



Center for Conscious Living Foundation, Inc.

Workshop on Knowledge-Based Development for the Poor

Asian Development Bank
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Workshop Objectives

At the end of the workshop, participants are expected to –

- Appreciate “knowledge-based development” (KBD) through several examples;
- Appreciate the process of bringing out the collective knowledge of a group; and
- Be able to identify some good practices/projects in KBD for the poor.



Workshop Approach

Our workshop this afternoon will illustrate two principles of Knowledge Management:

- *“A new way of seeing”*: Shifting our mental models to reframe our experience
- *“Leveraging our collective knowledge”*: Making our individual tacit knowledge explicit so we can combine and synergize them to build greater public knowledge



ADB Definition of Knowledge-Based Development (KBD)

Knowledge-Based Development

Knowledge-based
economy (KBE)

	Value Domains of Sustainable Development		
	Economic	Social	Natural
Education (Development of human capital)	<i>Education for a skilled workforce</i>	Education for total human development	Education for sustainable development
Innovation (Development of structural capital)	New systems/processes • <i>technological innovations</i> • <i>government policies</i>	New institutions and protocols for peace, equity and human rights	Environmental technologies, e.g. renewable energy technologies
Building Networks (Development of stakeholder capital)	Financial and physical networks, e.g. <i>ICT infrastructure</i>	Social networks, social trust, cultural integrity	Agreements to protect and sustain planetary life support systems

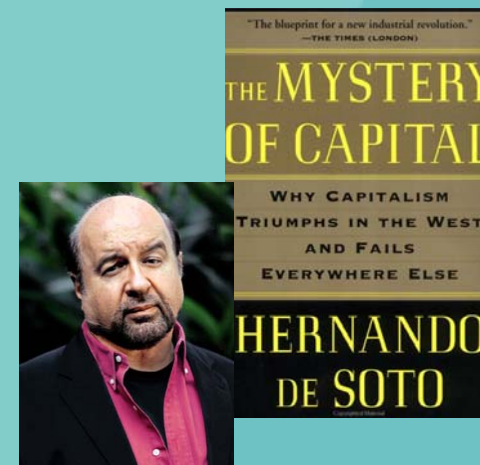
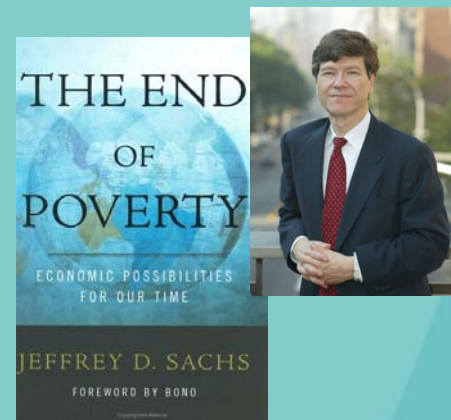
Source: "Moving Towards Knowledge-Based Economies – Asian Experiences." ADB, 2007.



A New Way of Seeing

Let us **STRETCH** our concept of “capital” to mean anything that can yield regular income or create value:

- Natural capital: *“A mango tree yields fruit every year.”*
- Social capital: *“My godfather gives me a cash gift every Christmas.”*
- Intellectual capital: *“As author I get royalty from each book sold.”*
- Customer capital: *“My customers keep coming back because they trust me.”*
- Human capital: *“The Philippines gets \$13B yearly from its overseas workers.”*
- Public capital: *“This new road enables me to sell my products to the town center every week.”*





Good Practices in KBD

Some Examples in Poverty Reduction

- *Leveraging on a country's unique **human capital**: Tuvalu Maritime School to build on the Pacific region's natural seafaring skills*
- *Building on local **social capital** for enterprise development: Shakti, a rural consumer goods distribution system set up by Hindustan Lever Ltd (subsidiary of Unilever), run by 250,000 women entrepreneurs; Grameen bank, famous network of self-help microfinance cooperatives in Bangladesh*
- *Setting up **structural capital** that empowers farmers: e-Choupals provide farmers latest prices of farm produce via the Internet*
- ***Innovation** of new and more appropriate community enterprise models: Cultural eco-tourism by UNDP GEF Small Grants Programme*
- ***Knowledge networking** for capabilities critical to low-income communities: Locally-Managed Marine Area Network (LMMA) links community-managed resource management groups in Asia-Pacific*
- *Government recognition of **property rights** to ancestral domain of Ikalahans: converted a natural public asset to natural capital assigned solely to Ikalahans.*



What is Common Among These Successful Ventures?

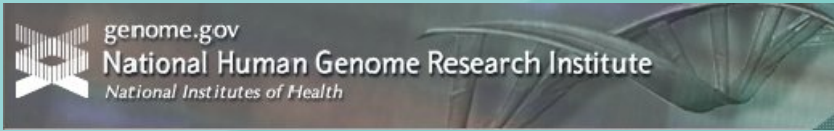
Sold for \$30M
to Yahoo



Sold for \$1.65B
to Google



Leveraging on Collective Knowledge

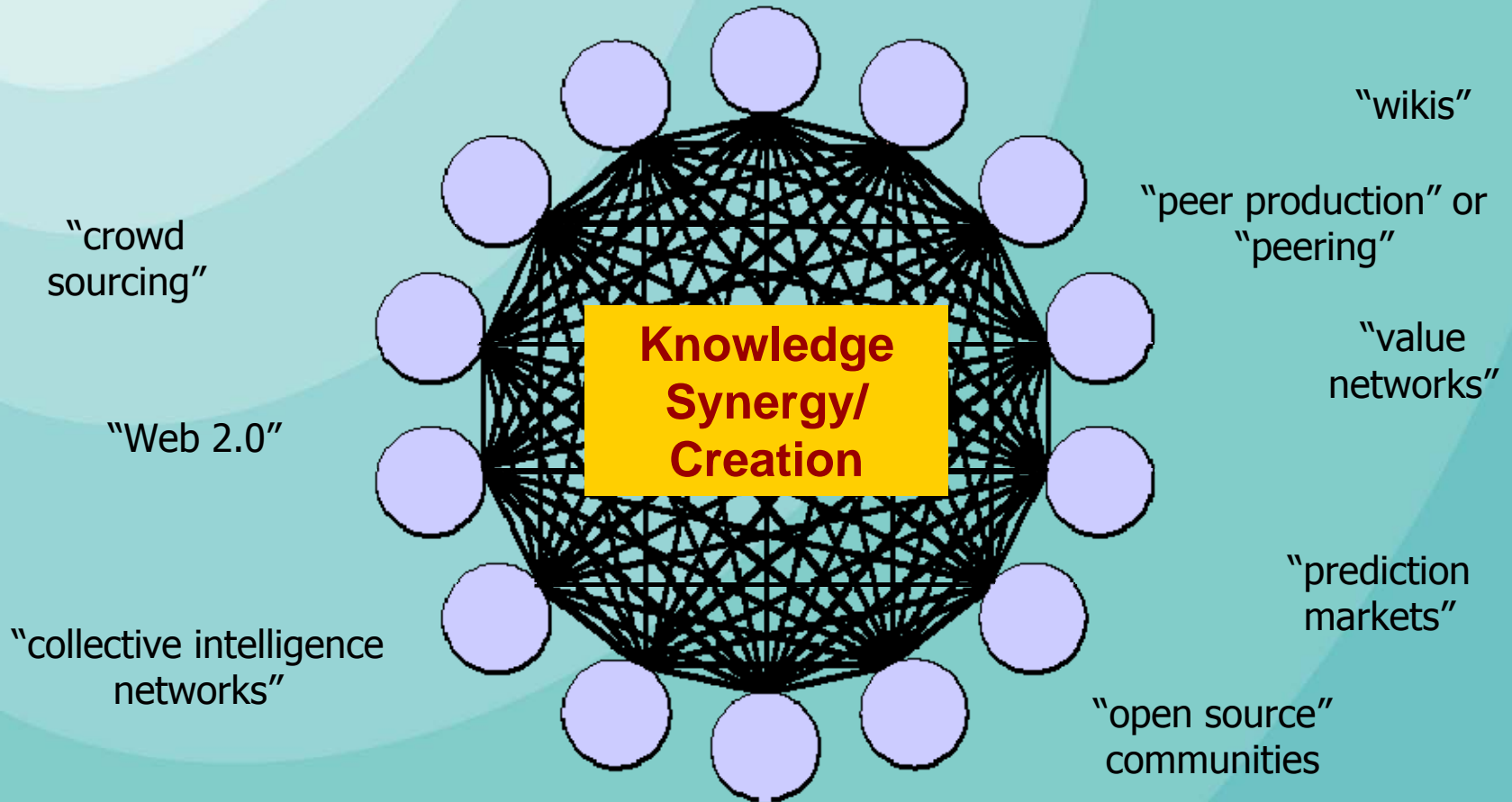


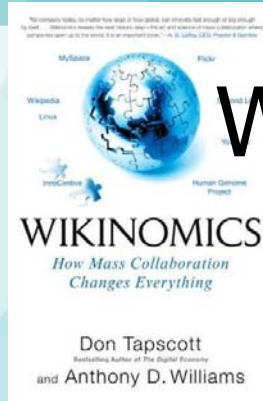
Sold for \$580M
to News Corp.





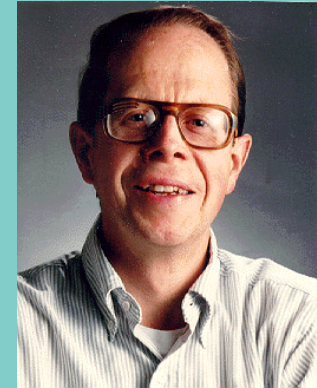
A New Social Technology with its own Language is Emerging in Many-to-Many Knowledge Synergy





What is the Driving Force? or, Network Economics

- Metcalf's Law: the potential value of a network increases as n^2
- Knowledge, like information, allows multiple consumption (sharing a copy does not diminish the utility of the original)
- Knowledge when used/practiced appreciates (Physical capital when used depreciates)
- Marginal benefit for new member increases with n , while marginal cost of new member decreases with $n \rightarrow$ B/C ratio explodes



Prof. Robert Metcalf
California State University



Our Workshop Procedure

1. 25 minutes: Initial draft phase, by groups. We divide ourselves into 4 brainstorming groups.
 - Brief self-introductions and select a Scribe who will write the results in Manila papers using black pen
 - Come up with examples of exemplar/innovative antipoverty projects, projects that bridge the “digital divide”, KBD projects for the poor, successful community-based livelihood systems, etc. similar to the examples shown earlier
 - Give a short phrase describing the essential or unique approach of each
2. 15 minutes: Wiki phase, by individuals.
 - Group results are posted; everyone walks around to read group results.
 - Using red pen, anyone can add or subtract, edit, comment, etc.
 - Using blue pen, anyone can react to red comments
3. 10 minutes: Plenary discussion of results.
4. After the workshop, group results will be encoded and emailed to all participants. Please provide us with your email address or calling card.



List of good practices/projects	Comments/Reactions	Comments on the Comments
<p>(To Scribes in initial draft phase by small groups: please fill in leftmost column with black pen)</p>	<p>(During wiki phase, anyone can comment; use red pen)</p>	<p>(During wiki phase, anyone can comment or react on the comments/reactions; use blue pen)</p>

Manila paper or kraft paper



Thank you

Any question on our
workshop procedure?

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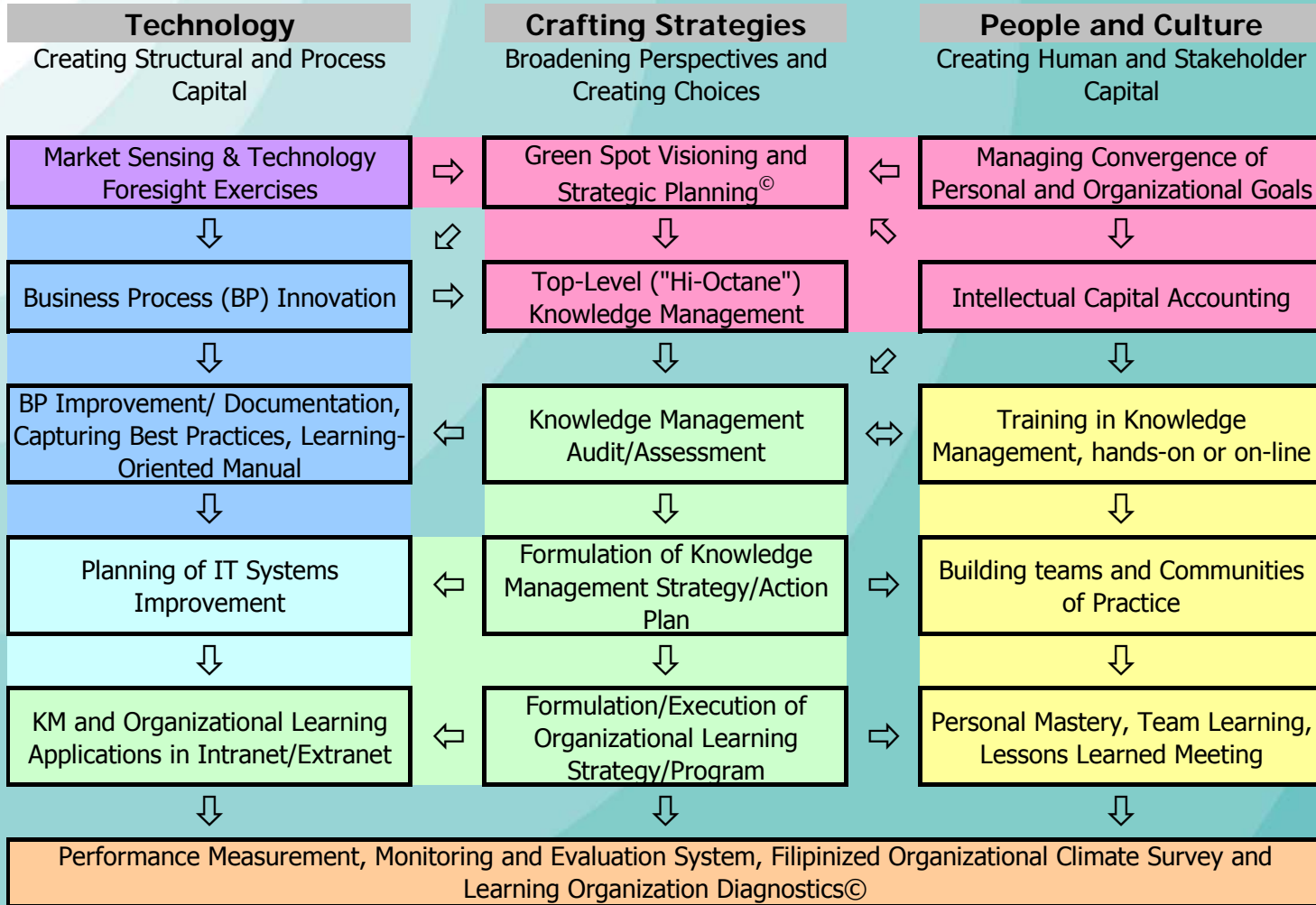
Center for Conscious Living Foundation

- Non-stock non-profit organization registered with SEC in August 1999
- Provides services in personal and organizational learning and change, including knowledge management
- Specializes in facilitating human processes for creating value with intangible assets
- Leading service provider in knowledge management in the Philippines



PRODUCT OFFERINGS OF THE CENTER

FACILITATING HUMAN PROCESSES TO CREATE INTANGIBLE ASSETS*



*CREATING ECONOMIC AND SOCIAL VALUE IN THE GLOBAL KNOWLEDGE ERA DEPENDS MORE ON INTANGIBLE THAN ON TANGIBLE ASSETS. INDICATIONS ARE:

- Market-to-book ratios now about 5:1
- More of GDPs produced by the service sector
- Tacit-to-explicit knowledge ratios about 95:5



CLIENTS OF THE CENTER, BY PRODUCT GROUPS

