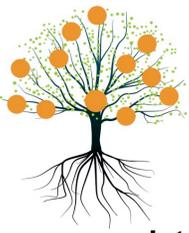


REACHING THE POOREST OF THE POOR THE HiMAT LIVELIHOOD JOURNEY MODEL



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HiMAT LIVELIHOOD JOURNEY MODEL[©]

Introduction

There is a general recognition in global development thinking that reaching the poorest of the poor can be extremely difficult to do and that, very often, poverty reduction programs don't make much of a difference in the lives of those who actually need them the most.

Based on pioneering work by the Grameen Bank and BRAC in Bangladesh and Fonkozi in Haiti, a best-practice model is emerging that is very much in harmony with our HiMaT approach.

As we embark on our project to reach the poorest of the poor, we wanted to articulate the features of that model, which includes micro-finance, but also much more.

Elements of the Approach

1. **A journey model** – This approach entails helping the poorest to take a **journey** of growth and discovery through which they develop the capacity and acquire the means for sustainable livelihood.
2. **Three stages** – The “journey” takes participants through three stages of growth: a) preparation, b) micro-finance, and c) sustainable growth.

The poorest are often living from hand to mouth. They are usually food insecure; they have very few assets (land, livestock, tools, etc.); they are socially isolated, often with low levels of education and training; and they often can't pay school fees or the costs of medical services. If people in this condition receive a micro-loan, chances are they will not be able to invest it in a livelihood improvement project because they desperately need cash just to get by.

We sometimes talk about “the ladder of development”. We can say to the poorest, “We will provide the ladder, but you are going to have to climb it on your own.” The problem is that the poorest are often so poor that they can't even reach the bottom rung of the ladder.

3. **Assets transfer** – For many of the very poorest during the preparation stage, there needs to be what is sometimes referred to as an “assets transfer”. This can take the form of food aid, money to cover health and education costs, livestock, tools, seeds and fertilizer as well as health and crop insurance—anything that will serve as a safety net so that the family can stop worrying about day-to-day survival long enough to focus on building up their capacity for sustainable livelihood. Some would call this “charity”, but we argue that the difference between charity and an “assets transfer” is that with an assets transfer comes with the expectation that the family is engaged in a journey leading to sustainable livelihood, and so the need for a safety net and income support will gradually be reduced as the journey continues. Charity on the other hand, doesn't expect or necessarily even support growth and development.

4. **Joining a support group** – Another feature of the preparation stage (which in fact continues through all the stages) is that the family joins a support group consisting of other families working their way toward a better life. The support group itself is part of a larger network of such groups that together make a kind of *people's alliance* oriented to nurture and support its members on their journey. The alliance and all the groups within it receive fairly continuous coaching and mentoring from the LSO and HiMaT staff.
5. **Learning Engine** – Training and practical immersion in small projects in which the learning is immediately and directly applied is another key feature of the preparation stage. The seven courses of our HiMaT Indigenous Leadership and Development program are specifically designed to provide a foundation for people as they embark on a development journey. Additionally, training focused on knowledge and skills development for specific livelihood activities will likely be needed and should be anticipated and put into place.
6. **Measurement** – In order to know whether or not and to what extent growth is actually occurring, a number of key indicators can be used to measure progress out of poverty. These include: a) food security/nutritional intake; b) access to education and health care; c) savings, as well as assets such as, land, livestock, tools and livelihood related equipment; d) social capital, referring to social support systems; and e) engagement with community development institutions and processes.
7. **The role of local and area institutions** – KADO/HiMaT can be thought of as a third party regional institution. It works with second party local and area institutions to help (first party) local people, families and communities. The successful implementation of an anti-poverty initiative cannot be carried out solely by third party institutions that travel in and out of the communities. It requires the continuous engagement and support of local (VOs and WOs) and area (LSOs) institutions which, over time, need to learn how to become the primary implementers of initiatives to help the poorest of the poor.

One important reason for this is because third party agencies come and go with funding. Local and area institutions are always there. Another is because local institutions are far better able (than outsiders) to assess needs and barriers, and to build sustainable support processes and mechanisms. A third very important reason is so the poorest can have a voice in shaping the actions of local and area institutions. They can be full partners in any effort to support their journey out of poverty.

8. **Quick-wins** – The opportunity to develop a small livelihood initiative, to receive and manage funds and learn how to account for them, and to experience either success or failure in a small group business effort (both success and failure can be valuable learning experiences) while being guided and supported by a professional team is also an important stepping stone to being “ready” to receive a micro-loan and to achieving success in a livelihood venture.
9. **Graduation to micro-lending** – When a small group has gone through training, managed a quick-win project and is able to support its members in developing viable plans for sustainable livelihood activities, then individuals in that group may be ready to receive a micro-loan to support their livelihood ventures. They then can be said to have “graduated” to Stage Two: micro-lending. All the support mechanisms developed in Stage One (preparation) continue in this stage, but the

support group focuses now on helping its members to succeed in their livelihood venture.

When individuals pay back a small micro-loan, they may then be eligible to apply for a larger loan in order to further grow their enterprise. As this growth continues, family income should gradually start to increase, the need for external income support should decline, and there should be gradual improvement in all the indicators of progress i.e., a) increased assets and savings, b) increased ability to pay for education and health care, c) increased food security, d) strengthened social capital, e) increased knowledge and self-confidence, and f) increased connection with local and area development institutions and ongoing community development processes.

10. **Graduation to sustainable livelihood** – At this stage, a family that began the journey several years before should now be able to sustain and even further grow their enterprise(s). Also at this stage, families should no longer require income support, food aid, and help with the costs of education and health care. They should still be engaged in some kind of community development core group, and they should also be actively engaged with their community and with local and area institutions in working together to improve the life of all.