

Improving the food security of the extremely poor by linking them to markets

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This article draws lessons from ACDI/VOCA, CARE, and World Vision-implemented food security programmes to answer three questions: how can push/pull activities better integrate the extremely poor into 1) output and 2) input markets? And 3) how can push/pull programme activities help improve intra-household gender dynamics and financial decision-making to improve the food and nutrition security of household members? In output markets the lessons include: 1) that market development and savings group interventions can be implemented by the same officer; and 2) projects should move early to have a private sector provider take over the village savings and loan associations. While there are constraints in the input markets, there are also push strategies for increasing production, including direct delivery of inputs to farmers, vouchers to increase demand, and Farmer Business Group development to increase collective input buying and pull strategies such as linkages with buyers for the selling of products and tapering down subsidies. Intra-household gender equitable decision-making can positively impact the food security of the household members. Mixed gender Village Economic and Social Associations are efficient in tackling intra-household decision-making. This allows the provision of flexible and efficient financial services as well as an opportunity to engage husbands and wives in gender-related dialogues.

Keywords: push/pull, market systems, gender, value chain development, food security

OVER THE PAST SEVERAL YEARS, development practitioners have increasingly recognized that sustainable poverty alleviation for the extremely poor living on less than US\$1.25 per person per day requires greater coordination between programmes and strategies focused on expanding household incomes and food security and programmes focused on larger-scale market development. Building on projects funded and implemented by several donors and organizations, the USAID/Ethiopia

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Mission was the first of its kind to frame its Feed the Future strategy for 2011–15 explicitly as a push/pull approach. The Mission defines a push/pull model as one that:

... seeks to build the capacity of vulnerable and chronically food insecure households to participate in economic activity (the ‘push’), while mobilizing market-led agricultural growth to generate relevant economic opportunity and demand for smallholder production, labour, and services (the ‘pull’) (USAID/Ethiopia, 2011: 17).

Building on the experiences in Ethiopia and elsewhere, USAID/Washington released the push/pull framework in January 2015 (Garloch, 2015). While push and pull activities have been core components of development programming for decades, the push/pull approach, as indicated in Figure 1, seeks to intentionally integrate push activities, in which goods, services, and capacity building are directly subsidized through project funds, with pull activities that are led by market incentives. This integration is done through a theory of change in which the extremely poor are put on a graduation pathway to increasingly enable them to improve their economic and food security status by being pulled up by engagement in the market.

Push/pull programmes attempt to strike a balance between the potential for development programmes to ensure sustainability (by working through input

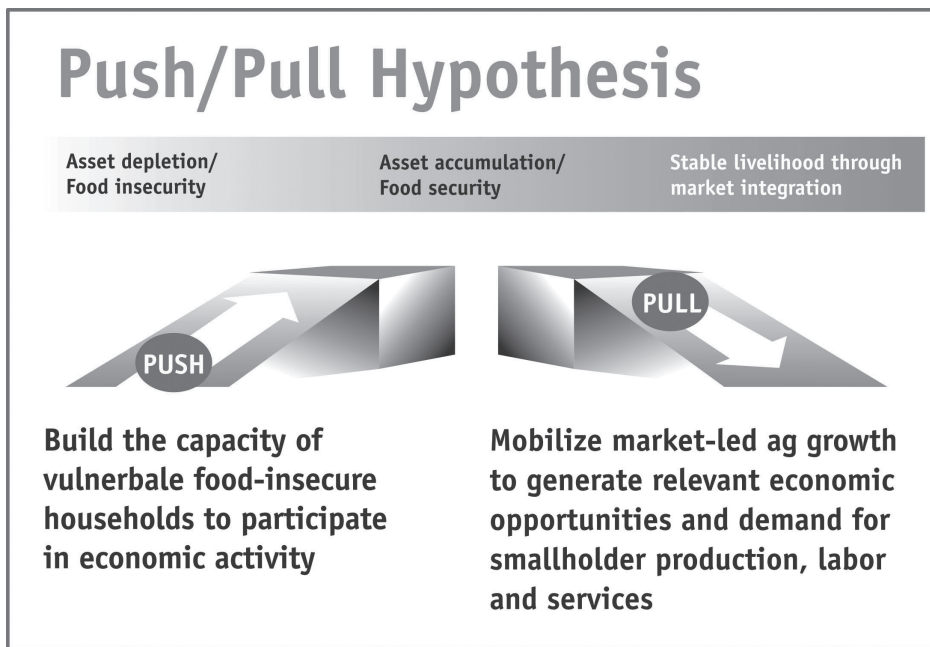


Figure 1 Push/pull hypothesis
Source: Richards and Singh (2015)

market and output market private sector actors' commercial relationships with smallholder farmers), and ensuring that economic gains from development interventions are reaching the poorest segments of society (what USAID calls 'inclusion') (Campbell, 2014). Mechanisms that work through existing market channels, even those that expand those channels at the margin, will inevitably be challenged to profitably provide input and output market services to populations that are currently geographically and economically not profitable to reach.

In the context of the emerging literature around push/pull, this article seeks to address three questions:

1. How can push/pull activities better integrate the extremely poor into output markets?
2. What are successful push/pull activities for integrating the extremely poor into input markets?
3. How can push/pull programme activities help improve intra-household gender dynamics and financial decision-making to improve the food and nutrition security of children and other household members?

This article addresses these three questions by drawing on lessons from ACIDI/VOCA, CARE, and World Vision-implemented food security programmes in Haiti (USAID SAK PLEN), Bangladesh (USAID PROSHAR project), Burkina Faso (USAID VIM project), Uganda (USAID RWANU project), Ethiopia (USAID GRAD project), and Malawi (USAID WALA project), focused on food insecure households. The Ethiopia GRAD project is the only project of the above that was designed and implemented utilizing a push/pull approach-based theory of change from inception onwards. While the other projects were not implemented with a push/pull theory of change, they did include several push and pull activities that in practice were sequenced focusing on a gradual pathway for beneficiaries from push to pull activities, a core aspect of the push/pull approach (USAID Ethiopia, 2015: 10). Within these projects, we have focused on findings which would be most relevant for push/pull projects moving forward.

We find that food security programmes implementing push/pull strategies must balance and sequence activities carefully. Push activities can easily displace or undermine the effectiveness of pull activities. Shifting too quickly to pull activities can leave the most vulnerable households in poverty traps with insufficient land, labour, or capital; and thus unable to participate in the market-led growth facilitated by the project (Banerjee and Duflo, 2011). In addition, we argue that push/pull strategies without an explicit focus on intra-household dynamics and gender equality risk losing gains achieved.

Push/pull activities to integrate the extremely poor into output markets

Extremely poor households depend on cash income to be able to pay for school fees, visits to the clinic, transportation costs, and other essentials, including investing

in improved seeds and other inputs. Output markets provide that essential cash income to address these needs.

This first section will review the constraints and opportunities in the market system, gender considerations, sustainable approaches for market linkages, and learnings from the projects reviewed to examine how to enable extremely poor households to benefit from integration into output markets.

Market constraints

Extremely poor producers face a number of hurdles to becoming more involved in the output markets. The *Integrating Extremely Poor Producers into Markets Field Guide* cites the following constraints for producers to profitably link to output market buyers (Norell and Brand, 2014):

- *Limited capacity and resources.* Extremely poor producers often produce in quantities too small for buyers to profitably buy at local market prices.
- *Vulnerability and over-indebtedness.* Often extremely poor producers have such high debts to output market buyers that the producers have to sell at discounted prices to pay the interest rate on the loan. Additionally, they are also often the producers who are most vulnerable to climate change.
- *Strong risk aversion.* Given their food insecurity, if an extremely poor producer makes an unwise business decision, their children go hungry.
- *Inadequate access to products and services.* Extremely poor producers are often too poor or too rural for the input markets to provide a wide range of inputs at competitive prices.
- *Limited mobility and freedom.* In many cultures women especially have limited mobility to meet with buyers: for example, they cannot meet with male buyers.
- *Unequal distribution of entitlements.* The extremely poor are often not the farmers who receive fertilizer input subsidy vouchers because they lack political connections.
- *Time poverty.* Extremely poor female producers lack additional time to travel to meet with several buyers to seek the best price.
- *Inexperience and shallow networks.* Extremely poor farmers lack the experience of negotiating with several buyers. Often they simply do not know the buyers or how they would go about contacting them.
- *High transaction costs.* Given the small quantities individual farmers produce, selling such a small quantity is expensive in terms of time for both the buyers and farmers. At the start of the Haiti SAK PLEN Project smallholder farmers did not produce sufficient quantities of mangoes individually to sell directly to the exporters because exporters prefer large volumes and consistently high quality.
- *Social exclusion/lack of empowerment.* Extremely poor women who are also food insecure may lack the self-confidence to interact with buyers from outside their community.

In the Malawi WALA ('shining' in local language) Programme, funded by USAID Food for Peace, led by CRS, and implemented by World Vision and other organizations,

it was found that output market constraints across the value chains impacting all income levels of farmers included the high cost of transportation because of the bad roads in rural areas. There was also a high percentage of crop losses due to improper drying and storing by the farmer. Farmers complained of unfair trading practices such as traders' tampered scales. Farmers' incomes were reduced when local vendors would buy crops right after harvest, when prices are low, and sell during the hungry season when prices are high. The processors and exporters complained that the moisture levels were too high in the crops production from the farmers and traders. They found stones and dirt in the cereals rather than production. Also the exporters and processors do not give premium prices for quality, providing little incentive for farmers or traders to improve product quality.

Market opportunities

The market assessments also noted opportunities for growth in the output markets at different transaction points. Between farmers and commercial buyers, the commercial buyers were interested in bulk purchases, the farmers were interested in engaging in collective marketing, and the intermediary buyers were willing to provide credit to local vendors.

Two opportunities were: 1) the buyers' and exporters' willingness to pay higher prices than local traders for production if sold in bulk; and 2) a warehouse receipt system where farmers could deposit their production in storage and sell later when the prices are higher.

Gender dynamics

In order to improve linkages to output markets, food security programmes working with food-insecure households often do a gender analysis to better understand the dynamics between genders and how this interaction impacts the food and nutrition security of the household. In the Malawi WALA Programme's agribusiness gender analysis, 'the significant output market findings found that women were more likely to participate in the marketing groups than men' (Arlotti- Parish, 2014). The women in the marketing groups found that selling collectively was more profitable than selling individually.

The quotation below from the WALA Agribusiness gender study shows that the self-efficacy of both men and women who participated in the marketing groups increased. Self-efficacy is a measurement of whether a person feels they have the capacity to achieve a desired goal or outcome.

Given female respondents' discussion on their increased access to and control over income within the household ... it is unsurprising that the self-efficacy indicator also demonstrated an increase in women's perceived abilities to control positive outcomes in their lives. Equally important, the self-efficacy indicator demonstrated that this increase in female empowerment did not result in men feeling disempowered. Women felt that the control they had over their own life outcomes had increased, and men did as well (Arlotti- Parish, 2014).

Collective marketing

As part of pull activities, the World Vision SAK PLEN Programme in Haiti facilitated market linkages with producer groups to suppliers and buyers in mango, avocado, vegetable, roots, and tubers value chains. For many of the extremely poor, the focus was more on vegetable, roots, and tubers. However, through push activities, including training, some of the extremely poor producers were able to grow over time to engage in higher value export crops such as mango and avocado. The project set up a mango collection system through the producer groups' own marketing agents to link with exporters. The programme worked with the producer groups to put into place systems of collection, cleaning, and grading of mangoes (Rassas et al., 2014).

The programme facilitated the development, signing, and execution of contracts between the exporters and the producer groups. The purpose of these contracts was to make the terms, conditions, and responsibilities clear to all parties in writing. The objective of the contracts was to ensure that the producer groups complied with the organic and fair trade requirements, to improve post-harvest losses, and to make investments in increased mango production. The contracts also ensured that the exporters committed to buying a minimum number of mangoes at an established price.

In this programme, the exporter handles the fair trade and organic requirements for certification of the farmer groups. The exporter charges 30–50 per cent of the fair trade/organic premium to pay for the exporter's costs to maintain the certifications. The initial and ongoing annual certification of organic and fair-trade was subsidized during the life of the project. The programme facilitated the linkage with the exporter and the certifying body. This sustainable model of linking the farmer groups with the exporters has continued beyond the life of the project.

Quantitative evidence for the reduction of poverty in the SAK PLEN project in Haiti showed marked progress for the beneficiaries whereby underweight and stunting were reduced by 4.2 per cent and 5.9 per cent, respectively, in children 0–59 months. Qualitative evidence from beneficiaries shows that farmers have more disposable income, among other positive benefits for the community (Rassas et al., 2014).

Private sector providers

In order to promote sustainable interventions beyond the life of the WALA project in Malawi, the project staff developed the Private Sector Provider approach as a pull intervention. This approach was applied to both Village Savings and Loan Associations (VSLAs) and Agribusiness Marketing Clusters (Rassas et al., 2014).

For the Agribusiness Marketing Cluster a candidate was selected for the private sector provider position and then vetted by the project to ensure he or she met certain criteria. As a push strategy, these persons were then trained in project interventions in agribusiness and integration of other sectors to become private sector providers. As a pull strategy a contribution is collected from each group member and paid to the private sector provider. These contributions provide an incentive

to continue supporting the savings groups during the savings cycle: advising on methods, governance issues, management, and economic activity planning, and helping at the end of the cycle when the share-out has to be calculated and distributed. The contributions also provided an incentive to the agribusiness private sector providers to link producer groups to output market formal buyers.

In the WALA final evaluation, the evaluators cautioned that after the end of the project, the agribusiness private sector providers had a more difficult challenge than the VSLA private sector providers to ‘work unaided in an open system and interact with sophisticated buyers at all levels’ (Verduijn et al., 2014: 35).

Learnings regarding output markets

Market development and savings group interventions can be implemented by the same NGO staff person. In the WALA project, the NGO Agribusiness Extension Officers were able to implement both the VSLA programming and the marketing group linkage to input and output markets. Through the VSLAs, individuals and households learn the financial discipline to save and can also borrow for high return investments. Having the same officer also allows for better sequencing of push activities (training) with the pull activities (private sector providers and commercial relationships with suppliers and buyers).

In VSLA programming, private sector providers took over 100 per cent of the recruitment, training, and supervision of the VSLA groups in the WALA project in the last year. If this had been done earlier in the project, it would have further extended the number of savers during the project and increased the likelihood of more savings groups being formed by private sector providers after the project ended.

Push/pull activities to integrate the extremely poor into input markets

Strengthening smallholder linkages with input markets is a critical component of poverty alleviation. Push/pull projects focused on increasing extremely poor producers’ utilization of improved inputs face several challenges, mostly related to correctly anticipating when to sequence push and pull engagement of smallholders. Particularly in contexts and projects with a project goal of increasing private-sector provision of inputs in the long run, push activities which directly provide inputs through full or partial subsidies need to be careful not to inadvertently suppress nascent demand for private sector suppliers, which could undermine the efficacy of ‘pull’ activities encouraging input suppliers to expand their sales and marketing outreach to include extremely poor smallholders (phone interview with Amidou Kabore, COP for the ViM project in Burkina Faso, 29 July 2014).

A key step in developing the theory of change for increased adoption of inputs by the extremely poor is correct identification of the type and extent of constraints precluding private sector sales of inputs to the extremely poor. In many contexts, geographic and infrastructural constraints alone, particularly if exacerbated by acute climatic, political, or economic shocks, will be sufficient to dramatically reduce or

erase the foundational business case essential to the functioning of market ‘pull’ mechanisms (phone interview with David Hughes, COP for the RWANU project in Uganda, 29 July 2014). In these contexts, projects should be realistic about the potential graduation pathways for the extremely poor within the project timeframe, while retaining a dual-focus for ‘push’ activities: first, addressing short-term acute needs through time-bound ameliorative activities, such as food rations or subsidized production inputs procured and delivered by the project. Second, in the long term, these push activities will have the greatest economic return for beneficiaries if they are focused on building smallholders’ asset bases, resilience, and business/agronomic capacity to a level sufficient to entice input markets to expand to include them as customers if and when the market ‘pull’ context improves.

In contexts where market entry for the extremely poor is possible (i.e. the constraints are solvable by the project within the given timeframe), pull strategies should focus from the beginning on shifting marketing and sales mind-sets of input suppliers to see smallholders as a viable customer-base. Simultaneously, ‘push’ activities should be explicitly focused on increasing the extremely poor’s capacity to become smart customers, understanding what inputs will provide profitable return on investment, and buy-down risk for them to test and learn new technologies in their own fields. To know when to successfully graduate beneficiaries from push to pull engagement, projects must monitor the evolving business case for input suppliers, including nascent demand for inputs, external enabling environment factors, and innovations in product sizing and marketing that could increase margins sufficiently to justify input supplier investments, and shift project focus accordingly.

Commercial inputs and poverty

Closing the gap between current and potential crop yields is a key component of poverty reduction for smallholders. Long-term studies have confirmed that increases in agricultural productivity are associated with a decrease in poverty levels (Thirtle et al., 2003). Rising agricultural productivity reduces poverty by improving production, directly increasing incomes, reducing food prices through increased supply, through ‘spill over’ growth effects in the non-farm sector, and as a pathway to transition economies and livelihoods from agriculture to manufacturing and services (DFID, 2004).

Several factors determine overall productivity on a given landholding: existing natural resources, including water and soil nutrients; presence and intensity of pests and diseases; farmer management practices; and the genetically determined efficiency of the plant in utilizing existing nutrients and fighting off threats.

In the projects studied, a common aspect of the extremely poor populations was that they inhabit land with minimal natural resources and/or high incidence of pests and disease. In the short to medium term, the greatest potential to increase productivity for livelihood programming is by improving farmer production practices and improving the genetic stock of seeds by introducing and scaling up use of commercially improved seed varieties, fertilizers, and other inputs.

There are four reasons that extremely poor smallholders are not using such inputs. First, many farmers are either unaware of the benefits of agricultural inputs or are unsure of their appropriate application. Over- or under-application of fertilizer can adversely affect crop performance and nullify the yield response necessary to cover the cost of the input. In the projects studied, most farmers know that improved inputs can be useful, but stated that they would be hesitant to invest in inputs without advisory services to ensure correct use (personal email correspondence with Amidou Kabore, 6 August 2014).

Second, agriculturally marginal land tends also to be further from agricultural input markets or transportation to them. The VIM project in Burkina Faso targeted the neediest geographic areas to work in, that are also furthest from existing markets for goods and services, which in turn raises farmer transaction costs.

Third, land preparation often coincides with the lean season when families have the least available funds. Microfinance institutions (MFIs) have limited reach in marginal production areas, and products that are available are often too costly (Kessy and Urio, 2006).

And fourth, product size is a serious constraint for farmers utilizing inputs. Seed and fertilizer sachets are often sized for larger landholdings than those of extremely poor farmers.

Strategies for increasing utilization

In the face of these constraints, the projects reviewed have deployed a combination of push and pull strategies to increase adoption of improved inputs by the extremely poor. These include partial subsidy voucher programmes (Burkina Faso VIM) and longer-term strategies for Farmer Business Group development (Bangladesh PROSHAR).

Vouchers. The VIM project in Burkina Faso worked in 36 districts to increase adoption of improved inputs by holding seed fairs in which input supply companies sell to farmers who receive a partially subsidized voucher to pay for seed.

Seed fairs reduce transaction costs for suppliers and buyers in three ways: first, they significantly reduce the transportation distance cost for buyers; and, second, they reduce the external transaction cost for suppliers by ensuring a minimal level of demand. Since the farmers have to sign up to receive vouchers ahead of time, VIM is able to provide estimates to suppliers of the number of buyers at the fair and their required input tonnages. Third, seed fairs can increase women's access to inputs, because seed fairs reduce distance and expenses required to procure inputs.

This model has been successful, in the two seasons it has run so far, in leading to more sustainable market linkages between farmers and input suppliers. It has led to spill-over market linkages between farmers and agro-dealers outside of the fairs in which farmers have leveraged the connections gained in the fairs to purchase other inputs without subsidy from the input suppliers (phone interview with Amidou Kabore, 29 July 2014). This model seems most effective in contexts in which the constraints to input supply expansion are primarily knowledge-based (either farmer

knowledge of input benefits, or agro-dealer knowledge of total demand and its rate of diffusion).

Farmer Business Group development. The Bangladesh PROSHAR project is forming Farmer Business Groups (FBGs). FBGs bring together approximately 100 producers for each group (former participants of the Farmer Field School training programmes) and lower transaction costs for inputs and markets through bulk purchasing from suppliers and bulk selling to buyers. FBGs are supported by farm business advisors (FBAs) who serve as a link between private firms and FBGs and provide extension services and information to groups. Through these groups, farmers are able to get continued, sustainable extension service from FBAs on new technologies and techniques, up-to-date market information, and private sector linkages with both suppliers and buyers.

Collection points for these groups and others have been established to aggregate products in one location to reduce transportation costs to market and to facilitate larger purchases for buyers.

One enabling condition for this model is the geographic density of producers. The 100 producers in each FBG live relatively close to one another, so regular meetings to coordinate activities are able to happen more frequently. Additionally, input suppliers and output buyers are also geographically nearby. The greatest advantage is the reduction of total per unit price farmers have to pay through wholesale orders.

Scaling down product sizes. The VIM project is working with small-scale input suppliers to scale down the sachet sizes of inputs to quantities appropriate for smallholder farmers and to provide embedded extension advisory support services to farmers around the products they are selling.

Small-scale travelling input sellers in rural Bangladesh are vital actors for the seed market and reaching smallholder farmers. Female famers especially benefit from these farm gate sellers, compensating for their lower mobility and time constraints. PROSHAR provides training on quality seeds to farmers, creating a demand for quality seed, while simultaneously working on the supply side by addressing the weaknesses of these agro-dealers. PROSHAR facilitates training by private sector seed companies for these dealers on quality control, proper planting practice, business planning, and marketing.

Implications for push/pull approaches to input markets

Effective sequencing and moderating expectations are necessary for successful push/pull strategies. In contexts where transaction costs are primarily geographic, infra-structural, or otherwise outside the scope of the project to solve, the business case for full-scale retail agro-dealers to completely take over supply for extremely poor farmers during the project lifetime is probably untenable. The project instead should focus on expanding production by improving farmer practices and increasing awareness of the benefits of improved seed varieties. Within the timeframe of the project, this is a realistic goal in terms of laying a demand-led foundation for future input market growth.

Additionally, tapering subsidies, particularly in input supply programmes that are 100 per cent donor-funded, is key to mitigating the ‘crowding out’ effect on private sector input supply, a problem cited by all projects studied (personal email correspondence with Amidou Kabore, 6 August 2014; phone interview with David Hughes, 29 July 2014). Direct subsidy projects that provide free inputs to beneficiaries can reduce demand for commercial inputs and crowd out private sector suppliers who cannot sell sufficient tonnage to cover the costs of expanding sales into the project areas. When determining the level of subsidy, it is important to assess what the effective demand potential may be among the targeted beneficiary farmers, and to establish ‘trigger points’ based on agro-dealer break-even analyses to reach out to private sector suppliers to encourage expansion into project areas and end subsidy programmes.

In its first season, the VIM project provided 60 per cent subsidy for the input vouchers, and in the second season reduced the subsidy to 50 per cent. In future seasons the project intends to reduce the subsidy for repeat participants even further. Already, this pathway has shown promise for sustainability with several farmers paying 100 per cent of input costs beyond what are covered by vouchers at the seed fairs (personal email correspondence with Amidou Kabore, 6 August 2014).

Push/pull activities to improve intra-household gender dynamics and financial decision-making

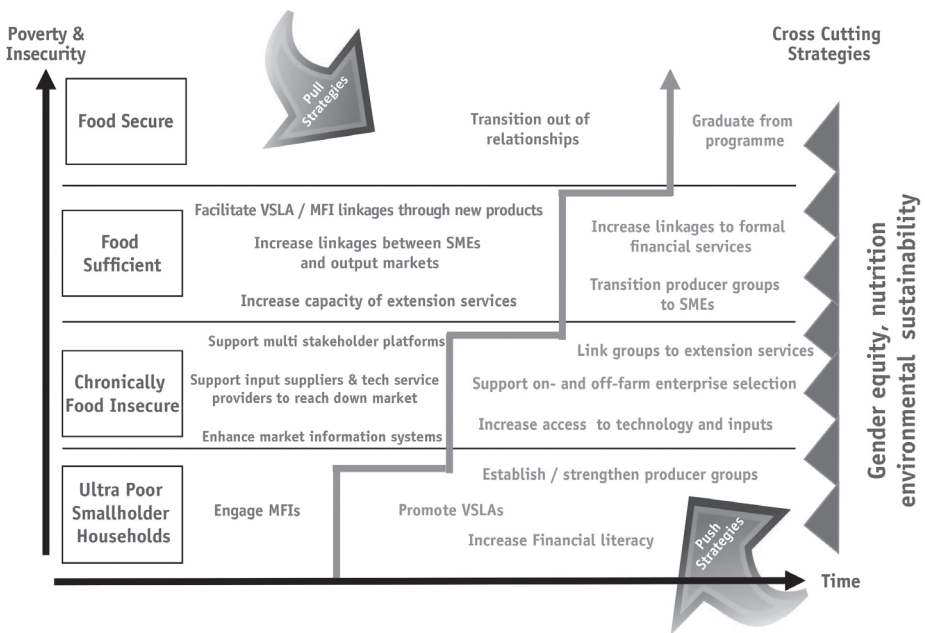


Figure 2 CARE GRAD Project push/pull theory of change
 Source: Garloch (2015: 9)

While gender equality has gained prominence in development, and many donors, government, and development agencies recognize its importance for unlocking prosperity for extremely poor people, there is still little evidence in terms of effective approaches that could lead to gender transformation change at scale.

CARE has been intentional in influencing changes at the household, community, and broader societal levels. But change is slow, especially deep-seated social norms that are transmitted across generations. This section of the article shares CARE's approach, results, and lessons learned from influencing positive intra-household gender relations to achieve food and nutrition security for children and other household members. It draws from CARE and its partners' experience in the Graduation with Resilience to Achieve Sustainable Development (GRAD) Food and Nutrition Security Project in Ethiopia, which uses the push/pull strategy.

Gender analysis

As part of its push/pull strategy, CARE seeks to understand gender issues and household dynamics before designing or starting its interventions through a gender analysis. The objective of the gender analysis is to increase understanding of the different roles women and men play in agricultural production, access to markets, and decision-making, their share in the benefits, the existing gender barriers for women's participation in market-led development initiatives, and technology adoption. Finally, it enables the project to plan action steps required to overcome the barriers. Results of the gender analysis for the GRAD project are presented below.

Barriers identified

Decision-making power of women and men at the household level is one of the categories of barriers identified:

- Decision-making is mostly controlled by men at the household level. Women have some decision-making over less lucrative economic activities such as dairy and poultry production, and cover household expenses with the profits. The sale and income from livestock and grains are controlled by men.
- Women handle less valuable assets while men control high value assets like fertile and irrigated land and agricultural equipment, means of transportation, and high value home furniture.
- Women can access loans from savings and credit groups but are less involved in high value commodities given the relatively higher capital requirement. Men, on the other hand could access financial services beyond the savings and credit groups from other sources, such as microfinance institutions and rural savings and credit cooperatives.

Leadership role of women in village level organizations is a second category of barriers:

- The community members often have little confidence and trust in women as leaders. This is mostly a cultural issue, as the community values men more than

women. The high prevalence of illiteracy among women also limits their ability to take leadership positions in community organizations.

- This contributes to women's low status at the household level and leads to their exclusion from important decision-making at home.

Division of labour in the household is the third category:

- Women are responsible for all household chores in addition to their engagement in productive activities. They receive less support from family members, especially their husbands, regarding household chores and other activities.
- Women work longer than men in all seasons, both in agricultural activities and domestic work. They spend more than 14 hours per day doing domestic as well as economic related work compared with 8–10 hours for men.

Innovative approaches devised to address intra-household dynamics

Village Economic and Social Associations. One of the approaches devised is the creation of Village Economic and Social Associations (VESA), which is an evolution of the VSLA model pioneered by CARE more than two decades ago. While VSLAs are effective in building savings and financial literacy and basic assets of the extremely poor, especially women, in its traditional form it is not as effective in tackling deep-seated gender norms. As shown in Figure 3, CARE and its partners have introduced VESAs as a modification of the VSLA methodology.

VESAs are community-based groups comprising 25–30 members, usually husbands and wives. They come together and receive a number of trainings and hold facilitated dialogues on topics such as gender dynamics, climate change, nutrition, and aspirations to graduate out of the Government of Ethiopia Safety Net Programme. The VESA is also leveraged to strengthening the capacity of the participants on key technical issues through a number of trainings such as sustainable agriculture good practices, business management, and market literacy in their select value chains. The VESA also benefits from output and input market linkages using the push/pull approach. GRAD project reports indicated that as of March 2014, 2,264 VESA groups with a total membership of 56,767 are organized.



Figure 3 Additions to the VSLA model to obtain the VESA model

VESA and early impact on nutrition and dietary diversity. It is believed that nutrition through appropriate feeding practices for household members, and children under five in particular, enables improved cognitive capacity and productive labour (UNICEF, 2013). The GRAD project promotes recommended infant and young child feeding practices and Essential Nutrition Action through VESAs. Men and women in the VESAs go through a number of training sessions, awareness raising, group discussions, cooking demonstrations, and other forms of support such as backyard gardening. VESAs also facilitate the linkages of target households (with pregnant and lactating women and children under two) to existing government mother support groups. The nutrition assessment results of GRAD showed that the majority of the mothers (74.4 per cent) started complementary feeding for their children between 6 and 8 months old with consensus from their husbands; more than half started complementary feeding exactly at 6 months of age.

VESA and early impact on women empowerment and intra-household gender equality. One key feature of VESA is its mixed group approach. VESA brings together husbands and wives and facilitates a number of gender topics such as the roles of women and men in decision-making, joint investment in economic opportunities, and workload sharing at the household level. Dialogues are facilitated by well-trained community facilitators who are part of the GRAD programme and volunteers within the community. In a recent study, nearly 57 per cent of married women reported having a medium to considerable level of influence within the household. This compares with 50.8 per cent measured 12 months earlier, representing a significant improvement (GRAD IR Assessment, 2013).

Following are some key features highlighted by the study:

- The facilitation of dialogue within the VESA serves as an experience-sharing forum on intra-household gender issues such as division of labour (fetching of water, cooking, and child care) and decision-making, including management of finances.
- The VESA supports women to develop their leadership skills. Evidence collected shows that women are gradually gaining acceptance in the community as leaders of the group. The GRAD IR Assessment results show that almost 36 per cent of the VESA leaders are women. This helps change perceptions at the community and household levels and contributes to shifting decision-making as men have a higher regard for women.
- Through knowledge acquired from the training provided in the VESA, women, in conjunction with their husbands, have purchased fuel-efficient stoves for use at home, resulting in considerable time saving for women. Others have invested in water technology to supply clean water to the households and the community members.

Aspiration to graduation and early impact on intra-household gender relations. To achieve the strategic objective of graduating food insecure households from the government safety net programme, GRAD facilitates dialogue through VESA to

allow each household participant to reflect on their current situation and to state their vision and timeframe for their graduation. This dialogue provides a forum for husbands and wives to discuss their ambitions and plans for graduation. The percentage of GRAD participants showing readiness and commitment to graduate within an expressed timeframe is one of the indicators that measure the extent to which the project has changed the perception and plan of food-insecure households to graduate from the government safety net programme. In the intermediate result (IR) assessment, target households were asked to state their readiness to graduate; results showed that about 60 per cent of households aspire to graduate in the next five years, while an additional 30 per cent of the sample households expect to graduate, but don't know when. The remaining 10 per cent do not foresee themselves graduating at all from the safety net programme. Previous studies conducted in the area of aspiration failure in Ethiopia showed that the majority of respondents (74 per cent) perceived that one's success or failure in life is a matter of destiny (Frankenberger et al., 2007) and not linked to effort or services received. This means that the VESA model facilitated by GRAD is found to be a crucial motivational tool for extremely poor households to proactively engage in bettering their future.

Increasing economic well-being approaches through push/pull while ensuring joint decision-making

Recognizing the importance of increasing the economic well-being of households in order to sustain the gain made in shifting gender behaviour and to achieve its goal, GRAD has taken a deliberate approach to link households into input and output market opportunities. In doing so, GRAD has also taken the necessary precautions to ensure that as economic opportunities increase, the gender dynamic at the household level is not negatively impacted. For instance, with the introduction of a number of value chains in GRAD, such as livestock, honey, barley, and horticulture, there is a risk that men could dominate those value chains and displace women. Another risk is that as income increases, men could exert more control over it. GRAD's approach has been one that supports joint household decision-making and investment in such value chains. GRAD also educates the household on financial management to ensure the benefit accrues to the entire household, not only men. Based on the IR assessment, 75.8 per cent of women have reported an increase in their influence over household decision-making, including selection of economic investment choices and use of the income.

Learning regarding intra-household gender and financial decision-making

Organizing extremely poor households into VESAs is found to be important to provide flexible and efficient financial services by linking VESA members with the formal microfinance market. Financial services providers screen eligible VESA members with facilitation provided by the groups. VESAs are reliable sources of information for the MFIs on the specific borrowing behaviour of member households, thereby reducing the cost of transactions of the MFIs and accessing efficiency. This in turns

means relatively larger loans that help poor households to engage in meaningful economic activities without which they would have remained in small income-generating activities.

It is also an appropriate entry point to impact gender dynamics at the household level and in the community. Involving both the husband and wife in the VESA is an important strategy to enhance the intra-household dynamics and improve their nutrition security. The dialogue opened at the VESA level provides space for women and men to discuss gender-sensitive issues that they won't otherwise discuss at home. Capacity to facilitate gender dialogue is paramount and should be considered carefully. Staff and volunteer training in facilitation skills and gender issues helps to achieve expected results. Furthermore, it is important for staff and volunteers to demonstrate a personal commitment to gender equality issues themselves and to be role models. It is also important to have men talking to men in order to change their behaviour.

Conclusion

Development practitioners have increasingly recognized greater coordination between programmes and strategies focused on expanding household incomes and food security and programmes focused on larger-scale market development. USAID has included a push/pull approach to build the capacity of food-insecure households to engage in markets while increasing the demand for production and labour from these food-insecure households.

In the *output markets* the lessons from the projects that the authors cite include:

- Market development and savings group interventions can be implemented by the same NGO staff as push activities.
- As a pull intervention, moving towards having the private sector providers take over 100 per cent of the recruitment, training, and supervision of the VSLA groups earlier in the project cycle provides for even greater sustainability.

While there are knowledge, access, credit, and product size constraints in the *input markets*, there are also strategies for increasing production. These strategies include direct delivery of inputs to farmers, vouchers to increase demand, Farmer Business Group development to increase collective input buying and output product selling, and scaling down the product size to make it more affordable for extremely poor farmers. Effective subsidy tapering will reduce the chance of crowding out the private sector.

Intra-household decision-making can positively impact the food security of the household members by:

- Organizing extremely poor and poor households into Village Economic and Social Associations to provide flexible and efficient financial services at the door-step level; they are also an appropriate entry point to impart a streamlined package of capacity building interventions.

- Promoting mixed groups – involving both the husband and wife is an important strategy to enhance the intra-household dynamics and their nutrition diversity.

When implemented well, push/pull interventions aimed at extremely poor producers will contribute to improved livelihoods beyond the life of the project. With this in mind, the case studies presented in this paper provide effective practices that strive to improve the lives of the extremely poor by linking them to markets. Long-term effectiveness in reducing poverty for this target population will come about through responsible and equitable application of push/pull strategies.

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