

CBMS: From Analysis to Solutions

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CBMS : WHERE DO WE GO FROM HERE?

- After doing CBMS, identify causes
- Ultimately: lack of income, poverty?



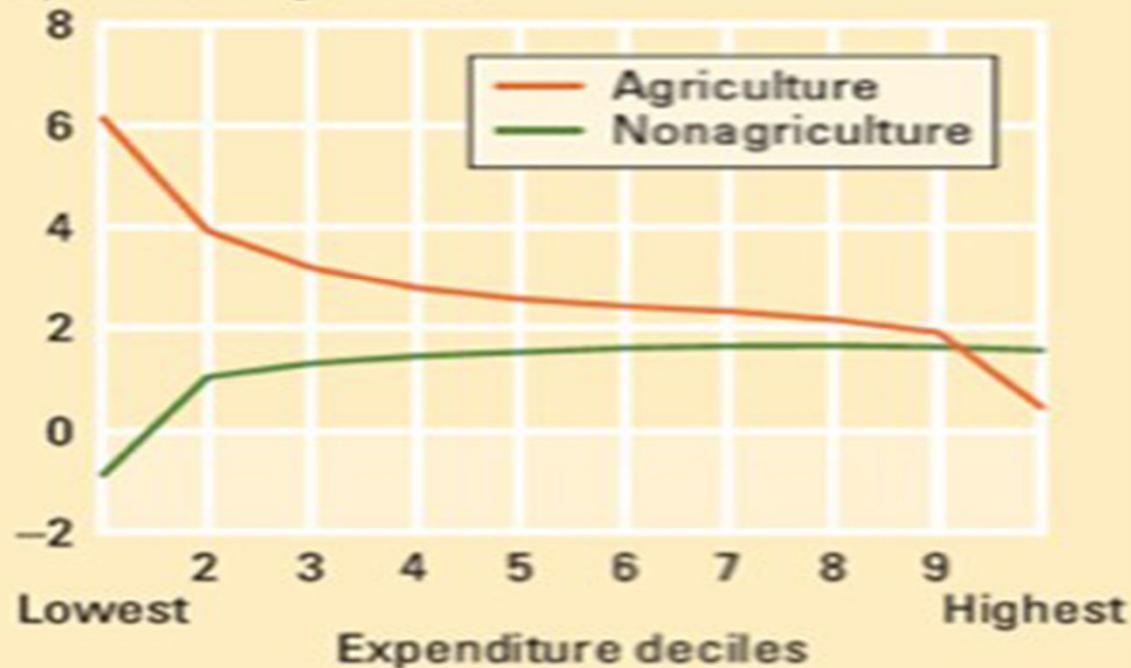
Causes of Poverty?

- Paul Hutchcroft:
Oligarchical state: impact on economic policies,
costs and risks of doing business
- Property rights and productivity incentives
- Poverty and agriculture growth?



Welfare gains from growth originating in agriculture are substantially larger for households in the poorer five expenditure deciles

Expenditure gains induced by 1% GDP growth, %



Source: Ligon and Sadoulet 2007.

Note: The two curves are significantly different at the 95 percent confidence level for the lowest five expenditure deciles.

Source: World Bank, 2007

Poverty Interventions vs CCT (safety net)

- “Teaching How To Fish” vs. “Giving Fish”
- Despite decades of NGO: Why no dent on poverty?
- Welfare and wealth variables: Productivity, costs, risks, growth



FRAMEWORK FOR NATIONAL WEALTH CREATION

$$W = \frac{(P - C)}{(R - G)}$$

P = Productivity

C = Cost of Production

R = Risk Factor

G = Growth Potential/Expectations

APPLIES TO:

- Total Economy
- Industry
- Firms
- Households

The PhiRice IPM Experience Onion Pest Sex Pheromone Trap

$$W \uparrow = \frac{(P \uparrow - C \downarrow)}{(R \downarrow - G \uparrow)}$$

Wealth creation
formula applied
in the farm

P = Productivity increased (>100%)

C = Cost of Production reduced with 50% less pesticides required

R = Risk Factor reduced with lesser use of pesticides & fewer pest population

G = Growth Potential/Expectations rises with higher incomes (P30K to 80K/ha.)

Possible Interventions:

- Fragile island ecosystems: soil erosion through deforestation, river siltation affecting irrigation and fresh water fishing, damage to corals and fishing
- Saemul: community allowed to take over if owner will not reforest
- Rural Baptist: upland terracing and water catchments (also Taiwan)
- Mangroves, fish sanctuaries and productivity of fisherfolks

Possible Interventions:

- Upgrading milking carabaos through artificial insemination
- Farmer's training programs (e.g, Dr. Davide, Dr. Guerrero)
- Diversifying crops, poultry, livestock, etc. to even out income volatility
- Food processing, preservation and packaging for higher value added
- Coconut intercropping

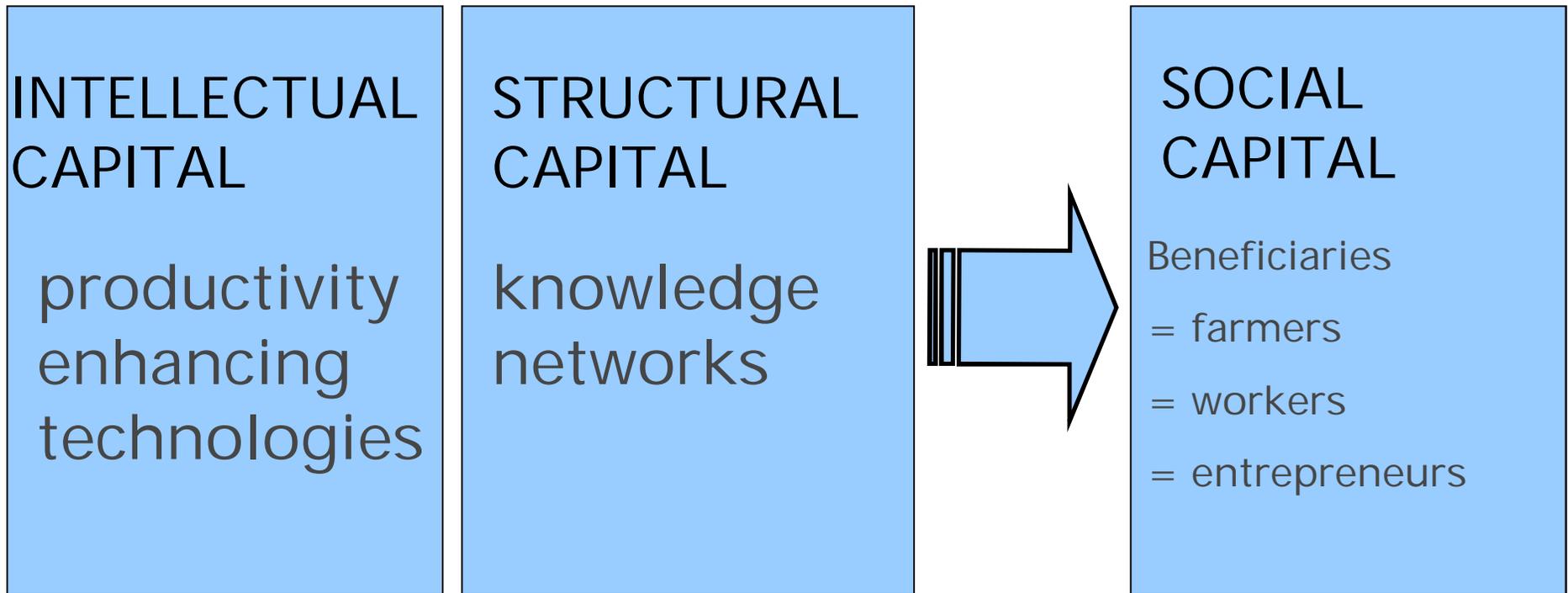


Possible Interventions:

- Inclusive tourism, businesses
- Micro credit
- Child feeding, school feeding
- Fortified noodles (vs. soap, candles, etc.)



KNOWLEDGE NETWORKING FOR PRODUCTIVITY



Goal: Higher Incomes Through Value Creation and Higher Productivity

Knowledge Networking:

- From intellectual capital to social capital
"If you teach a man how to fish, he will eat for the rest of his life"
- NGO's with DOST
- Tried with LGU's through farmers knowledge centers
- LGUs not concerned: no farmer votes? Votes concentrated in town centers ? Jueteng?



Knowledge Networking:

-Role of civil society in poverty alleviation and resolving problems identified by CBMS : sharing best practices ?



Thank you

