Sarvodaya Approach to Economic Empowerment and Financial Inclusion

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A holistic/integrated approach based on Buddhist Teachings

- Recognition of:
  - inter-connected of all beings and all systems
  - multiple determinants of poverty
- Development is an outcome as well as a process
- Notion of “well-being”
- Development as an “awakening process” encompassing Spiritual, Moral, Cultural, Social, Economic and Political dimensions
Sarvodaya Shramadana Movement

Sarvodaya – “Awakening of All”
Shramadana – “Sharing of Time, Thoughts and Energy”

Individual
Family
Village
Urban
Nation
World

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Spiritual
Moral
Cultural
Social
Economic
Political
Present an idea; a philosophy

Initiate process of self-development

Support those who pick it up as best as we can
“We build the road – Road builds us”
Beginning of a Long Journey

- 1958
- 1968
- 1978
- 1988
- 1998
- 2008
- 2010
- 2018

Sarvodaya

Graph showing growth:
- 1,000
- 6,000
- 12,000
- 15,000
Evolusion of Sarvodaya over 60 Years
1958 - 2018

Entrepreneurial approach to addressing social issues and creating positive community change.

- Satisfaction of basic human needs
- Locally planned and resourced
Entrepreneurial approach to addressing social issues
Village Development as a Continuing Holistic Process

Stage i
Psychological infrastructure development

Stage ii
Social infrastructure development and training

Stage iii
Satisfaction of basic human needs and institutional development

Stage iv
Income & employment generating and self-financing

Stage v
Sharing with neighboring villages

Sarvodaya Village Development Financial Center
Gram Swarajya (Self Governing Village)
Ten Basic Human Needs

• A clean and beautiful environment
• Safe and adequate supply of water and sanitation
• Adequate supply of clothing
• Balanced Nutrition
• Basic Housing
• Basic health care
• Basic communication facilities
• A minimum supply of energy
• Holistic education
• Spiritual and cultural needs
LJSSS Program Units

1. Field Operations Division (FOD)
2. Sarvodaya Shramadana Central Unit (SSS-CU)
3. Sarvodaya Institute of Higher Learning (SIHL)
4. Sarvodaya – Fusion
5. Projects Division

Organizational Structure
1. Governance (Legal Compliance)
2. Management (Personnel, Administration, Finance)
3. Business Development
Sarvodaya in Sri Lanka

- Outreach to 15,000 villages
- 5400 legally registered village societies
- 26 District Centers
- 8 Development Education Institutes and 4 multipurpose community centers and 3 Farms
- 11 legally independent national organizations
A holistic approach

• Satisfaction of basic human needs
• Leadership development and voluntarism for social change
• Participatory democracy and good governance at village/community level
• An independent and representative community organization with a strong legal basis
• Capital formation
  – Spiritual
  – Social
  – Financial
• Part of a network of self-governing villages (Gramswaraj) aiming national awakening (Deshodaya)
Capital formation at community level

- **Spiritual**
  - Inner peace through meditation
  - Moral development through collective community action

- **Social**
  - Relationship building, social cohesion, ethnic harmony, protection of vulnerable sections of the populace

- **Financial**
  - Village savings mobilization, enterprise development
  - Surplus generation and investment within and/or outside the village
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Social Entrepreneurship phase

- Social enterprises supported by External donor support
- Metalwork and engineering
- Wooden furniture and educational toys manufacturing
- Export (Entering Fair Trade Market)
- Microfinance (SEEDS

A social enterprise as a revenue-generating business

- Sarvodaya Sustainable Economic Development Services Ltd. (S-SEEDS)
- Sarvodaya Fusion; ICT4D
- SarvoTEC Pvt. Ltd.
- Sarvodaya Development Finance Company (SDF)
- Sarvodaya Leisure Ltd.
Journey of SDF

10 years in Business
LKR 8bn Asset base
Over 165,000 Customers
51 Branches
LKR1.5bn Savings base
Board basing Ownership to Village Societies
Towards an alternative economic system

• “Spend one portion of the earnings for consumption, invest two portions in business or industry, save one portion to be used if & when in distress” (Singalovada Sutta)
Current Economic Model

• Poverty and environmental degradation
• Economic model based on “profit generation” not on human welfare
• Features of this economic model
  – “Survival of the fittest approach”
  – Unequal income distribution and inequities
  – International interventions and corporates
  – Disempowerment of communities
  – Creation of paper money
  – Credit led economic growth
Elements of an Alternative Economic System

• Satisfaction of Basic Needs
• Use of renewable resources
• People based approach
• Gender equality
• Aim for a Self-sufficient economy
• Bottom up approach for development
• Sharing and caring
• Supportive Role of the State
• Use of appropriate technology including information communication technology (ICT)
• Savings led economic growth
A call for a Radical Transformation
An alternative Economic System

- Not trying to create “rich few”
- Not making “profits” by destroying the environment and/or communal harmony.
- Not engage in “immoral” activities though perfectly legal
- Not make unfair deals & not take poor for a ride
- Recognize & give priority to social objectives while working within the existing economic environment
Transformative Approach

- Voluntarily give up wasteful styles of living
- Share part of their wealth to enable the poor to generate enough income to meet their minimum needs
- Take steps to remove structural injustices that keep majority powerless & poor
- Does not regard spiritual activities as “uneconomical”
- Ensure community savings circulate within the community
BUILD A JUST, SUSTAINABLE AND COMPASSIONATE SOCIAL ORDER THAT FULFILLS THE BASIC HUMAN NEEDS OF THE COMMUNITY THROUGH INDIVIDUAL AND COLLECTIVE AWAKENING