Asset Retention for the Most Vulnerable: What Can We Learn from Asset-Based Interventions

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Why securing wealth for the most vulnerable matters
  - Who are the most vulnerable?
  - What are the barriers to asset retention?

Asset-based interventions
  - Is there evidence of retention?
  - What works and how does it work?

Next steps
Why Securing Family Assets Matters

- Economic stability
- Improved health outcomes
- Improved educational outcomes
- Behavior change
- Equity among family members
Unlike developed nations, weak and misaligned institutions in sub-Saharan Africa make the retention of household assets difficult.

Macro level barriers to wealth retention in SSA
- Cost prohibitive formal institutions
- Burdensome/complex processes
- Biased informal institutions
- Misalignment between formal and informal institutions
Groups Vulnerable to Asset Loss

Poor
- Information asymmetries
- Economic impediments
- Corrupt systems
- PLHIV
- Shifts in family structure & functioning
- Social Isolation

Women
- Patriarchal systems

Children
- Misappropriation of assets by guardians
- Child headed households

People living with a disability
- Exclusion from labor market

Asset Retention in IDAs

What have IDAs achieved? And what can they offer these sub-groups?

Data from the U.S.A indicates:
- Participants retain assets after graduation
- Continued asset accumulation
- Ability to control debt and improve credit standing

Birkenmaier, Curley, & Kelly, 2012; Christy-McMullin, Shobe, & Willis, 2008; Grinstein-Weiss et al., 2013; Grinstein-Weiss et al., 2008; Han, Grinstein-Weiss, & Sherraden, 2009
Asset Retention in IDAs

Unifying components of IDA programs

- Access to financial intermediaries
- Financial education
- Asset management
- Life skills training
- Incentivized savings account
Next Steps

We need to ascertain what works and adapt it to non-IDA participants

1. Are SSA IDA participants able to retain their acquired assets after graduation?

2. What are the exact mechanisms that equip participants to accumulate and retain assets?

3. Are these mechanisms transferable?
Thank you!

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Vulnerable Groups & Asset Retention

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Vulnerable Groups & Asset Retention

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