ETHIOPIA:
THE PATH TO SELF-RESILIENCY

Volume I: Final Report

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Acronyms

ACSI	Amhara Credit Service Institution
DA	Development Agent
FGD	Focus Group Discussion
FSTF	Food Security Task Force
FTC	Farming Training Center
GoE	Government of Ethiopia
HIV/AIDS	Human immunodeficiency virus / Acquired immunodeficiency syndrome
OFSP	Other Food Security Programs
ORDA	Organization for the Rehabilitation and Development of Amhara
PIM	Project Implementation Manual (PSNP)
PSNP	Productive Safety Net Program
SWC	Soil and water conservation
TB	Tuberculosis

Glossary of Terms

Idir/Kire	Traditional, member-supported funeral association
Iqub/Ikub	Traditional rotating credit and savings association
Jigie	Traditional labor sharing association
Kebele	Small locality or village
Woreda	District

Acknowledgements

This rural self resiliency study was only possible because of the concerted commitment within CANGO – Canadian Network of NGOs in Ethiopia – to thoroughly understand vulnerability, livelihoods, and resiliency in the context of different livelihood systems in order to address the long-term development challenges of structural poverty within the most food insecure regions of rural Ethiopia. The study will hopefully contribute to policy dialogue on applying practical livelihoods programming to maximize the synergies of the government of Ethiopia and NGO programming approaches.

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Thank you!

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I. Executive Summary

This summary report is the result of a research effort conducted by *CHF – Partners in Rural Development* and coordinated by the *Canadian Network of NGOs in Ethiopia* (CANGO) to assess the factors that contribute to the vulnerability and resilience of communities and households in rural Ethiopia. The overall purpose of this study is to provide insights on how best to promote self-resiliency for the chronically food insecure, both at the household and community levels. It is also intended to provide guidance on means of improving the effectiveness and complementarity of PSNP, OFSP and NGO interventions by employing a sustainable livelihoods approach to examining the vulnerability and resilience of beneficiary households and communities.

Qualitative and quantitative data from nine woredas in five regions has been analyzed in order to inform ongoing efforts to address chronic food security throughout Ethiopia. The assessment of vulnerability within the various livelihood systems found in Ethiopia was based on an analysis of access to critical assets and resources, the constraints faced by households and communities within a certain livelihood system, and role of social capital in determining livelihood security.

Another key contribution of this study is the identification of livelihoods-specific criteria for PSNP and OFSP graduation, as well as thresholds for achieving household resilience. Finally, in an effort to enhance the effectiveness of ongoing food security programs in Ethiopia, the study offers recommendations for improving linkages between existing government and non-government interventions in order to improve the targeting, implementation and monitoring of food security programs at the national, regional and local levels.

Vulnerability and Resilience within Various Livelihood Systems

A primary objective of this study was to identify key factors related to vulnerability and risk management for each of the major livelihood systems in Ethiopia. In order to understand the vulnerability of communities and households with respect to an array of risks, this study examined a range of livelihood systems currently functioning in the nine Waredas surveyed. Despite the diversity revealed by varying climatic conditions, availability of natural resources, and access to social services, each of the livelihood systems can be broadly grouped into one of the following categories: 1) Diversified Peri-Urban Livelihood Systems; 2) Highland Food Crop Dominant Livelihood Systems; 3) Lowland Livestock Dominant Livelihood Systems; 4) Cereal Crop and Livestock Mixed Livelihood System; and 5) Cereal/Food Crop and Cash Crop Livelihood System.

Household Vulnerability Analysis

The study also examines differences between vulnerable and non-vulnerable households across the entire sample in order to inform and improve targeting of the PSNP, OFSP and other food security interventions implemented in Ethiopia. The study revealed the following characteristics among households highly vulnerable to food insecurity:

- Vulnerable households tend to have a larger proportion of female household heads and fewer household members;
- Shortage of household labor and low educational attainment of household heads;
- Vulnerable households tend to have considerably less access to livelihood assets (land for farming/grazing, water, livestock, etc.);
- Extremely low monthly expenditure on food and durable household goods;
- Severe and prolonged seasonal food shortages

Household Aspirations

Consideration of household aspirations adds another dimension to this study by investigating the role that attitudes and expectations concerning future food and livelihood security play in determining self-resiliency. Household aspirations condition the preferences, choices, and calculations of individuals and groups as well as the relationships they form within a particular community. Analysis of household aspirations is an important component of the current study given that they have been found to be directly linked to self-resiliency. Previous research on individual aspirations has found that those with positive aspirations for the future are much more likely to make investments in household well-being that will allow them to successfully escape poverty over the long term.

For the purpose of this study, 'aspiration failure' is defined as a lack of systematic and pro-active effort to better one's future. Alternatively, 'aspiration gaps' represent the difference between the position one aspires to and the one he/she currently find themselves in. Aspiration failures occur when the gap is either too narrow or too wide, leading in both cases to low levels of effort on the part of the individual to improve his/her situation. Ultimately, findings from this study suggest that unless a household is proactively engaged in bettering its future, graduation based on asset accumulation may not lead to long-term self-resiliency. The following key findings resulted from an analysis of household aspirations:

- A third of the entire sample believes success or failure in life is primarily the result of destiny and/or luck;
- More than 50 percent of respondents in Chifira and Ziquala woredas felt that luck was the primary determinant of success in life while 80 percent of respondents in Dirashe woreda believe that hard work is the primary key to a successful life.
- Data suggest that individuals who believe they are primarily responsible for their own success in life are more likely to take out slightly larger loans and make longer-term investments.

Analysis of Household and Community Self-Resiliency

In addition to the comprehensive analysis of indicators of food and livelihood insecurity, the study examines an array of factors that contribute to, or detract from, household vulnerability. It also assesses the more subjective attainment of "resilience" at both the

household and community levels. For the purpose of this study, r*esilience* refers to a household's or a community's ability to bounce back or recover after adversity or hard times, and to be capable of building positively on these adversities. This study found that traditional mechanisms for promoting community resiliency may be perpetuating intra-community inequality and preventing poorer households from escaping chronic poverty in exchange for safety and security. Household self resiliency is difficult to achieve under these circumstances. Such processes perpetuate poverty traps for poorer households and can lead to low aspirations.

Factors found to contribute to household resilience across the range of livelihood systems in the nine woredas include:

- an ability to diversify sources of income;
- a willingness to invest in productive household assets;
- a commitment to establishing savings and/or contingency funds; and
- shared decision making between spouses.

The study also examined four specific factors that influence community resilience. The following factors were identified:

- community attitudes toward collaboration;
- cooperation and change;
- the strength of relationships between internal (local) and external institutions;
- the degree of collective decision making; and
- the management of internal and external resources.

In addition to the specific factors mentioned above, the study identified individual 'enablers' and 'inhibitors' of community resilience. Enablers of community resilience in Ethiopia include strong rural-urban linkages and community social assets, collective appreciation for and commitment to investments in human capital, and the presence of resilient households to serve as role models. Inhibitors of community resilience include weak access to markets, lack of complementary food security programs, constraining religious influence on participation in credit programs, limited community involvement in selection and implementation of PSNP interventions, poor communal management of natural resources, and low household aspirations.

Recommendations

The following recommendations are intended to provide guidance on improving the coordination and complementarity of ongoing Government and non-government food security programs. Ultimately, the study hopes these recommendations will help such programs lift vulnerable communities and households beyond graduation from food insecurity to a sustainable level of 'self resiliency'.

Program Recommendations

- The mix of interventions implemented within a particular livelihood context should be tailored to / aligned with the opportunities that exist in a given livelihood system, or agro-ecological zone.
- Livestock investments must be coupled with investments in veterinary services and fodder/grazing resources.
- Investments in education and skill building are critical for enabling households to diversify their livelihood options, particularly among households headed by females.
- Existing credit systems should be redesigned to make them more flexible and affordable to the poor.
- Implementing agencies should seek to create greater opportunities for households (especially female-headed households) to participate in saving groups and receive training in contingency planning.
- Opportunities should be sought to allow resilient households to share their experiences and advise other households seeking to escape chronic poverty and food insecurity. Similarly, networks of PSNP graduates could be used as change agents to encourage households to take a more pro-active stance in achieving self-resiliency.
- In areas with limited resources and services, and few complementary OFSP interventions, PSNP activities must be implemented longer than the current window of 5 years.
- Local savings groups (e.g.Equb), mutual support groups (Iddir), and local work groups (Morroo in Oromiya, Weberra in Amhara, Debo/Wonfel in SNNPR) should be strengthened and ways should be sought to diversify their functions.
- Greater care must be taken to ensure that community development and natural resource management initiatives are not co-opted by the elite.
- Future expansion of existing food and livelihood security programs into pastoral livelihoods systems should include greater provision of veterinary services, strengthening of pastoral extension systems, enhancing the capacity of community members to engage in effective livestock and range management, protection of shared natural resources, and the provision of seasonal loans to women's groups for the purchase of livestock.
- Food security programming in pastoral contexts should strive to diversify livelihood options through investments in riverside agriculture, strengthening of women's groups and petty trade, promotion of labor-saving technologies for women, increased investment in health, sanitation and nutrition education, and dedication of public works toward improved social services (especially health services).

Promoting Collaboration and Coordination in the Implementation of the PSNP and OFSP

a. Strengthening Vertical Linkages

- Greater effort and resources must be directed toward increasing the capacity of Woreda and Kebele staff to generate financial and project monitoring reports in a timely manner. Several NGOs collaborating on the FSP have developed good monitoring systems and could contribute to this effort.
- National and Regional offices should be encouraged to share lessons learned in program coordination and collaboration with Woreda and Kebele offices responsible for regular monitoring and reporting on program implementation.
- Donors and the national FSB Coordinating office should reflect on remuneration and administrative and logistical support to Woreda offices to encourage retaining committed staff. Included in such a review is the DSA or per diem policy.
- Woreda FSP field project staff as well as sector experts should receive training in participatory facilitation skills to strengthen the target communities' role in intervention selection, planning, targeting, implementation and monitoring and evaluation.
- Donors should consider supporting systematic collaboration workshops at the regional and/or national levels bringing together government office personnel, major donors, and NGO partners to discuss practical means by which collaboration could be strengthened.
- NGOs need to design their project interventions more systematically in collaboration with woreda and regional offices in order to ensure adherence to the woreda development plans as well as promotion of linked programs.

b. Strengthening Horizontal Linkages

- Major investment in training, material and logistics is needed to Strengthen the capacity of the woreda administration to coordinate and lead the Woreda Food Security Task Force (WFSTF), as well as ensure effective coordination of all food security programs in the woreda.
- Representatives of NGO partners working with the FSP in a particular woreda should be included on the WFSTF in order to strengthen linkages and coordination among woreda-level food security programs.
- Planning, implementation and monitoring of all food security programs should be coordinated by the WFSTF.
- In response to regular understaffing, woreda and kebele offices should consider using NGOs operating in the woreda to assist in monitoring and verifying the quality and quantity of public works implemented in the kebeles.
- All NGO projects should be incorporated into woreda development plans.
- NGOs and government should engage in joint monitoring and evaluation of program activities as such panel monitoring improves transparency among implementers and coordinating bodies and facilitates joint planning.

- NGOs and woreda administrations should seek opportunities to share resources to strengthen program integration and provide joint training.
- WFSTF should make a greater effort to ensure that all community members (including non-beneficiary households) are involved in program design, beneficiary selection, program implementation, and monitoring and evaluation at the kebele level.

c. Food Security Graduation

- Government and NGOs working in an area should seek joint agreements with communities to derive acceptable criteria for graduation. These criteria should be vetted with all stakeholders to identify and implement acceptable relevant and appropriate measures. In situations where few OFSP operate in the area, caution should be exercised in removing households off of PSNP too quickly.
- Graduation benchmarks should be asset-based or could be established on the basis of a combination of assets and consumption variables.
- The determination of graduation benchmarks or thresholds should take place at the woreda level, involving the input of the woreda FSTF with input from the various kebele FSTFs within the woreda. The FSTF teams could make adjustments, if needed, for differences by livelihood system within the woreda.

II. Background

Ethiopia has been plagued with food insecurity for decades, particularly in the drought-prone rural areas of the country. The problem is worsening, despite massive resources invested each year into humanitarian aid and food security programs. In an effort to ensure food security among the country's growing population, the GOE collaborated with institutional donors and partners in the development of an initial Poverty Reduction Strategy Paper (PRSP) in July 2001. Drawing from the first PRSP, and aligning itself with the findings of a Millennium Development Goal (MDG) Needs Assessment for Ethiopia, the GOE has since established the Plan for Accelerated and Sustained Development to End Poverty in Ethiopia (PASDEP). The PASDEP will serve as the vehicle for achievement of the MDGs and have a 5-year timeframe (2005-2010) (GOE 2003, Sharp et al. 2006).The overall purpose of the PASDEP is to incorporate lessons learned in famine prevention into the formulation of programs to combat poverty and food insecurity while laying foundations for sustainable development. The multi-sectoral strategies resulting from this effort have emerged out of a common recognition that annual emergency appeals to deal acute food insecurity are the most effective way of dealing with predictable, chronic hunger.

Guided by the PASDEP, international NGOs and national civil society organizations have been working at the community level with the GOE to implement poverty reduction and food security interventions. The primary vehicle for implementation of government food security activities is the Federal Food Security Program (FFSP) which was established by the National Coalition for Food Security in 2003. The FFSP is founded on three principle components: a voluntary resettlement program; the Productive Safety Net Program (PSNP); and Other Food Security Programs (OFSP).

The principle criteria for deciding which, if any, of these programs to implement in any given region and woreda is based on an assessment of food insecurity. The resettlement program is intended to assist the "poorest of the poor" who cannot be reasonably expected to graduate to a state of self-resiliency given their geographic location and livelihood strategy. Alternatively, households that are vulnerable to food insecurity but are not determined to be candidates for resettlement may qualify for participation in the PSNP and/or OFSP based on an assessment of chronic versus transitory food insecurity. According to government policy, woredas are determined to be chronically food insecure if they have received food aid for a significant period of time, generally for each of the last three years. Accordingly, 262 chronically food insecure woredas in eight regions are being targeted with both PSNP and OFSP interventions. Woredas and individual households who experience a food gap of less than three months at any point over a three year period are typically targeted with OFSP. The main component of OFSP is a range of

credit packages (Household Extension Packages – HEP) designed to improve the resiliency of transitory food insecure households by enabling asset accumulation (MoARD 2006, Devereux 2006).

The goal of the PSNP is to address the basic food needs of chronically food insecure households through multi-year predicable resources, "in a way that prevents asset depletion at the household level and creates assets at the community level".[1] The program transfers cash or food in exchange for labor on public works projects, as well as a direct support component for those unable to work. GOE aims to 'graduate' PSNP beneficiaries within 5 years. However, in order to do so, it acknowledges that households must be in a position to benefit from complementary food and livelihood security interventions.

The OFSP household extension packages are credit instruments and are the 'asset building' aspect of the FFSP. The implementation of the OFSP household package differs between regions but in general it comprises a menu of package loans for agricultural and non-agricultural activities, which can be selected according to which is most appropriate for a specific household. HEPs are now functioning on zero-interest terms, due to prior disincentives of 8-12% interest rates which effectively reduced adoption of packages in targeted communities. Another challenge in implementing the OFSP has involved the use of eligibility criteria based on past credit history (defaulting). It has been found that this approach to targeting OFSP interventions has automatically excluded the 'poorest of the poor' and vulnerable households who defaulted on previous loans due to recent droughts and price shocks (Slater et al. 2006).

Although progress has been made in the two years since the inception of the PSNP, a number of significant challenges have continued to hamper effective implementation of the program. In general, these issues have included poor coordination between different levels of government and institutional partners, a lack of quality planning processes, limited understanding of program implementation and horizontal linkages at the woreda level, insufficiently complementary coverage of the PSNP and OFSP, and the lack of timely budget flows (Sharp et al. 2006, Slater et al. 2006, Devereux 2006).

In terms of policy, the Federal Food Security Steering Committee (FFSSC) is responsible for providing overall guidance to ensure the proper coordination and implementation of food security strategies and programs, including the PSNP and OFSP (MoARD 2006). In practice, however, Regional Food Security Steering Committees (RFSSC) and Woreda Food Security Task Forces (WFSTF) are charged with selecting individual woredas and households for participation, ensuring effective implementation of food security strategies, integrating PSNP and OFSP activities into the regional development plan, and instituting adequate mechanisms for program monitoring and evaluation. Previous studies have shown however, that woreda level officials typically receive little guidance on

[1] Government of Ethiopia (GOE). (2006).

creating institutional linkages, particularly in terms of maximizing coverage as well as planning for and measuring beneficiary graduation (Slater et al. 2006).

Another issue posing significant challenges to the successful implementation of programs under the FFSP is the limited involvement of NGOs and other civil society organizations in vulnerability assessment, project planning, beneficiary selection and monitoring. For instance, previous studies have concluded that greater transparency is needed in the formulation of food security policy, both internally (within government) and with external institutions, including donors. Findings suggest that current interventions are top down and overly administrative with few intermediaries to ensure collaboration between policy makers at the federal level and operations at the woreda level (Slater et al. 2006, Sharp et al 2006). Despite the process of decentralization in Ethiopia that emphasizes participation and community contributions to local development, the FFSP continues to be lacked by a lack of transparency and top-up accountability. At the same time, although the PIM acknowledges that other forms of support (other than the PSNP and OFSP) are essential for promoting household resiliency, NGO interventions are not typically incorporated into woreda development plans.

Several evaluations of PSNP implementation to date have noted the challenges to effective planning posed by inconsistent targeting and graduation criteria (Sharp et al. 2006, Slater et al. 2006, Devereux 2006, Trocare et al. 2006). While WFSTF is given primary responsibility for targeting, findings suggest that woredas often take different approaches to targeting beneficiaries in response to pre-defined quotas and pressure to "graduate" as many households as possible. In effect, this practice has led to the exclusion of many needy households, as well as the inclusion of better-off households that are more likely to graduate from food and/or cash assistance within a limited period of time. Meanwhile, few woreda level targeting procedures are guided by accurate, standardized approaches to assessment of household food security. Although many of the most common targeting errors have been rectified in the second year of PSNP implementation, effective targeting of FFSP interventions continues to be hampered by poor availability of information, flawed inclusion criteria, and confusion regarding the underlying concepts linking food insecurity and poverty in the Ethiopian context (Ellis and Woldehanna 2005).

The inconsistency or lack of clarity with which the term "graduation" has been applied to various food security programs in Ethiopia has also made it difficult to effectively plan, target and implement interventions aimed at promoting household and community resiliency. For example, the following definitions of "graduation" have been established by various programs and policy documents (Slater et al. 2006, Sharp et al. 2006):

- "The continuous three-year rule" – a HH is eligible (for graduation) if it is assessed to have faced "continuous food shortages (usually three months of food gap or more) for each of the last three years" (PSNP PIM July 2006, p.4)
- "Graduation means that the household is no longer chronically food insecure and also has the economic resilience to resist falling back into chronic food insecurity in the future" (Trends in PSNP Transfers, Devereux et al., p. 2)

- "Graduation occurs when a chronically food-insecure HH graduates to "an independent and resilient livelihood" (Slater, et al, September 2006, p.v)

Related to, but distinct from the *definition* of graduation is the process of actual *measurement* of graduation criteria. While overall targets for graduation (food security), are provided in the FFSP M&E framework, individual regions and woredas continue to set their own targets. To date, the following criteria have been used or discussed:

- Use of the MDG goal of $1 per day per person, translated into Birr assuming a household size of 4.5, giving a figure of 18,000 Birr per household. This has been applied in Tigray and Amhara.
- Use of national per capita average income of just over 1000 Birr, so that a household of 5 needs an annual income of 5,300 Birr to be food secure. This has been applied in SNNPR.
- There is also some discussion of perhaps using the cost of a basket of food, the purchasing of which indicates food security. (Slater or Sharp et al. 2006)

Given these and other issues, it has become clear that new and more effective coordinating and implementation mechanisms are needed to assist chronically food insecure and impoverished households in adopting relatively secure livelihood strategies and reaching an acceptable level of self-resiliency. Despite ongoing efforts to succinctly and consistently define graduation for both the PSNP and OFSP (Other Food Security Programs), several critical questions remain. For instance, once households have risen above the government-defined thresholds for 'graduation', what requisite conditions must be in place to make them self-resilient and prevent them from slipping back into a state of chronic poverty and food insecurity? How might these conditions be different in communities with varying degrees of access to critical resources and for households pursuing diverse livelihood strategies? How might government and non-government stakeholders best collaborate with beneficiary communities to ensure the presence of enabling conditions for achieving self-resiliency?

This study attempts to answer these critical questions by analyzing both qualitative and quantitative information gained from nine woredas in five regions of Ethiopia. Specific attention is given to assessing the degree to which agro-ecological conditions, livelihood strategies, access to resources and services, and involvement with the PSNP and OFSPs either contributes to, or detracts from household and community resilience. Given that resilience is largely dependent on the specific livelihood context, the study also incorporates community member's own opinions on the appropriate thresholds for PSNP and OFSP graduation and household resilience under each livelihood system. Finally, the study examines opportunities for achieving more effective coordination between ongoing government and non-government food security interventions in order to promote greater self-resiliency throughout rural Ethiopia.

III. Purpose and Objectives of the Study

The overall purpose of the current study is to provide insight into how to best support the transition of the chronically food insecure into a state of self-resiliency at both the household and community levels. It does so by using a sustainable livelihoods approach to define "self-resiliency thresholds" for the chronically food insecure in a range of livelihood categories. This approach is particularly appropriate for the current study in that it allows researchers to look beyond the central issue of food security in order to: 1) achieve a greater understanding of the root causes of vulnerability; and 2) identify key factors that contribute to resilience at both the household and community levels.

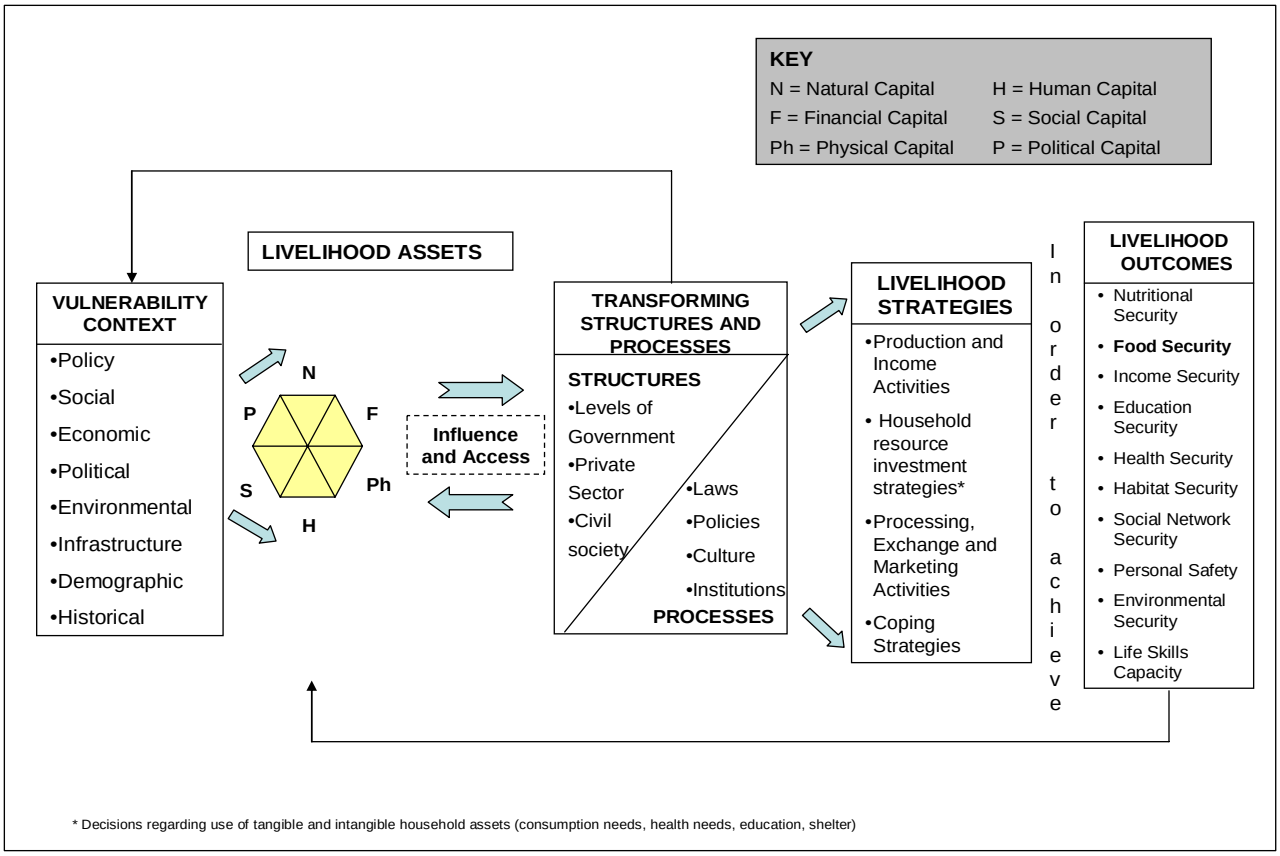
For the purpose of this study, ***vulnerability*** is defined as exposure to risk and the lack of ability to cope with its consequences. Livelihood analysis distinguishes between two types of vulnerability—transitory and chronic. Households with transitory vulnerability face a crisis, mobilize their coping strategies, incorporate external assistance wherever possible, and adapt without a permanent erosion of the livelihood system. Chronic vulnerability on the other hand is created by structural poverty, where households are permanently stressed and the advent of a crisis (like drought or displacement) incurs great human suffering. Since vulnerability is a dynamic process, it is possible that households with transitory vulnerability can, in the face of a series of crises, deteriorate into a state of chronic vulnerability.

Resilience refers to a person's or a community's "ability to bounce back or recover after adversity or hard times, and to be capable of building positively on these adversities".[2] As part of this study, resilient households and communities are those that are best able to recover quickly from disruptive change, illness, or shocks without being overwhelmed or acting in dysfunctional and/or detrimental ways. Four specific factors were considered in determining the resilience of particular communities involved in the study. They were: community attitudes toward collaboration, cooperation and change, the strength of relationships between internal (local) and external institutions, the degree of collective decision making, and the management of internal and external resources.

The analysis of findings in this report has been conducted using a Sustainable Livelihoods Framework (Figure 1). The benefit of this framework is that it enables assessment of the full range of productive assets available to households and communities pursuing different livelihood strategies, and accounts for the contextual environment within which critical decisions are made. The sustainable livelihoods approach also allows the study to look beyond the central issue of food security to achieve a deeper understanding of the root causes of vulnerability and the role of social capital in defining resilience. This is critically important given the diversity of livelihood strategies employed in Ethiopia and the challenges this presents to policy-makers and development organizations alike.

[2] Mission Australia Research and Social Policy. (2005).

Figure 1: Sustainable Livelihoods Framework



Source: Adapted from DFID (1999) and CARE (2002)

The current study supports the attainment of self-resiliency on the part of households and communities throughout Ethiopia by recommending various packages of inputs (livelihood strategies, program interventions, community initiatives) that build on and complement ongoing government food security programs, including the PSNP.

The intended results of the study are to:

1) Identify livelihood-specific indicators of self-resiliency;

2) Provide guidelines on how to set appropriate livelihoods-specific targets for self-resiliency;

3) Enable a better understanding of the vulnerability context within which various livelihood outcomes are pursued, with particular attention paid to the role of social capital, gender-related considerations, sustainability factors and aspiration constraints;

4) Develop recommendations on coordinating structures, processes and other mechanisms for creating synergy between the PSNP and other community-level

food security programs during the planning, targeting, implementation and monitoring stages; and

5) Develop recommendations for specific livelihood-appropriate interventions which complement existing GoE development efforts.

Ultimately, the study will provide guidance on how best to improve current implementation practices as well as develop a model for other food and livelihood security programs that complement federal efforts to lift vulnerable households and communities into a state of 'self-resiliency'.

Methodology

The assessment team employed a combination of data collection procedures in order to triangulate information in developing an in-depth analysis of self-resiliency in the households and communities visited within nine woredas of five zones of Ethiopia.
A mixed method approach was used in this survey where both qualitative and quantitative information were gathered. (See Annex 1 for a detailed explanation of the methodology used). Prior to undertaking the field assessment, the TANGO consultants collected and analyzed relevant secondary sources of data in order to gain a basic understanding of the context surrounding food and livelihood insecurity in various regions of Ethiopia and to prioritize research questions regarding vulnerability and the attainment of household and community resiliency. All study team members, including team leaders participated in small-group training sessions and were involved in the study design, methodology selection, and instrument preparation. Each of the research instruments were field tested in rural communities by qualitative community facilitation teams and quantitative household survey teams as part of the training process.

Time and resource constraints limited the assessment team to visiting nine woredas in rural Ethiopia. It was important, therefore, to purposively select individual woredas to ensure heterogeneity with respect to livelihood systems, agro-ecological areas conditions, access to services, and participation in the PSNP. (See Annex 2 for selection table).Based on these criteria, the following woredas were selected for inclusion in the study:

- Enderta and Raya Azebo Woredas, Tigray Region;
- Ziquala and Habru Woredas, Amhara Region;
- Adami Tulu and Grawa Woredas, Oromiya Region;
- Dirashe and Siltie Woredas, SNNPR; and
- Chefera Woreda, Afar region

Sampling Strategy

TANGO consultants and the CANGO team employed a two-stage sampling procedure to ensure a random sample of all households within the nine woredas located in five regions of the country. In order to minimize the design effect, ensure that all households within each zone had an equal probability of selection, and obtain a sufficient number of

households per kebele, the survey team targeted 24 households for each of six *kebeles* within each woreda, for a total of 144 households per woreda. Upon arrival at the selected woreda, the team leader and field supervisor worked closely with the Woreda Food Security Offices to randomly select the six kebeles from the woreda kebele list. The second stage occurred at the kebele level, where the field supervisor obtained a list of households residing in the kebele and from that list randomly selected 26 households. The six-person enumeration team then administered the survey to 24 households within a two-day period.

The qualitative research methods used in participating kebeles included focus group discussions (FGD), wealth ranking exercises, seasonal calendars, Venn diagrams, and opportunity analysis. Quantitative research methods entailed the use of both a kebele-level and household questionnaire. The community key informant questionnaire sought information about community location and access, water and electricity, education and health services, production and marketing, migration, wages, food prices, and the PSNP. Alternatively, the household questionnaire was designed to solicit information regarding basic household characteristics and demographics, crop production, household assets, sources of income, consumption patterns, health of household members, PSNP participation, and individual aspirations.

IV. Community and Household Self-Resiliency

This chapter of the report provides a summary of the key findings related to resiliency derived across the nine woredas surveyed in this study. These findings are organized in the following manner. First, the chapter discusses the key factors related to vulnerability and risk management for poor households found in the different regions of Ethiopia. Second each of the major livelihood systems visited in this study is analyzed in relation to vulnerability and resiliency. Third, the chapter discusses key differences between vulnerable and non-vulnerable households across the entire sample with regard to livelihood outcomes. Fourth, the chapter discusses differences in aspirations across households, and how this relates to vulnerability and resilience. The chapter concludes with a discussion of the characteristics of resilient households and communities.

4.1 Chronic Poverty and Vulnerability

Chronic poverty is defined here as absolute poverty that is experienced for an extended period of time (many years or even over a life time) (Shepard 2007). People living in absolute poverty are not able to satisfy their minimum requirements for food clothing or shelter.

The chronically poor are not a homogeneous group found across the 9 Woredas in this study. The causes of chronic poverty are complex and usually involve sets of overlapping factors. The poorest households are often found in remote and low agriculture potential rural areas, politically marginalized regions (Afar), or areas not well connected to markets and urban centers. Chronic poverty is maintained in communities found in the intersections of geographical, agro-ecological, socio-economic and political disadvantage, where high capability deprivation is common and/or localized conflict is persistent (Shepard 2007). The main drivers of chronic poverty are natural disasters, health shocks, a breakdown of law and order and market fragmentation and economic collapse (Shepard 2007). When shocks are severe and repeated and people do not have the necessary assets to fall back on, and when institutional support (access to basic services and social protection) is ineffective, such process are likely to trap people into chronic poverty. Exposure to risk, increasing insecurity and vulnerability drive people into poverty.

Vulnerability is most often understood as the combination of (i) the likelihood that a household may be affected by adverse shocks, (ii) the potential severity of these shocks on household members' well-being, and (iii) the household's ex-ante and ex-post capacity to withstand these shocks using its own assets.[3]

Shocks themselves are various in nature, likelihood, and intensity, and thus impact households' well-beings differentially. Small shocks that occur relatively rarely will affect households differently than large shocks that occur often. Small and medium size shocks may not generate poverty persistence (Barrientos 2007). Households exposed to

[3] This broad definition hides several different approaches when it comes to actually measuring vulnerability. Accordingly, some authors will attempt to capture vulnerability through an expected utility framework, measures of mobility (in and out of poverty), or else through variability in consumption. See Kamanou and Murdoch (2002) and Hoogeveen et al. (2004) for reviews.

such shocks may choose to allocate their resources in such a way to minimize their exposure. They may do so by planting crops that are not subject to local pests, or by investing in mutual insurance networks. In other words, exposure encompasses an important endogenous dimension in that households may decide *ex-ante* the level of resources to allocate to channels subject to the advent of non-controllable events. However, exposure also encompasses an important exogenous component, as one can never fully control one's exposure to the vagaries of nature. Large shocks could be responsible for pushing households into persistent poverty (Barrientos 2007). It is the extent of this incapacity that primarily determines vulnerability. This approach of vulnerability is closely linked to that of Hoogeven et al. (2004), for whom vulnerability is "…the exposure to uninsured risk leading to a socially unacceptable level of well-being".

As such, vulnerability and poverty are closely related.[4] The severity of a shock on a household's well-being will be more important for households close to the minimum subsistence level, than for wealthier households. The capacity to control the impact of exposure to a shock is further jeopardized by the lack or failure of markets (such as credit or insurance markets) that typically characterize poor rural areas. In other words, poor households are invariably also the most vulnerable to shocks, which leads them more deeply into further chronic poverty. This is the central rational for development of programs such as the PSNP: by protecting assets against uncontrollable shocks, they begin to dissociate poverty from vulnerability, with the purpose that households later become food secure and ultimately self-resilient.

However, another component of poverty traps needs to be taken into account. As noted above, unless one is willing to able to invest in improving one's own life, self-resiliency may not be possible. A better understanding of aspiration failures and their determinants is thus necessary. As put by Duflo (2003): "… what is needed is a theory of how poverty influences decision-making, not only by affecting the constraints, but by changing the decision-making process itself".

The multidimensionality of the poverty traps can be illustrated by the following quote from development agents in the special Woreda of Derashe: "If the household head is not addicted to alcoholic drinks, and if he can reclaim his fallowed land or the land that he rented out and produce sufficient food crop for the a year of consumption, and if he has a good saving culture (for money and grain), and if he is innovative, then the household can graduate from the PSNP." Accordingly, only the combination of productive assets (fertile land with clear control rights), and a particular mindset (a good saving culture and an innovative mind), will lead to graduation from the PSNP.

The purpose of this chapter is to highlight the factors that are creating vulnerable livelihood systems, how people manage or do not manage this risk, the characteristics of vulnerable and non-vulnerable households and the extent to which an aspiration gap could likely impact investment decisions and future resiliency.

[4] Several authors actually define vulnerability as the probability that one falls into poverty. In such cases, only non-poor households may be considered as vulnerable.

4.2 Livelihood Systems, Vulnerability and Risk Management

To understand household vulnerability to various types of risks, it is important to identify the type of livelihood system that the household resides in. An attempt was made in this study to look at a range of livelihood systems operating in different regions of the country. For example, in SNNPR, lowland cereal crop systems and midland mixed Enset and cash crop systems were dominant livelihood systems in Dirashe. In Silte, highland to midland mixed Enset and cereal crop systems and midland to lowland mixed cereal crop and cash crop systems were exhibited. In Tigray, diversified peri-urban and highland cereal crop dominant systems were identified in Enderta. In Raya Zebo, midland to lowland mixed cereal crop and livestock systems were found. In Afar, lowland livestock dominant systems (pastoral systems) were uncovered in Chifra. In Amhara, lowland livestock dominant systems and mixed cereal crop livestock systems were identified in Ziquala. In Habru, midland and lowland mixed cereal crop and livestock systems and diversified peri-urban systems were found. In Oromiya, highland food crop dominant systems and lowland livestock dominant systems identified in Girawa. In Amdami Tulu, midland to lowland cash crop dominant systems and midland to lowland mixed cereal and livestock systems were found.

To facilitate analysis, all of these livelihood systems were grouped into five different systems found in the nine Woredas. These are the diversified peri-urban livelihood system, the highland food crop dominant livelihood system, the lowland livestock dominant livelihood system, the cereal crop and livestock mixed livelihood system and the cereal /food crop and cash crop livelihood system. The following discussion summarizes the key characteristics of these livelihood systems.

Diversified Peri-Urban Livelihood Systems

Peri-urban livelihood systems were found in Amhara, Tigray and SNNPR. Communities and households tend to be located in close proximity to urban centers, and because of the rural-urban linkages, have other opportunities for livelihood diversification (off-farm employment, petty trading, livestock fattening, agriculture intensification, etc.). Communities are often densely populated and characterized by land fragmentation, limited grazing land, and landless wage laborers. Suffering from climatic risks, they are heavily influenced by market risks as well (inflation, economic downturns, high food prices, and price fluctuations of high value crops). This is particularly the case for households that purchase most of the food they eat.

Given the relatively numerous opportunities for livelihood diversification, households are better placed to manage climatic risks. The better off households are also renting in land in response to land shortages and are producing high value cash crops. Poorer households tend to be wage laborers and rely on firewood and grass sales to supplement their income. The poorest households are chronically food insecure and adjust the quantity and quality of the food they eat during difficult times. Because off-farm employment is available in urban areas, the more resilient households pursue a range of income activities. They also recognize the value of education and skill enhancement to livelihood diversification.

Highland Food Crop Dominant Livelihood Systems

These livelihood systems were found in Tigray and Oromiya. Dependent on rainfed agriculture, food crop-dominant households are highly vulnerable to climatic risk. Communities are located in areas of high population density with poor access to roads and services. Land degradation and over-grazing are persistent problems due to poor communal land management. Because these areas are more isolated, they tend to have very few opportunities for livelihood diversification. Health and sanitation problems are significant (particularly malaria), and malnutrition is a serious problem.

Although better-off households are able to practice crop diversification and have livestock to sell in difficult times, poorer households are farm laborers, rely on wild foods, make frequent adjustments in the quantity and quality of the food they eat, and migrate in search of work. Children are often pulled out of school to help the family make ends meet. During major shocks such as droughts, traditional support networks break down. These livelihood systems are often the most vulnerable to food insecurity due to high population density, fragmented landholdings, limited livelihood opportunities and limited external interventions. It was difficult for the study team to identify resilient households in these systems. It is unlikely that households living in these systems will become more resilient without major investments beyond PNSP.

Lowland Livestock Dominant Livelihood Systems

Pastoral and agro-pastoral livestock-dominant systems found in Oromiya, Amhara and Afar, in areas suffering from regular droughts and erratic rainfall conditions characterized by frequent pasture and water shortages. Because of these shortages, competition for these resources often exacerbates conflict with neighboring groups during droughts. Households in these systems also suffer from chronic health problems (malaria, diarrhea) and have limited access to health services. Poor access to schools and frequent school dropouts characterize education problems. Sanitation and hygiene is poor. Communities reliant on livestock as the main livelihood source have only limited or no access to veterinary services. Households have few opportunities for livelihood diversification unless they live in close proximity to urban areas. External development organizations rarely operate in these areas. Cultural biases toward women limit their role in decision making and narrow the types of livelihood opportunities they can pursue.

Better off households try to manage risk by diversifying livestock types, petty trading, and growing crops in flood plain areas. Although traditional safety nets are still strong in these systems, the depletion of animals has hampered the reestablishment of household livelihood viability. Household to household transfers are aimed primarily to keep people alive, not to restart livelihoods. Many of these communities suffer food insecurity every

year (7-9 months of food shortages) and have relied on external food aid assistance in the past. The study team face difficulties in identifying any resilient households in these systems. Similar to the previous system, it is unlikely that these systems will become more resilient without major investments.

Cereal Crop and Livestock Mixed Livelihood System

These systems were found in Amhara, Tigray and SNNPR. They are often found in areas characterized by terrain combining midland and lowland areas. These areas are also prone to droughts and floods due to erratic rainfall. Human and animal diseases are common and health service access is a problem. Communities often are isolated and have poor access to markets and veterinary services and fodder is frequently in short supply. Poor communal resource management contributes to land degradation and deforestation. Households living in these areas also have poor access to drinking water, contributing to health problems.

Households pursuing these livelihoods try to manage risk by diversifying the crops grown, livestock sales, firewood sales, petty trading, wage employment, establishing contingency stocks during good years to ride out the bad years, and participating in PNSP. Poor households are chronically food insecure, normally adjusting the quantity and quality of the food they eat. Community cohesion is still strong in many of these communities, and traditional leaders still have a major influence on mobilizing the community (Derache). Traditional savings (equb) and self help groups (idir) are still very active; social capital remains a strong asset. Resilient households found in these communities emphasized the importance of a savings culture especially for contingency planning and household cohesion in decision making as key to their success.

Cereal /Food Crop and Cash Crop Livelihood System

These systems are found in the midland to lowland areas of Oromiya, SNNPR, and Amhara. Similar to many of the other systems, these livelihood systems suffer from erratic rainfall, high population density, land degradation and limited grazing resources, poor access to health services, and fragmented land holdings. In addition to climatic risks, communities experience market risks due to price fluctuations for cash crops (similar to the peri-urban systems).

Livelihood diversification is possible in a context of relative access to markets in urban areas. Better off households commonly rent land to gain access to more land, allowing them to grow a number of high value crops using irrigation on their own land. People also engage in petty trading, wage labor, and forest product sales to meet their consumption requirements. Better off households diversify their investments in both rural and urban areas. Contingency planning is widely practiced by the more resilient households. Poor households in these systems are food insecure and will adjust the quantity and quality of the food they eat. They also rely on PNSP. Similar to the peri-urban livelihood system, the opportunity for promoting resiliency in this system increases through skill building and education to take advantage of off-farm employment.

From the livelihood analysis, it is evident that various contextual factors differentiate the nature of chronic vulnerability or potential viability from a self-resiliency standpoint. The next section looks at differences in household characteristics by livelihood system.

Household Survey Findings by Livelihood System

The results provided in Table 1 provide more evidence that the highland food crop dominant livelihood system and the lowland livestock dominant system are the most vulnerable. In terms of per capita monthly food expenditure, households living in both of these systems are expending more money on buying food than households living in other systems. In addition, the proportion of total income allocated to food expenditure is also higher for households living in these two systems.

Table 1: Food Expenditure by Livelihood Systems

Selected Indicators		Livelihood Systems: Diversified periurban livelihood system		Highland food crop dominant livelihood system		Lowland livestock dominant livelihood system		Cereal crop and livestock mixed livelihood system		Cereal/food crop and cash crop livelihood system		All	
		Mean	Std.dev	Mean	Std.dev	Mean	Std.dev	Mean	Std.dev	Mean	Std.dev	Mean	Std.dev
Per capita monthly food expenditure		38.9	(45.4)	53.0	(51.2)	52.0	(51.3)	25.8	(31.5)	33.2	(48.9)	40.3	(47.8)
	N	168		168		352		241		361		1290	
Proportional expenditure on food		60.6	(17.3)	71.0	(47.8)	66.3	(19.6)	57.2	(20.7)	50.5	(28.8)	60.1	(28.4)
	N	168		168		348		237		354		1275	

Table 2: Food gap by livelihood system

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livestock mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
No food gap	14.0%	8.3%	14.0%	5.8%	16.7%	12.5%
1 to 3 months	24.8%	20.0%	23.0%	39.9%	43.6%	32.0%
4 to 6 months	59.9%	64.8%	49.7%	49.3%	32.7%	48.1%
9 & more months	1.3%	6.9%	13.3%	4.9%	7.0%	7.4%
N	157	145	300	223	330	1155

Similarly, when we look at the food gap across livelihood systems, Table 2 indicates that 71.7 percent of the households living in the highland food crop dominant livelihood system and 63 percent of the households living in the lowland livestock dominant livelihood systems have a food gap of more than 4 months. This is a higher food gap than any of the other livelihood systems.

Table 3: Incidence of illness by Livelihood Systems

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livelihood mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
One or more illness incidence (s)	13.1%	18.0%	25.0%	16.2%	22.4%	20.1%
No incidence of illness	86.9%	82.0%	75.0%	83.8%	77.6%	79.9%
N	168	167	340	241	361	1277

As for incidence of illness by livelihood system, Table 3 shows that the lowland livestock dominant livelihood system has the highest incidence (25%). This is primarily because malaria is a significant problem in the low lying areas where these households are living.

Table 4: Education by Livelihood System

Crosstab

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livelihood mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
No formal education	19.6%	11.9%	44.9%	29.0%	29.1%	29.9%
Elementary	69.0%	76.2%	52.0%	63.9%	63.4%	62.8%
Secondary or above	11.3%	11.9%	3.1%	7.1%	7.5%	7.3%
N	168	168	352	241	361	1290

Access to adequate health facilities in these isolated lowland areas is also a significant problem.

In terms of access to education, Table 4 shows that the lowland livestock dominant systems have highest proportion of households with no formal education (44.9%). This lack of investment in human capital limits the opportunities these households have to diversify there livelihood options, making them more vulnerable to climatic induced risk.

Table 5: Borrowing by Livelihood System

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livestock mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
yes	41.1%	53.0%	51.7%	48.5%	49.6%	49.3%
no	58.9%	47.0%	48.3%	51.5%	50.4%	50.7%
N	168	168	352	241	361	1290

Households living in highland food crop dominant systems and low land livestock dominant systems are also more likely to take out loans than households living in other livelihood systems (Table 5). Table 6 indicates that households living in lowland livestock dominant systems are more likely to be taking these loans to meet consumption needs (61.3 %), while a considerable number of households living in the highland crop dominant livelihood system are taking loans to repay debt from previous loans (20.3 %).

Households living in peri-urban livelihood systems are taking loans to make investments or to buy productive assets (56.0%).

Table 6: Reasons for Borrowing money by Livelihood System

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livestock mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
Investment & productive asset	56.0%	35.4%	27.6%	26.8%	22.8%	29.5%
Non food consumption	4.0%	21.5%	7.2%	26.8%	34.7%	20.4%
Food consumption	34.0%	22.8%	61.3%	42.9%	31.1%	41.8%
Dept repayment	6.0%	20.3%	3.9%	3.6%	11.4%	8.3%
N	50	79	181	112	167	589

Table 7 identifies the source of the loans taken by households living in the different livelihood systems. In most of the livelihood systems, the primary source of the loan is friends and relatives. Very few households are taking loans from formal institutions or micro-credit schemes. This finding has significant implications for the type of credit packages being offered households living in these different livelihood systems. In addition, other studies have shown that poor access to formal credit and limited assets is related to under investment in schooling and excessive child labor (Barrientos 2007).
The exceptions to this loan pattern are the households living in the peri-urban livelihood systems. Forty six percent of the households taking loans in peri-urban livelihood systems are borrowing from micro-credit institutions.

Table 7: Sources of Loans by Livelihood System

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livestock mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
Friends & relatives	26.0%	59.5%	65.4%	61.6%	70.1%	61.9%
Non formal institutions	24.0%	13.9%	5.5%	18.8%	12.6%	12.7%
Formal institutions	4.0%	8.9%	1.6%	10.7%	11.4%	7.3%
Micro-credit	46.0%	17.7%	27.5%	8.9%	6.0%	18.1%
N	50	79	182	112	167	590

4.3 Household Vulnerability Analysis

In addition to exploring vulnerability factors and risk management by livelihood system, this chapter addresses differences between vulnerable and non-vulnerable households across the entire sample. These differences are analyzed in terms of demographic characteristics, access to assets, and consumption patterns. It is assumed that if major differences can be detected, then this information should be helpful in targeting decisions.

- ***Demographic Indicators***

Table 8 presents selected demographic variables by vulnerability status. Vulnerable households have a larger proportion of female household heads (50.3%) compared to non-vulnerable households (46.5%). In addition, the average household size for vulnerable households is smaller than the non-vulnerable households (5.37 vs. 6.63). These factors indicate that vulnerable and female headed households are more likely to experience labor constraints than non-vulnerable households. Limited labor availability can make it difficult for the vulnerable households to participate in public works activities and engage in agricultural production activities if these are occurring simultaneously as they do in many of the Woredas. Many of these vulnerable households are forced to rent out their land or engage in share cropping because of this labor constraint.

Table 8: Selected Demographic Indicators by Vulnerability Status of the Households

Selected indicators	Vulnerable	Non vulnerable	Level of Significance
Household size	5.37	6.63	***
Education of household head			
Did not complete any schooling	78.5%	71.4%	**
Did not complete primary	14.8%	18.3%	**
Completed primary but did not complete secondary	6.0%	9.0%	**
Secondary and above	.8%	1.3%	**
Sex of Household head			
Male	49.7%	53.5%	
Female	50.3%	46.5%	

**Significant at 5% level

More than three quarters (77.3%) of all sample household heads have never attended school. This means that livelihood opportunities that require a minimal level of education are not available to the majority of the households in the sample. Livelihood diversity is likely to be constrained unless more investments are made in human capital. Findings from other studies have shown that households that have lower educational attainment and where parents have entered the labor force at a young age are more likely to have their children engage in child labor (Barrientos 2007).

Disaggregated data show that a larger proportion of household heads in vulnerable households (78.5%) never attended school compared to its non-vulnerable counterpart household heads (71.4%). Approximately 15 percent of household heads from vulnerable households and 18.3 percent of household heads from non-vulnerable households left school, before completing primary education. Only six percent of household heads from vulnerable households and nine percent of heads from non vulnerable households completed primary but did not complete secondary education.

- ***Asset Indicators***

Other studies have demonstrated that households that are structurally poor have asset profiles which are usually insufficient to generate income levels above the poverty line (Barrientos 2007). Ownership of assets is a critical determinant of the scope for upward mobility and protection against downward trajectories and destitution (Shepard 2007). Lack of assets is a major cause of vulnerability. (See section on Graduation Criteria).

In terms of access to assets, the vulnerable households have much less than non-vulnerable households, as expected (Table 9). Mean area of land owned by non-vulnerable households is 115 percent larger than the mean area of land owned by vulnerable households (2.8 hectare compared to 1.3 hectare). Non-vulnerable households also have larger herds of cattle (3.9 vs. 1.2) and greater number of sheep and goats (7.4 as opposed to 2.8). Estimated value of assets for non-vulnerable households is 66 percent higher than the estimated value of assets for vulnerable households. If vulnerable households are to become more food secure and resilient in the long run, then interventions must be promoted that increase asset accumulation for the vulnerable, not just asset protection. Otherwise vulnerable households will remain in low level equilibrium poverty traps (Shepard 2007)[5]

Table 9: Selected Household Assets by Vulnerability Status of the Households

Selected indicators	Vulnerable	Non vulnerable	T-test for equality of means (P value)
Area of land (in hectare)	1.3	2.8	***
Number of cattle own	1.2	3.9	***
Number of Sheep or goats own	2.8	7.4	***
Total asset value (in birr)	167.3	277.5	***

***Significant at the 1% level

[5] Poverty traps keep households in poverty over an extended period of time because these households are unable to move their economic activities from low level stable equilibrium to a higher level due to low asset endowments, perceived levels of economic and human security and functioning meso and micro level institutions and politics (Barrett and Swallow 2006).

- **Consumption Indicators**

As Table 10 shows, consumption differences are significant between the vulnerable and non-vulnerable households. Non-vulnerable households spend 259 percent more on food per month compared to vulnerable households. Non-vulnerable households also spend more on consumables (26.4 birr vs. 21.5 birr in the last month) and durables and services (100.8 birr for 12 months as opposed to 60 birr for the reference period) compared to vulnerable households. The total monthly household expenditure for non-vulnerable households is 18 percent higher than their counterparts.

Table 10: Household Consumption by Vulnerability Status of the Households

Selected indicators	Vulnerable	Non vulnerable	Level of significance (P value)
Total expenditure on consumables in last month	21.5	26.4	***
Total expenditure on durables and services in last 12 months	60.0	100.8	***
Total household expenditure per month (in birr)	295.3	349.3	**
Per capita monthly food expenditure	42.2	31.0	***
Proportional expenditure on food	62.1	50.5	***
Food adequacy	7.4	9.4	***
Dietary diversity	3.3	2.9	***

***Significant at the 1% level,**Significant at 5% level

The hungry season for vulnerable households is longer than for non-vulnerable households. On average, non-vulnerable households have two more months of adequate food than the vulnerable households. For this reason, the income transfer provided by PNSP to help fill this food gap is likely to be important for some time into the future.

Per capita monthly food expenditure is also higher for vulnerable households compared to non-vulnerable households. In addition, the proportion of income spent on food is much higher for vulnerable households than non-vulnerable households, indicating a more precarious food security status.

In terms of diet diversity, vulnerable households consume a slightly more diverse diet (3.3 vs. 2.9) than non-vulnerable households. This could be explained by the fact that vulnerable households are much more reliant on wild foods when food shortages occur.

From the household data is clear that there are significant differences in educational attainment, access to labor, access to assets, and consumption patterns between the vulnerable and non-vulnerable households. The next section explores whether these differences can be partially be explained by differences in aspiration.

4.4 Aspiration Analysis[6]

This section of the chapter looks at the role of *aspirations* in enabling self-resiliency. Aspirations (or the capacity to aspire) summarize the manner in which people visualize the future and engage in forward-looking behavior (Appadurai 2001, Rao and Walton 2002). As such this capacity conditions the preferences, choices and calculations of individuals/groups as well as the relationships they form with one another.

Fatalism is customarily, if not always explicitly, attributed to Ethiopians - particularly those who are poor.[7] The intention, in such instances, is to characterize the lack of proactive and systematic effort to better one's own life, and the implied acceptance of their circumstances, that a lot of Ethiopians seem to display.[8] Some even go further and identify fatalism as a key factor that explains the rather slow socio-economic transformation in the country.

From an economic perspective, and to the extent that it relates to current action and its impact on future outcomes, fatalism is observationally equivalent to not making the necessary 'investments' to better one's well-being.[9] There is indeed sufficient micro-level evidence showing that people often fail to invest even though returns are positive (and sometimes very high) – a behavior often even more acute among poorer people.[10] Equally important, the same evidence also shows that even the poor make choices.

It may thus be the case that people refrain from making well-being-enhancing investments because they believe, in a bounded rational way, that such investments are either infeasible or would not lead to significant changes.[11] This perspective affords an

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[6] Most of this section of the report was written by Tanguy Bernard and Alemayehu Seyoum Taffesse

[7] Envy is also mentioned in the same manner. Although envy and apparent 'fatalism' may be related and/or may even originate in the same deeper phenomenon, the specific focus here is on the latter.

[8] There is controversy regarding what fatalism is and whether it is an analytically useful concept. See Solomon (October 2003) for a critical review of the philosophical literature.

[9] Investment types, ranging from the ordinary through to "taking one's own life into one's own hands," are relevant, in this regard. However, it is reasonable to argue that all of these would ultimately involve investments, of effort as well as other resources, in human and other forms of capital.

[10] Relevant references include: Goldstein and Udry (1999), Udry and Anagol (March 2006), Duflo and Robinson (2003), Munshi and Rozensweig (August 2005), Miguel and Kremer (2004), and Banerjee and Duflo (2003, 2007).

[11] This characterisation also allows for the possibility that people may be unable to see where such investments lead to and/or how they lead to where they lead to.

alternative characterization of what appears to be fatalism, namely, aspirations failure (Appadurai (2001), Ray (2006)).[12,13] The central concept in this regard is what Appadurai (2001) labeled as 'aspiration' or the 'capacity to aspire' (to a better future or a better life). Weak capacity to aspire can translate into low or no investments and that may pass for (or is behaviorally observationally equivalent to) fatalism.

The importance of aspirations stems from the pattern of their distribution in society and the attendant consequences. In this regard, summarizing Appadurai (2001), Ray (2002), being a socially determined capacity, aspirations are not evenly distributed between rich and poor. Furthermore, this uneven distribution has intrinsic as well as instrumental consequences. The intrinsic consequence is that the "terms of recognition" are adversely tilted against the poor, stripping them of voice and dignity. The instrumental consequence is that the poor thereby lack "the (aspirational) resources to contest and alter the conditions of their own poverty". Note that this does not mean the poor have no capacity to aspire, it rather means that their opportunity to explore the linkages among means and ends is much more limited than those who are more affluent. As a result, they have a more restricted and weaker capacity to aspire (Appadurai (2001), Harriss (January 8, 2005).[14]

Viewed in this light, aspirations become a valuable analytical device and a critical entry point for policy relevant to poverty reduction and ultimate socio-economic transformation.[15] More specifically, a*spiration failure*, defined as lack of systematic and pro-active effort to better one's future, is the relevant concept. For aspirations failure, it is

[12] Though it was published as Chapter 3 of Rao and Walton (2004), the draft version of Arjun Appadurai's paper is cited here. Debraj Ray's paper started as a discussion of Appadurai (2001) in the form of Ray (2002). The published version is cited here.

[13] The recent work on identity in economics is clearly very relevant. See Akerlof (1997) Akerlof and Kranton (2000, 2002), and Fang and Loury (2005).

[14] It is illuminating to quote Appadrai in full:

> The capacity to aspire is thus a navigational capacity. The more privileged in any society simply have used the map of its norms to explore the future more frequently, more realistically and share this knowledge with one another more routinely than their poorer and weaker neighbours. The poorer members, precisely because of their lack of opportunity to practice the use of this navigational capacity (in turn because their situations permit fewer experiments and less easy archiving of alternative futures), have a more brittle horizon of aspirations.
>
> This difference should not be misunderstood. I am not saying that the poor cannot wish, want, need, plan, or aspire. But part of poverty is a diminishing of the circumstances in which these practices occur. If the map of aspirations (continuing the navigational metaphor) is seen to consist of a dense combination of nodes and pathways, relative poverty means a smaller number of aspirational nodes and thinner, weaker sense of the pathways from concrete wants to intermediate contexts to general norms and back again. Where these pathways do exist for the poor, they are likely to be more rigid, less supple and less strategically valuable, not because of any cognitive deficit on the part of the poor but because the capacity to aspire, like any complex cultural capacity thrives and survives on practice, repetition, exploration, conjecture and refutation. Where the opportunities for such conjecture and refutation in regard to the future are limited (and this may well be one way to define poverty) it follows that the capacity itself remains relatively less developed.
>
> Appadurai (2001, 8)

[15] It should be emphasised that aspirations failure may afflict not only the poor and marginalised but also the relatively better of 'middle class' such as professionals (including civil servants).

not the level of aspiration per se that matters, but rather the gap between one's aspired position and his/her current one (Ray 2006). Aspiration failures occur when the gap is either too narrow or too wide, leading in both cases to low level of effort on the part of the individual – either because the returns are too low, or because the objective is unattainable.

Aspiration failures are likely to be important in context of poverty and vulnerability. Such is the case in Ethiopia where fatalism is customarily attributed to poor households. The intention in doing so is to capture the apparent acceptance of their circumstances that a lot of Ethiopians seem to display. This can be illustrated by common sayings among rural Ethiopian households such as: 'We are waiting to die while seated', 'Life is from hand to mouth' or else 'We have neither a dream nor an imagination' (quoted from Rahmato et al., 1999). It is further supported by qualitative information collected for the present study. For instance, the PSNP and FSP technical task force of the SNNPR region indicated during an interview that "cultural and attitudinal changes are important to utilize all of the households' resources properly and to ensure resiliency". Such features can also be detected in the quantitative surveys, where one third of the respondents indicated that success in life is essentially a matter of his/her destiny rather than his/her work.

Aspirations are therefore directly linked to self-resiliency, as only one who is willing to make well-being enhancing investments may durably and autonomously stay out of poverty. However, despite a growing theoretical foundation in both anthropological and economic literatures, there is so far rather little attempt to give empirical support to it, the main reason being the lack of appropriate data. The objective of this section of the chapter is to provide a first attempt at filling this gap, by testing for the presence of aspiration failures in the context of Ethiopia.

In the following paragraphs, the study tries to further refine the link between poverty, vulnerability and aspiration failures. It then turns to an empirical assessment of the extent of aspiration failures and their implication on potential investments in the surveyed Woredas. At the end of this section, the study presents tentative avenues to address aspiration failures and the necessary research to go with it.

The last module of the Path to Self-Resiliency Quantitative Survey included a series of individual-level questions pertaining to issues related to aspirations. In each household, these questions were asked separately to the household head and his/her spouse. The obtained sample is almost twice as large as the household one, with a total number of 2190 observations. The analysis below uses the information collected from this sample in conjunction with the data from the other modules of the survey.

The survey collected substantial amount of qualitative and quantitative data relevant to aspirations. Nevertheless, various constraints meant that it was not possible to measure aspirations and estimate corresponding aspirations gaps directly. Proxies or indicators are employed, instead. These are “wants, preferences, choices, and calculations” made by households.

It must be remembered that aspirations summarize not only the wants and preferences of individuals but also their beliefs and calculations regarding the feasibility of those wants and preferences. Thus, one rather rough indicator of the aspiration of individuals is their view regarding the degree of control they have over their 'life'. To ensure that the indicator used effectively captured this information, two sets of questions were asked relating to different perspectives on why one may lack control:

Question 15 [16]

For each of the following, please tell me which of the two propositions you most agree with:

1. *a: "Each person is primarily responsible for his/her success or failure in life"*
   b: "One's success or failure in life is a matter of his/her destiny"
2. *a: "To be successful, above all one needs to work very hard"*
   b: "To be successful, above all one needs to be lucky"

The resulting binary responses were deemed informative about the extent to which individuals feel in control of their own future.[17, 18]

The responses to these questions are quite consistent with each other. As reported in the Table 11 below, seventy-four percent of those who said 'yes' to the statement that "One's success or failure in life is a matter of his/her destiny" also agreed to the statement that "To be successful, above all one needs to be lucky". The rate rises to 84% when the responses to the 'personal responsibility' vs. 'hard work' questions are matched. For the sake brevity, only the results obtained using the destiny-related indicator are reported in subsequent paragraphs. Note however that all the tests reported were also performed using the luck-related indicator and that comparable (in fact, mostly stronger) results were obtained.

Table 11: Matched Responses

Responses	**One's success or failure in life is a matter of his/her destiny** (%)	**Each person is primarily responsible for his/her success or failure** (%)
To be successful, above all one needs to be lucky	**74**	16
To be successful, above all one needs to work hard	26	**84**

Source: Own computation from the Path to Self-resiliency Survey (2007).

In the present sample, 33 percent of the respondents responded "b" to the first question, and 35 percent to the second one. Although preliminary, these results suggest that the feeling of hopelessness and resignation is a widespread phenomenon.

There is however quite a large geographical heterogeneity across the woredas sampled. As reported in Table 12, in woredas such as Chifira and Ziquala, more than 50 percent of the respondents indicated that luck was the primary driver of one's success in life. At the

[16] Because these questions led to slightly different answers among the respondents, all the statistics below are estimated separately using each of these two questions in order to ensure robustness of the results.

[17] Although clearly related, the link between these questions and aspiration is not necessary linear. As mentioned in introduction, one may feel that his/her success are out of control, either because his/her aspirations are low (the narrow gap), or because they are most likely unattainable by his/her own means (the wide gap).

[18] In no sense should this indicator be considered as an absolute measure of aspiration as it is only meant to provide some contrasts between different underlying aspiration levels.

other end, more than 80 percent of the respondents in Dirashe believed that hard work is the primary condition for one's success in life.

Table 12: Aspirations by Woreda

		One's success in life is a matter of his/her destiny, rather than his/her own responsibility (% respondents)	Luck, rather than work, is the primary determinant of success in life (% respondents)	Vulnerability: Asset holding indicator (% households)
Tigray	Enderta	38.5	34.6	59.7
	Raya Zebo	45.0	40.6	78.5
Afar	Chifira	46.2	57.4	47.0
Amhara	Habru	28.6	41.1	79.7
	Ziquala	43.1	56.9	94.3
SNNPR	Silte	28.2	28.6	18.8
	Dirashe	16.0	17.1	92.2
Oromiya	Adami Tulu	29.5	22.9	84.6
	Girawa	27.5	25.7	89.3
Full sample		33.1	35.0	71.5
Number of observations		2,248	2,250	1,268

It must be noted from Table 12 that low levels of aspirations do not necessarily correspond to higher prevalence of vulnerability as measured by the composite asset holding indicator developed in the previous sections. A likely reason for such discrepancy is the lack of account of uncertainty in the asset holding indicator.[19] As discussed in Kamanou and Morduch (2002), having more assets generally makes coping easier. As such, an asset indicator can show how much of a cushion households will have in time of crisis. However, two households holding similar levels of assets in contrasted environments (for instance one in which the likelihood of a negative shock is high, the other where it is low) may in fact experience very different levels of vulnerability. To further support this interpretation, we note from Table 12 that the prevalence of low aspiration is particularly high in the woredas that were hit by the massive droughts of the past three decades.

[19] A full account of vulnerability usually requires large panel data or longitudinal data which is outside the scope of this report.

Table 13: Households Aspirations by Livelihood Systems

% within Livelihood system

	Livelihood system					
	Diversified periurban livelihood system	Highland food crop dominant livelihood system	Lowland livestock dominant livelihood system	Cereal crop and livestock mixed livelihood system	Cereal/food crop and cash crop livelihood system	Total
To be successful, above all one needs to be lucky	35.7%	32.2%	44.3%	40.6%	26.5%	34.6%
To be successful, above all one needs to work very hard	64.3%	67.8%	55.7%	59.4%	73.5%	65.4%
N	252	332	384	349	650	1967

In terms of livelihood systems, the highest percentages of households that feel that luck is the key to success are found in the lowland livestock dominant systems and the cereal crop and livestock mixed livelihood system. Again, a large percentage of households found in both vulnerable and non-vulnerable livelihood systems have low aspirations.

a. Indicators of Aspiration Gaps

The desire to capture the distance between what is aspired to and what the current state is underlie the idea of the aspiration gap. Respondent's self-assessment of his/her state of happiness is used as proxy (or indicator) of the person's aspiration gap.[20]

Admittedly, happiness itself is a rather vague measure and can lead to various interpretations. Nevertheless, it is safe to say that happiness is usually linked to satisfaction with one's circumstances, while unhappiness indicates that one wishes things were different. Self-assessed state of happiness is thus related to 'how far the person wants to go' or his/her aspirations gap. Table 14 below reports these assessments by sample individuals.

[20] This use is reasonable given the consistent associations between socioeconomic variables (such as income, unemployment, health, marital status, gender, race, and age) and reported happiness were found by a large body of research spanning both developed and developing countries (Di Tella, MacCulloch, and Oswald (July 30, 2002), Layard (2003), and Graham, Eggers, and Sukhtankar (2004)). The line of causality is not always clear, however.

Table 14: Self-Reported Happiness

How happy do you consider yourself?	
Response	***Percent***
Very Unhappy	7.0
Unhappy	21.2
Happy	62.3
Very Happy	9.0
N=2,282	

It is rather striking to see that more than 70 percent of the respondents indicated that they were either happy or very happy, while less than 30 percent said otherwise (Table 14). Despite widespread poverty[21], such levels of 'happiness' have been observed in many developing countries (Duflo and Banerjee, 2005).). In the present context, these results suggest that for most individuals the current and aspired state of well-being are relatively close. Hence, a narrow aspiration gap is a more reasonable characterisation. The validity of this characterisation is further strengthened by the rather limited desire that respondents revealed by their answers summarised in Table 15. Again, despite current low incomes and frequent exposure to shocks, only 43 percent of the respondents would like to change their main income earning activity (predominantly farming). Even more strikingly, only less than a quarter of the respondents are willing to move to somewhere else even when this would lead to improved standard of living.

Table 15: Respondent's desire for change

Question	Respondent's Choice		Number of Observations
	Yes (%)	No (%)	
Would you like to change your main income earning activity	43.0	**57.0**	**2286**
Are you willing to move to somewhere else to improve your living standard	23.5	**76.5**	**2286**

Source: Own computation from the Path to Self-resiliency Survey (2007).
Note: Almost the same responses were obtained when household heads are considered separately.

Note also that 70% of the respondents believe that they could become as successful as their respective role model within five years. This suggests that, for most respondents, the distance between aspired and current states is not perceived to be very wide.

Additional suggestive evidence can be gleaned by matching the responses to the happiness question with those to the 'belief' questions (Table 16). Individuals who believe that they have some control over the course of their lives seem to be happier or the vice verse. Of course, no causal relationship is being claimed here.

[21] Recall that all the *woredas* in the sample are part of the Productive Safety Net Program.

Table 16: **Aspirations and Happiness**

	"Each person is primarily responsible for his/her success or failure in life"	"One's success or failure in life is a matter of his/her destiny"	"To be successful. Above all one needs to work very hard"	"To be successful, above all, one needs to be lucky"
	Percent	***Percent***	***Percent***	***Percent***
Very happy	11.1	4.8	11.0	5.2
Happy	63.7	60.7	63.8	60.9
Unhappy	20.0	23.8	19.9	23.5
Very unhappy	5.3	10.8	5.3	10.3
Number of observations	1,501	735	1,455	783
Person's Chi square test: p-value	0.0000		0.0000	

Qualitatively the same results are obtained when respondents' perception about the degree of control/responsibility they have on their 'life' are mapped onto their desire for change (Table 17 and 18)**.** The results indicate that individuals with weak aspiration are less willing to change their present situation (by moving or by not following the elders advice) than their neighbors with stronger aspirations.

Table 17: Narrow Aspirations Gap

	"Each person is primarily responsible for his/her success or failure in life"	"One's success or failure in life is a matter of his/her destiny"	Difference: t-test, p-value
	Percent	***Percent***	
Would you be ready to move somewhere else to improve his/her standard of living?	29.6	17.7	0.0000
Do you agree that one should always follow the advices of the elders?	79.0	82.8	0.0304
	"To be successful. Above all one needs to work very hard"	"To be successful, above all, one needs to be lucky"	Difference: t-test, p-value
	Percent	***Percent***	
Would you be ready to move somewhere else to improve his/her standard of living?	26.4	17.6	0.0000
Do you agree that one should always follow the advices of the elders?	79.8	81.5	0.3230

Table 18: Desire for change by respondents' perception of control/responsibility over their 'life'

Question		**The respondent believes that:**	
		One's success or failure in life is a matter of his/her destiny (%)	**Each person is primarily responsible for his/her success or failure (%)**
Would you like to change your main income earning activity	Yes	35.2	47.0
	No	64.8	53.0
Pearson Chi-Square Test		Chi-square = 28.7, p-value = 0.00	
Number of Observations		2277	
Are you willing to move to somewhere else to improve your living standard	Yes	18.0	26.2
	No	82.0	73.8
Pearson Chi-Square Test		Chi-square = 19.1, p-value = 0.00	
Number of Observations		2277	

Source: Own computation from the Path to Self-resiliency Survey (2007).

In light of the above, individuals who responded "b" to Question 15 stated above are referred to as ones with "weak capacity to aspire or weak aspirations".

b. Indicators of an Aspiration Window

Aspirations reflect the individual's cognitive world, his/her zone of 'similar', 'attainable' individuals or their *aspiration window* (Ray (2006)). A person's aspirations are therefore determined by the person's observation of his/her peers to form comparisons, as well as of the information and economic opportunities of the local environment. The related hypothesis is that narrow aspiration windows engender very narrow (or very wide) aspiration gaps and ultimately lead to aspirations failure. If verified, such hypothesis provides a clear direction to address aspiration failures.

The data collected give a relatively strong support to this hypothesis. For instance, for 90% of the respondents their 'role model' lives in the same Kebele (although there is no close family link between the two individuals). Indeed, several "relatively" successful individuals are likely to be found in each Kebele. As put by respondents to an interview in Holte Kebele: "We have successful individuals who are a model for others in their activities to improve their food security status". Nevertheless, the fact that the vast majority of the respondents' role models are their more or less immediate neighbours indicate to a rather limited access to outside information. The respondents' limited exposure to the rest of the world is further reflected in the fact that 92% of all the household heads in the sample were born in the village they are currently living in, and more than 70 percent of responding household heads declare that both their first language and their religion is the same as that of the successful person or role model they have chosen.

To obtain more facts about the size of the respondents' aspiration window, a series of indicators of their access to 'outside' information are mapped onto the perceptions of individuals regarding their control/responsibility over life.

In Table 19 for instance, these perceptions (standing in for aspirations) are related to the frequency with which the individual listens to the radio. The results indicate significant differences in the distribution of responses between lower aspiration and higher aspiration respondents. On average, the former listen to the radio less frequently that the later. Although causality is not established[22], these results do suggest that higher levels of exposure, including more information, may lead to higher aspirations.

[22] For instance, it could be that higher aspirations respondents need to listen to the radio more often because there are engaged in activities that require more external information.

Table 19: Aspirations and Exposure I

	Frequency	"Each person is primarily responsible for his/her success or failure in life"	"One's success or failure in life is a matter of his/her destiny"
How often do you listen to the radio?	Never	33.9	48.8
	Once a year	24.1	16.6
	Once a month	18.3	15.6
	Once a week	16.5	10.5
	Everyday	7.2	5.4
	Person Chi-square(2) = 49.4, p-value = 0.00		

Source: Own computation from the Path to Self-resiliency Survey (2007).

This is further supported in Table 20, where aspirations are associated with regularity of contacts with individuals outside of the respondents' Kebele and Woreda. The results show that low aspiration individuals tend to have fewer contacts outside of their Kebeles or their Woredas.[23] Again the data provides support to the aspiration window hypothesis.

Table 20: Aspirations and Exposure II

Question	"Each person is primarily responsible for his/her success or failure in life" (% Yes)	"One's success or failure in life is a matter of his/her destiny" (% Yes)	Difference: t-test, p-value
Do you communicate regularly with at least one person outside the Kebele?	63.2	53.8	0.00
Do you communicate regularly with at least one person outside the Woreda?	42.5	33.3	0.00

Source: Own computation from the Path to Self-resiliency Survey (2007).

c. Indicators of Aspiration Failure

As mentioned above, aspiration failures occur when individuals are unwilling to make pro-active investments to better their own lives. In the present context, a person with a narrow aspiration gap would tend to under-invest as compared to one with a reasonably wider gap. The strong link between the indicators of aspirations and indicators of aspiration gaps established above will be exploited in the form of using the former as proxy for the later in the analysis below.

Respondents were asked a set of questions regarding credit (See box below) Their responses provide part of the information needed to validate the hypothesis that narrow aspiration gaps would lead to aspiration failures.

[23] That respondents reported fewer contacts outside their Woredas than outside their Kebele constitute one more evidence of the consistency of responses.

QUESTION 21: A banker came to you and offered to lend you any amount of money you ask…[24]

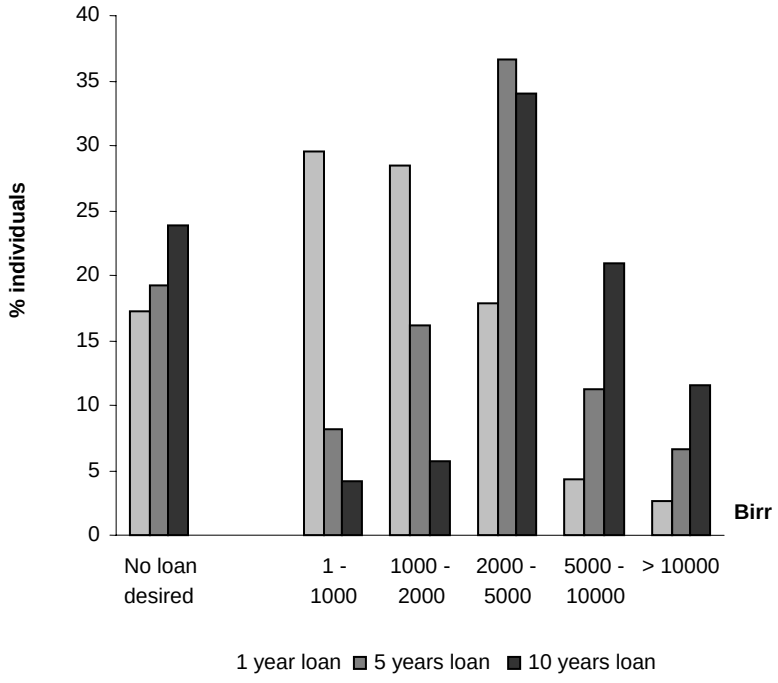
a. How much would you ask for if the loan was payable in 1 year?
What would you use this money for?

b. How much would you ask for if the loan was payable in 5 years?
What would you use this money for?

c. How much would you ask for if the loan was payable in 10 years?
What would you use this money for?

Figure 2 presents the distribution of answers to the first part of each question. Note that the amounts that would be borrowed remain relatively small, even for a 10-year repayment period (as a rule of thumb, one USD is roughly equal to 10 Birr). These amounts however increase with the length of the repayment period.[25] It is notable that a large proportion of individuals (17 %) are not interested in taking any loans.[26] This proportion increases as the time horizon expands, suggesting a fear of commitment probably due to uncertainties about future economic status.

Figure 2: Demand for credit, by length of repayment period



[24] This formulation of the credit demand question was intended to make credit market imperfections in principle inoperative.

[25] This is consistent with the finding that loan size is quite responsive to changes in loan maturity. See Karlan and Zinman (October 2005).

[26] This is even more striking since the hypothetical scenario would likely encourage respondents to overstate their willingness to borrow.

In Table 21 below, the average loan amounts demanded are linked to the respondents' level of aspiration. The results are rather clear, showing that one would borrow significantly more if he/she feels in control of his/her life. In other words, differences between low aspiration and high aspiration individuals are significant, the latter being significantly more wiling to take a loan for all maturity periods.

Table 21: Aspiration Failures I

	"Each person is primarily responsible for his/her success or failure in life"	"One's success or failure in life is a matter of his/her destiny"	% difference	t-test: p-value
Amount borrowed for one year	1988	1647	20.64	0.0003
Amount borrowed for 5 years	3188	2717	17.29	0.0001
Amount borrowed for 10 years	4073	3463	17.61	0.0001
Number of observations	1466	723		

Source: Own computation from the Path to Self-resiliency Survey (2007).

The types of investment the respondent would make if he/she were lent the money were considered next. To this end, answers were classified into three categories. The first category groups all short term investments such as expenditure immediate food consumption and household consumables. The second category groups what are identified as medium term investments. Specifically, investments aimed at enhancing the respondent's capacity within his/her present activity are included. Purchases of farm implements of all kind, oxen and other cattle fall into this category. Finally, the third category captures investments that are meant to help people break-out of their current socio-economic status. Such investments encompass education (respondent's own or his/her kids') or the start of a new business.

Table 22: Aspiration Failures II

Use of hypothetical loan	"Each person is primarily responsible for his/her success or failure in life"	"One's success or failure in life is a matter of his/her destiny"
Short term investment (immediate consumption)	7.6	6.0
Medium term investment (farm implements, oxen)	37.8	49.6
long term investment (Education, new business)	54.7	44.4
Person Chi-square(2) = 20.2828, Probability = 0.0000		

Source: Own computation from the Path to Self-resiliency Survey (2007).

The next question considered is whether `lower aspiration' individuals would invest in shorter term activities than their `higher aspiration' counterparts. the results are relatively clear in that very few individuals would invest in immediate consumption in both cases, although higher aspiration individuals would invest significantly more often in long term activities (Table 22).

In order to clearly identify the role of the aspiration indicator, it is necessary to rule out other potential sources of explanation which may be correlated with aspiration levels. Indeed, several factors may compete in explaining one's investment behavior including

the lack of complementary assets, the exposure to income shocks, lack of information, identity traits, missing markets and limited local investment opportunities. To account for these alternative explanations, various controls at the individual, village and household-level were progressively added (Table 23). In columns 2, 6 and 10, we include individual-level variables to control for identity traits, life cycle effects, human capital, external links, or permanent disabilities. In columns 3, 7 and 11, we include village-level fixed effects to control for local economic opportunities, missing markets or particular local customs. Finally, in columns 4, 8 and 12, we introduce household-level fixed effects to control for any source of household-level variations in the level of demand for credit (recall that for most households, two individuals were interviewed).

Overall, the results give fairly strong support to the existence of aspiration failures. They are consistent both within each repayment period considered as well as across periods. As shown in the first four columns, the belief that fate is a primary determinant of success in life plays a significant role in potential demand for credit. Such effect remains significant across the four specifications. However, this effect diminishes in magnitude as more controls are added, consistent with the idea that aspirations may be correlated with gender, age, education level, outside experience, or long term disabilities (column 2), other village-level factors (column 3), or other household-level factors (column 4). The results in column 4 indicate that, on average, a person who believes that fate is the primary driver of success would have a 10% lower demand for one-year loans.

Table 23: Tobit estimates for the demand for credit, by length of repayment period

	1 year loan				5 years loan				10 years loan			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Success is mostly fate (0/1)	-410.24	-281.45	-163.140	-220.555	-571.56	-404.679	-272.291	-195.124	-701.92	-569.549	-481.578	-141.254
	(5.00) ***	(6.91) ***	(2.14) **	(2.58) ***	(4.76) ***	(3.39) ***	(2.40) **	(1.53)	(4.37) ***	(3.54) ***	(3.13) ***	(0.90)
Woman (0/1)		-582.57	-796.736	-846.564		-795.523	-1185.241	-1360.348		-689.828	-1179.21	-1609.547
		(6.91) ***	(10.88) ***	(13.26) ***		(6.45) ***	(10.88) ***	(14.920) ***		(4.13) ***	(7.93) ***	(14.67) ***
Age2		7.236	26.158	23.973		48.272	68.000	46.476		63.920	81.579	33.562
		(0.56)	(2.28) **	(2.04) **		(2.47) **	(3.84) ***	(2.59) ***		(2.44) **	(3.41) ***	(1.55)
Age^2		-0.136	-0.322	-0.243		-0.746	-0.937	-0.654		-1.018	-1.166	-0.669
		(0.94)	(2.45) **	(1.76) *		(3.31) ***	(4.56) ***	(3.01) ***		(3.38) ***	(4.21) ***	(2.58) ***
Schooling (0/1)		710.855	302.808	317.465		1062.005	432.742	319.000		938.280	273.656	134.234
		(6.83) ***	(3.22) ***	(3.42) ***		(6.91) ***	(3.08) ***	(2.35) **		(4.47) ***	(1.42)	(0.83)
Lived outside Kebele (0/1)		-226.326	-94.855	-186.724		-108.202	119.593	-86.514		-286.402	-70.109	140.351
		(1.80) *	(0.82)	(1.58)		(0.58)	(0.69)	(0.49)		(1.12)	(0.30)	(0.62)
Long term disability (0/1)		-319.758	-228.753	-207.827		-460.864	-237.542	-258.417		-1007.242	-500.127	-14.144
		(2.58) ***	(2.01) **	(1.66) *		(2.54) **	(1.40)	(1.37)		(4.22) ***	(2.19) **	(0.06)
Village-level fixed effects			Yes				Yes				Yes	
Household-level fixed effects				Yes				Yes				Yes
Number observations	2189	2151	2140	2151	2102	2069	2060	2069	1991	1961	1952	1961
Censored obs (at credit demand = 0)	384	379	377	379	431	424	422	424	533	524	520	5254
LR chi2 ( )	24.99	178.48	1296.47	3276.72	27.68	183.00	1168.18	3305.11	19.07	123.78	977.56	3413.33
Prob > chi2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Pseudo R2	0.0007	0.0054	0.0383	0.0984	0.0007	0.0057	0.0365	0.1029	0.0006	0.0042	0.0337	0.1171

Notes :

(a) Reported are marginal effects at mean of independent variable

(b) t statistics in parenthesis, *** = significant at 1% level, ** = significant at 5% level, * = significant at 10% level

(c) Dependent variables: 1-year loan : mean = 1873, standard deviation = 2046
5-year loan : mean = 3025, standard deviation = 2673
10-year loan : mean = 3861, standard deviation = 3315

(d) For robustness purpose, all observations with loan demand greater than 10,000 Birr were dropped.

Results obtained for the other individual-level variables provide further confirmation. A clear negative gender effect is uncovered - women would tend to request for lower amounts of loans. Moreover, with village-level fixed effects, the demand for credit is highest for individuals aged around 40, while education raises the demand by 15%.[27] Surprisingly, having lived at least nine months outside the Kebele does not lead to a greater demand for credit, while disability reduces this demand by 10% on average. As for the aspiration-related variable, these results hold with the introduction of village-level (weaker) and household-level fixed effects (stronger). Importantly, most of them also hold across the different time horizon considered.

Comparing the results on the aspiration-related variable across the time horizon considered, two observations are to be made. First, the magnitude of the marginal effects tends to increase as the time horizon increases, suggesting that the more one asks about the future, the more aspirations play an important role. Second, the precision of the estimates tend to diminish with the time horizon. In particular, the estimates in columns 8 and 12 are only statistically significant at the 12% and the 34% levels respectively. This may be due to both the very demanding character of these estimations which include more than 1200 household-level dummies. It may also be related to more uncertainties in the kind of investment one would require credit for, as the time horizon widens. Overall, the results presented in Table 10 offer preliminary, although robust, evidence that a person's perception of the degree of control/responsibility he/she has over his/her 'life' significantly impacts his/her future-oriented behavior – a support for the aspiration failures hypothesis.

d. Conclusions

The results presented in this section, although preliminary, identify a complementary dimension to be taken into account in the analysis of self-resiliency from programs such as the PSNP. In particular, we have argued that unless a household is pro-actively engaged in bettering its future, asset graduation may not lead to self-resiliency.

We have provided a number of statistics to support this statement. In particular, we have showed that a large proportion of individuals tend to believe that the eventuality of their successes or failures in life are out of their personal control. We have then showed that such beliefs may significantly influence the extent to which one is willing to invest in future oriented activities. Finally, we have related these beliefs to the narrowness of individual's cognitive window.

Although further research is needed, these results already call for complimentary actions to enhance the effectiveness of programs such as the PSNP. Such actions may for instance be directed as enlarging one's aspiration window.

[27] Another evidence of response consistency is found in the result that the age at which the demand for loans is maximum declines as the loan maturity period increases – from 40 years of age for one-year loans to 35 years for 10-year loans (a trend more pronounced with the introduction of household fixed effects).

4.5 Analysis of Household and Community Self-Resiliency

As stated in the beginning of this report**,** resiliency refers to a person's or a community's ability to bounce back or recover after adversity or hard times, and to be capable of building positively on these adversities[28]. Resiliency often is related to three different characteristics: 1) the magnitude of the shock that a household or community can absorb and remain viable; 2) the degree to which the household or community is capable of self organization after the exposure to the hazard to maintain an acceptable level of functioning and structure; and 3) the degree to which a household or community can learn from these difficult circumstances and adapt.

In a resilient household or community, change has the potential to create new opportunities. Households and communities that are not resilient have a propensity to suffer from exposure to external shocks and stresses because they are sensitive to such exposures. Several of the livelihood systems studied in this survey provide good examples of this outcome. However other households and some communities found in this study have the adaptive capacity to weather the shocks to which they are exposed. They have developed generalized responses to a broad range of challenges that reflect learning and flexibility-key aspects of resilience.

This section of the chapter reviews the key characteristics of resilient households found in the Woredas selected for this study. This is followed by a discussion of the key factors that enable or inhibit communities to become self resilient.

a. Key Characteristics of Resilient Households

To determine which households are most likely to be resilient in each livelihood context, communities were asked to identify several households (both male and female headed) that were able to meet their food needs for the whole year and to manage the types of shocks that regularly plague the community. Interviews were then conducted with these households to identify the characteristics that made them unique (or positive deviants) from the rest of the households. What was surprising was that many of these households across locations had many of the same attributes (See table below). Some of these attributes are consistent with the aspiration analysis: most of these households exhibited pro-active behavior and an entrepreneurial spirit that enabled them to overcome their

[28] Mission Australia Research and Social Policy (2005). Developing resilience at every stage of a young person's life: Snapshot 2005.

vulnerable state. Some the key attributes can be summarized below. These are listed in rank order.

- **Income diversification-**Households across livelihood contexts emphasized the importance of diversifying sources of income to manage climatic shocks more effectively. Limited resources that were available would be used strategically to make such investments (Tigray and Oromiya).
- **Investing in quality improvements in their farmland to raise production-** These households often invest in soil conservation and water management to improve their yields. They were considered model farmers by others in the community.
- **Propensity to save**-These households saw the value to save income earned for future investments rather than spend it on non-productive items like alcohol, chat or new clothes. Some of these individuals felt pressure from the rest of the community to use these resources in less productive ways.
- **Good work ethic**-All of these households saw the value of hard work in achieving their objectives despite community pressure not to work so hard.
- **Access to food year round**-Most of the resilient households emphasized the need to have access to food on a year round basis.
- **Joint decision making with spouse-** The majority of these households had positive relationships with their spouses and regularly consulted them on all investment decisions. This common household vision seems to be very important to successful income diversification strategies.
- **Openness to change and early adopters of extension packages**-These households were often the first adopters of new extension technologies and used credit effectively in investments.
- **Contingency funds**-Households living in areas prone to erratic rainfall saw the value of investing in contingency funds to manage risk (lowland mixed livelihood systems). This was especially true for female resilient households (Oromiya). In Derache, this involved storing grain for 2 years. In other locations it involved cash savings (Amhara).
- **Placing value on education-**Although many of these household heads did not have much education, they recognized the value of education for income diversification. If possible, they made sure that all of their children were educated.
- **Do not drink or chew chat-**These households see conspicuous consumption of alcohol and chat as negative attributes.
- **Sharing with others-**Several resilient households saw the value of sharing food and resources with other members of the community. Community cohesion was important to maintain through these informal safety nets.
- **Engaging the community as change agents-**Many resilient households sought opportunities to share their ideas and even resources to enable other households to follow their example.

Table 24: Characteristics of Resilient Households

	SNNPR				Oromiya				Tigray				Amhara				
	Dirashe		Silte		Girawa		Adami Tulu		Enderta		Raya Azebo		Habru		Ziquala		
Characteristics	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Rank
Income diversification	5	***	6	***	3	2	3	***	2	3	2	2	2	***	***	1	1
Hardworking	5	***	6	***	3	2	3	***	2	3	2	2	2	***	***	1	1
Savings culture	5	***	6	***	3	2	3	***	2	3	2	2	2	***	***	1	1
Investing in farmland	5	***	6	***	3	2	3	***	2	3	2	2	2	***	***	1	1
Food available year round	5	***	6	***	3	2	3	***	2	2	2	2	2	***	***	1	2
Joint decision-making with spouse	5	***	5	***	3	2	3	***	2	3	1	1	2	***	***	1	3
Openness to change	***	***	5	***	3	2	3	***	2	2	2	2	2	***	***	1	4
Contingency funds	5	***	5	***	1	2	2	***	***	1	2	2	***	***	***	1	5
Value education	3	***	4	***	2	1	2	***	1	3	1	2	***	***	***	1	6
No drinking/ chewing chat	5	***	***	***	***	***	1	***	1	1	1	***	1	***	***	***	7
Share with others	3	***	***	***	1	***	***	***	1	***	2	2	***	***	***	1	8
Engaging the community as agents of change	***	***	***	***	***	***	***	***	2	1	2	2	***	***	***	1	9
Family planning	***	***	***	***	2	1	2	***	***	***	***	***	***	***	***	1	10
Remittances for investment	1	***	1	***	***	***	***	***	***	1	***	***	1	***	***	1	11

N =31 (23 Males, 8 Females)

- **Family planning-**Households that have too many children find it difficult to save. Too many children prevent wives from engaging in income generating activities (Oromiya). Resilient households understand see the value of having spaced child births.
- **Reliance on remittances to make strategic investments-**Households in Tigray and Amhara used remittances they received from family members to make investments to manage risk more effectively.

An interesting finding that came out of these interviews was that many of these resilient household heads had visited or worked in other places outside of their village setting, exposing them to alternative aspiration windows. This finding is consistent with the aspiration analysis.

Examples of resilient households were found in all livelihood systems except highland food crop systems and lowland livestock dominant systems. Several reasons might account for this finding. First, there are few opportunities in these systems to diversify income sources. Second, human capital investments in these systems are minimal. Third, there are few external development agencies working in these areas due to their isolation.

In some communities it is more difficult for individual poor households to become self resilient and accumulate assets. The prevailing social structure and power relations that dictate the relationships between the poor and non-poor that exist in these communities makes it a problem for households to increase their assets. Such asset changes could be viewed as a threat to the status quo and will be resisted by the powerful elite. As poor households become more resilient and begin to accumulate assets, competition for resources with the rest of the community becomes more likely (e.g. rental land for agriculture, labor, grazing land).

Because insecurity characterizes persistent poverty, the poor respond rationally to risk situations by linking with the non-poor in exploitive relationships (Shepard 2007)[29]. As Shepard states (2007):

> "Poor households may prioritize safety and security rather than accumulation strategies which would get them out of poverty. In these communities, poor households have achieved a modicum of economic and personnel security through social relations with the non-poor households that have a cost in terms of self resiliency and accumulation".

Dependency on patrons for some households enables them to have access to goods, services and opportunities to avoid destitution, but it rarely enables the chronic poor from escaping poverty. Such processes contribute to low aspirations and the aspiration failures discussed in the previous section.

[29] This process is referred to as adverse incorporation (Shepard 2007).

Promoting resilient households in communities where such exploitive relations exist may lead to changes in the social fabric that could threaten community resilience in the short term. Other mechanisms have to be identified and fostered that will enable community resilience to thrive without inequitable relationships being established between the poor and non-poor. Some of these drivers are discussed below.

There is a danger to putting too much emphasis on household being solely responsible for promoting their own self resilience. If donors and the GOE give too much focus on how individual households are responsible for harnessing resources to overcome adversity, the role of the state in creating enabling conditions for transformational change may be under emphasized (Boyden and Cooper 2007). We cannot expect all households living in poverty to be able to use their own resources to support themselves through crisis.

b. Factors Affecting Community Resiliency

Community resiliency refers to collective capacity to respond to adversity and change and maintain function[30]. A resilient community can respond to crisis in ways that strengthen community bonds, resources, and the community's capacity to cope. These communities share the following attributes:

- **Attitudes toward change**-Resilient communities exhibit a sense of pride and openness to new ideas and alternatives, see the value of education, and understand the economic impact of social issues.
- **Organizational capacity**-There is a collaborative spirit in the community to respond to shocks and adversity. Resilient communities also have sufficient organizational capacity to respond in a collective manner. They use both traditional social capital mechanisms and strategically selected external derived organizational structures to achieve their objectives.
- **Management of internal and external resources**-These communities can manage communal resources effectively and seek out external resources strategically to meet objectives.
- **Decision making processes**-These communities have decision making processes that enable planning, equitable participation and implementation of shared goals and objectives.

A number of enablers and inhibitors affect opportunities for households and communities to become resilient in each of the livelihood systems studied. These are summarized below.

Enablers

- **Urban-rural linkages**-As links to towns become stronger opportunities for diversifying income sources become more feasible. This is the case in the peri-urban livelihood systems found in Tigray and Amhara, the livestock dominant

[30] Healy, K., Hampshire, A. and Ayres, L. (2003). Engaging communities for sustainable change: Promoting Resilience.

system in Afar and the cash crop systems in SNNPR and Oromiya. This enabler is more likely to have a positive impact on household resilience.

- **Strong community social assets-**The existence of traditional social self-help groups (e.g. Equb, Iddir, Marroo, Debo, Jige, Wefra, and Weber) are good indicators that social capital is still a prominent resource in communities where these social groupings are found and thriving. Social capital from an individual perspective and social networks from a community resilience perspective are different framings of similar social constructs depending on the point of reference. Individual resilience can be enhanced by increasing social capital; community resilience can be enhanced by strengthening the linkages between households.

  Communities in peri-urban livelihood systems and lowland mixed livelihood systems in Tigray have strong community collaboration to manage risk. Women's community savings groups in Oromiya cash crop dominant systems as well as labor work groups are also good examples of collaboration. Many of these groups are starting to take on additional functions such as family planning and representation in community meetings. In SNNPR, traditional leadership still maintains a strong influence on mobilizing the community in communal action. Similarly, in the livestock dominant pastoral systems in Afar, traditional safety nets are still functioning, although they have been weakened in recent years.

- **Emphases on human capital-**
  Many of the households in the communities studied see the value of education to improve future livelihood opportunities. They also recognize that access to health facilities is extremely important. In the less resilient communities (e.g. lowland livestock dominant livelihood systems), these human capital investments are low. Resilient households recognize the value of such investments and try to ensure that their children obtain as much education as is possible in their given context. This enabler is more likely to promote household resiliency.

- **Resilient households in communities to serve as models-**As discussed previously, three of the livelihood systems have examples of households that can serve as models for achieving resiliency. This is not the case for the highland food crop systems and the livestock dominant systems. As stated earlier in the discussion on aspirations, if household models exist that can provide an aspiration

window for other chronically poor households, opportunities exist to increase aspirations for the poor. This enabler will likely promote household resiliency.

Inhibitors

- **Low aspirations-**Many households living in Woredas that have been continuously plagued by climatic disasters have been dependent on food aid for a long time. These households are characterized by low aspirations in regard to changing their circumstances. The previous section illustrated what effect this can have on securing investment loans that could enhance livelihood security.

- **Weak access to markets-**Communities that are isolated and have poor access to markets have few opportunities to diversify their income to manage risk more effectively. This is the case for the highland food crop systems, the livestock dominant systems and the lowland crop systems in SNNPR. This will have significant impact on household resilience.

- **Lack of other food security programs-**In many of the communities surveyed, there were few programs operating other than PSNP. Other government programs or NGO programs were missing in many of these areas. Limited OFSP activities will make it difficult for PNSP gains to be sustained. Although the GOE is trying to target OFSP activities to PSNP participants, it is important that households that are not participating in the PNSP are not left out.

- **Religious influence on participation in credit programs-**In parts of Amhara, households could not participate in credit programs because of Islamic views against credit. Savings programs should be promoted in such circumstances.

- **Limited community involvement in the selection and implementation of PSNP interventions-**Communities across all of the livelihood systems would like more involvement in the design and implementation of PSNP interventions.

- **Poor communal management of natural resources-**In most of the areas surveyed, land degradation and overgrazing were serious problems resulting in large part from poor communal management of the resources. PSNP is trying to address this in many locations but runs the danger of stifling community initiative or responsibility for communal resource management if natural resource management is being addressed by a government program.

Community Natural Resource Management

Throughout much of Ethiopia, severe environmental degradation brought about by recurrent drought and increasing population density continues to threaten the food and livelihood security of poor households. This is due to the fact that many rural households are dependent on available natural resources for maintaining livestock, collecting fuel wood and wild fruits, selling charcoal, building materials and waste disposal (GOE 2003, Lautze et al. 2003). Respondents in both Ziquala woreda of the Amhara region and Grawa woreda in Oromiya cited a general lack of awareness, poor community coordination, and a lack of investment in communal lands as the primary reasons for the continued erosion of natural resources.

Of particular relevance to the current study is the fact many respondents feel the PSNP has contributed to, rather than alleviated, problems associated with the management of communal resources. In their view, better-off households who do not participate in the PSNP have come to believe that it is the responsibility of PSNP beneficiaries to do the work necessary for protecting and maintaining natural resources through activities such as flood protection, reforestation and soil stabilization. Having become dependent on PSNP interventions to address environmental issues, many communities have failed to organize or adopt their own initiatives to preserve natural resources. This lack of community cohesion and shared responsibility for effective resource management has tended to undermine a sense of ownership of natural resources among all community members and contributed to their continued depletion.

- **Lack of veterinary services-**This is a critical problem particularly in livelihood systems with prominent livestock roles (lowland livestock dominant livelihood systems). Government programming efforts at increasing community and household livestock assets require complementary investments in veterinary services.

- **Lack of fodder and grazing resources-**Complimentary fodder and grazing resources are requisite investments for households and communities engaged in livestock production to become resilient. The shortage of these resources is leading to conflict between pastoral communities in Afar and communities in Amhara.

- **Inflexible credit packages and high interest on loans-**The existing credit packages are not feasible for poor households to adopt because of the size of the loan and the terms. Very few households in the different livelihood systems are taking out formal credit as a result (See Table 7 above). The main sources of loans are family and friends, and these loans are being used for consumption and paying back debt.

- **Lack of educational and health facilities-** Many of the communities recognize the importance of human capital investments in enhancing resiliency

opportunities and sustainable livelihood security. Greater efforts are required to make these services available. Health problems have a significant impact on the productivity of households and communities (malaria and other diseases).

- **Frequency of recurrent climatic disasters-**Recurrent droughts and floods make it difficult for households and communities to accumulate assets. This leads to poverty traps or patron client relations that make it difficult to escape form chronic poverty. Recurrent disasters have a negative effect on social capital as illustrated by the communities in the highland cereal crop dominant livelihood systems in Tigray. Social support for the chronic poor becomes less prevalent during drought episodes.

- **Late Implementation of PSNP pubic work activities and late transfers-**In many locations (Tigray, SNNPR, Amhara), public work activities associated with the PSNP compete with the labor demands of agricultural activities. In addition, the late payments have prevented poor households from staying out of debt or protecting their assets.

Because of these inhibitors, self resiliency is very difficult to achieve in many of the communities studied. Program approaches in the future should attempt to build on the enablers and reduce the effect of the inhibitors.

A key question that needs to be asked is whether development initiatives in Ethiopia should be promoting household or community resiliency or both? This study found that traditional mechanisms for promoting community resiliency may be perpetuating intra-community inequality and preventing poorer households from escaping chronic poverty in exchange for safety and security. Household self resiliency is difficult to achieve under these circumstances. Such processes perpetuate poverty traps for poorer households and can lead to low aspirations.

The study did identify some potential drivers for household resiliency and community resiliency that do not lead to unequal relationships. A key driver for promoting household resiliency is having household role models that demonstrate that self resiliency is possible in different livelihood contexts. These role models can expand the aspiration windows for poor households and provide a positive pathway to follow. The study has shown that aspirations do influence household decisions and will be critical to the adoption of OFSP interventions being promoted by GOE. Combining these role models with opportunities to invest in human capital, to obtain credit for on-farm and off-farm investments to diversify income sources, and to accumulate assets to buffer against future shocks will be key to promoting resilient households.

New drivers for community resiliency can be sub-community social groupings such as saving groups being promoted for women in Oromiya, and work groups that share in agricultural tasks. These groups can be linked with similar groups in the village or other villages to take on alternative functions such as representation is community or Kebele decision making bodies or serve as entry points for other interventions. Those

communities where these social grouping s are thriving are becoming more resilient through time(e.g. Oromiya). The establishment of such social groupings should be based on traditional groupings that already exist and function effectively (e.g. Equb, Iddir, Marroo, Debo, Jije, Wefra and Weber).

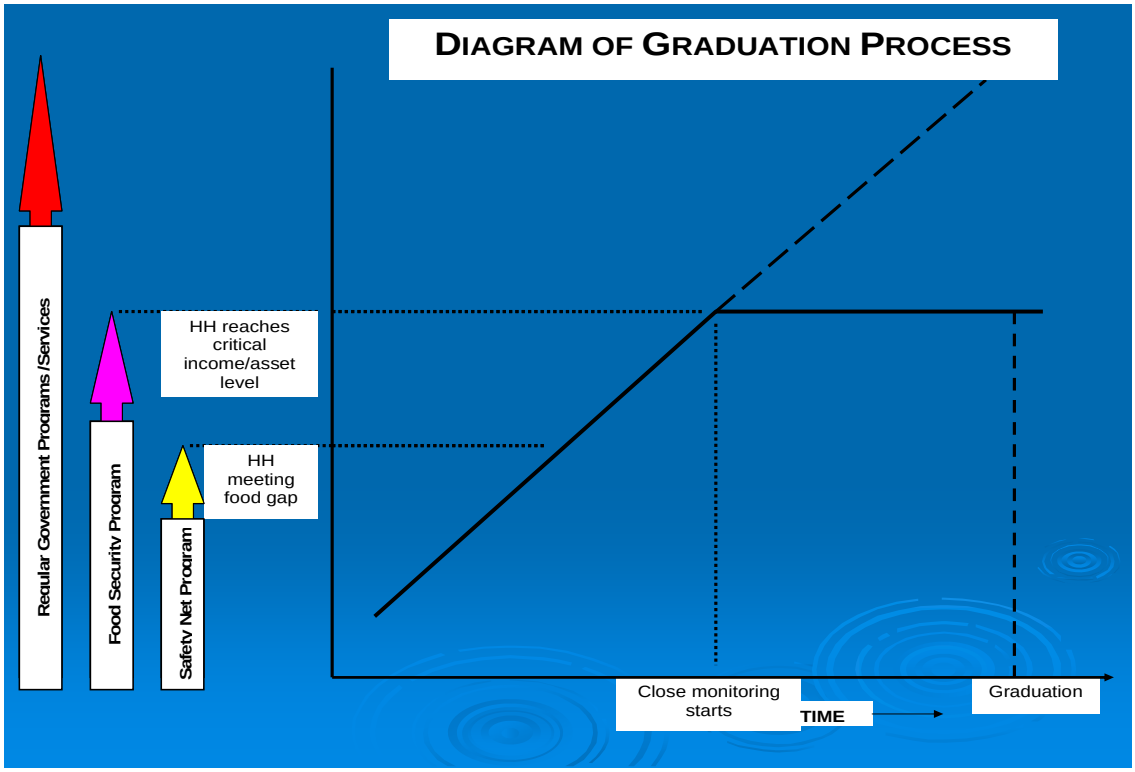
The next section focuses on issues that need to be taken into account to graduate poor households from the PSNP program.

4.6 Graduation and the Food Security Program

Chronic and transitory food insecurity in rural Ethiopia is so profound that recent shocks such as drought or flooding have forced the GOE and food aid agencies such as WFP to target up to fourteen million people for emergency food assistance during some years. The Ethiopian government developed the Food Security Program with the help of an array of donors to reduce the need for emergency food assistance by targeting chronically food insecure households in food insecure woredas for participation in a combination of two programs: the PSNP, designed to provide food or cash transfers to prevent household asset depletion and create productive community assets, and complementary food security interventions, designed to build household assets. Participation in a combination of the two programs would allow households to graduate out of chronic food insecurity within three to five years. The assumption is that there exists a minimum configuration of income or assets required for households to escape structural poverty.

Although the GOE hopes to graduate millions of chronically food insecure households within five years, the government and donors have struggled with defining what exactly graduation means. The details of operationalizing graduation into a measurable dynamic concept have yet to be fully developed. How do we measure graduation? How can we ensure that household graduates will not slip back into chronic food insecurity?

Figure 3: Graduation Processess



This self resiliency study is largely concerned with gaining a more complete understanding of the relationship between household vulnerability, chronic and transitory food insecurity, and household and community self-resilience within different livelihood systems' contexts. In order to begin to conceptualize what graduation really means, we must understand various aspects of vulnerability in a particular context, what makes households susceptible and resilient to different threats, and what tangible and intangible resources are used to manage uncertainty. Once a household has risen above a government defined threshold, what are the requisite conditions that need to be in place to keep the household from slipping back As Figure 3 illustrates, the Safety Nets Program serves households as a consumption smoothing function, allowing households to meet a critical food gap and reduce or eliminate their transitory food insecurity. Participation in other food security program activities allows households to achieve a critical income or asset level defined in terms of food security program graduation. Access to other government services and other complementary GO and NGO program activities is necessary to prevent households from slipping below the food security graduation threshold.

Issues of Graduation

Stakeholders participating in this study at the community, kebele, woreda, regional and national levels were all hard-pressed to identify measurable definitions of food security graduation. Community members who are participating in the PSNP were often reluctant to discuss the issue of graduation, apparently for fear of potentially losing their PSNP

status. (Nevertheless, their participation in defining potential graduation thresholds was invaluable toward attempting to propose some graduation indicators by livelihood system and woreda.) They understand that one of the purposes of establishing graduation thresholds is to move participating households through the program in order to make room for other chronically food insecure households, given that resources available to implement the program are insufficient to meet the need.

Currently, woreda FSP teams face immense difficulties in defining and then tracking or monitoring graduation. FSP personnel are over-burdened and lack the resources, time, and logistical support to adequately monitor graduation. Capacity remains low (as discussed in the Linkages and Layering section of this document). PSNP community participants are continuously flowing in and out of the program. The program has lacked good baseline data against which to compare progress (although the recent IFPRI baseline study can be extremely useful in defining and then tracking baseline graduation indicators). Household income and asset data are notoriously inaccurate and difficult to monitor; rural households do not readily share their productive asset ownership information and are particularly reticent about publicizing their income information. Ethiopia is currently experiencing unprecedented high inflation rates, which affects the relevance and applicability of income measures of graduation.

It is clear that community-based definitions of graduation are the most appropriate, but collecting information at the community level would require intensive participatory-based approaches and monitoring and would be invariably impossible to compare across participating communities. Measuring change at the woreda level is more practical, if the issues of capacity discussed above could be effectively addressed. Currently however, graduation from the FSP is standardized across regions based on household income and the value of assets. Tigray region (and possibly other regions) has instituted incremental graduation thresholds of 6000 birr after one year, 12,000 birr after two years and 18,000 birr after three years of participation in the FSP. Households creating the value of income and assets of 18,000 birr will be considered livelihood secure and ready for graduation from the FSP into sustainable food security.

The *Supplemental Guidelines to Facilitate the Implementation of FSP* (2007) outlines the recommended modalities for graduation, requiring FSP woreda and kebele offices to:

- Register participating households by computer;
- Issue ID cards to all participating households;
- Require all participating households to take loans from savings and credit associations or cooperatives for investment in asset or income creation packages offered through the FSP (households remaining in debt presumably could not graduate, although this point is not clear in the guidelines);
- Require all households to participate in one or two activities from the food security package options available in the particular community;
- Monitor changes in household asset accumulation, loan repayment rates, and income; and
- Measure and determine graduation eligibility according to household revenue generating capacity of the asset created.

Graduation Indicators & Thresholds

As noted earlier, the process of collecting income data as a proxy for graduation presents monitoring and tracking problems relating to the reliability and accuracy of the information collected, particularly given increasing inflation rates. Several other potential criteria could be considered for graduation, including:

- Asset based criteria, collecting information on the number or replacement value of a basket of identified productive assets owned, including animals, land, and equipment;
- Time based criteria, graduating households that have not experienced food shortages for three years;
- Consumption or nutrition based criteria, such as diet diversity, daily food consumption patterns, or nutritional status; and/or
- Subjective or intangible criteria as defined by the perception of households within participating communities.

This study is intended to contribute to the future implementation of the PSNP and the FSP by helping to establish mechanisms for defining, measuring and promoting graduation while recognizing differences among various livelihood systems. An effective graduation strategy requires criteria which indicate the degree to which individual households have transitioned from temporary reliance on PSNP and OFSP toward a more independent and sustainable level resilience. The process of developing livelihood-specific graduation criteria involved various stakeholders at different regional, woreda, and kebele levels. Respondents at each level offered recommended graduation criteria based on factors such as household income, type and number of assets, household consumption, period of time as a beneficiary and other intangible factors. Some of these criteria have been derived from the wealth ranking tables developed during FGDs in each research site of both woredas. Others were formulated based on input from regional, woreda and kebele FSTFs.

Based on the input from all of the various stakeholders, the study team is convinced that graduation benchmarks should be asset-based or could be established on the basis of a combination of assets and consumption variables. Asset-based graduation criteria make a case for focusing on assets as means for distinguishing between the structurally poor and the transitory poor. Assets are relatively easy to monitor, particularly in comparison to income levels, and information about assets is already collected as part of the household PSNP selection process. This study has confirmed the close correlation between vulnerability, food insecurity, and the lack of access to assets. Assets are the means by which households create livelihood opportunities in rural Ethiopia and figure prominently in households' ability to cope with shocks and protect food security by selling key assets such as livestock.

Using assets as the basis for graduation would allow communities to remain fully involved in the monitoring process, because household asset ownership is well known

throughout the community and asset information is easy to collect. Some regions have already begun the process of identifying assets as graduation benchmarks, calculating the value of selected assets, including the replacement value but also adding in the rent value and labor saved for assets such as oxen, which has clear productive value.

The determination of graduation benchmarks or thresholds should take place at the woreda level, involving the input of the woreda FSTF with input from the various kebele FSTFs within the woreda. The FSTF teams could make adjustments, if needed, for differences by livelihood system within the woreda. Determining and then monitoring graduation benchmarks by livelihood system is probably not feasible, given that many woredas are characterized by several different livelihood systems that straddle woredas, zones, and regions of the country. On the other hand, establishing graduation thresholds at the regional level is far too wide-ranging and would not allow for differences by woreda and livelihood system.

Table 25 below outlines potential asset and consumption benchmarks or thresholds by woreda. The table is derived from recommendations gleaned from communities and FSTFs within each of the woredas. This table is not meant to offer definitive answers to the graduation threshold debate, but could be used by participating FSP woredas throughout the country as a basis for setting asset-based or asset and consumption-based graduation benchmarks. Some of the numbers of proposed graduation assets presented may appear inconsistent in comparison across woredas; a re-verification process is essential during the graduation benchmark setting process. (Communities within each of the livelihood systems developed recommendations for graduation thresholds. Individualized community and FSTF recommended graduation criteria tables are presented in the specific regional chapters in the annexes of this report.)

Table 25: Potential Graduation Benchmarks by Woreda

Woreda	PSNP Graduation		Food Security Graduation	
	Consumption benchmarks	**Household Assets**	**Consumption benchmarks**	**Household Assets**
Enderta, Tigray	2-3 meals per day, 9 months of food from production	1 ox, 1 cow, 3 shoats, 5 quintals harvest	3 meals per day, diet diversity, 12 months of food from production	2 oxen, 2 cows, 5 shoats, 1 donkey, 1 camel 8 quintals harvest, 10 beehives
Raya Azebo, Tigray	9 months of food from production	1 ox, 1 cow, 4 goats, 5 quintals harvest, 7 beehives	3 meals per day, diet diversity, 12 months of food from production	2 oxen, 3 cows, 15 goats, 2 donkeys, 8 quintals harvest, 10 beehives
Habru, Amhara	2-3 meals per day, 9 months of food from production	1 ox, 1 cow, 4 shoats, 5 quintals harvest	3 meals per day, diet diversity (meat, eggs, vegs), 12 months of food from production	4 oxen, 3 cows, 15 shoats, 1 donkey, 2 camels (if found) 8 quintals harvest, 10 beehives
Ziquala, Amhara	2-3 meals per day, 9 months of food from production	2 oxen, 1 cow, 5 shoats, 6 quintals harvest	3 meals per day, diet diversity (meat, eggs, vegs), 12 months of food from production	4 oxen, 3 cows, 15 shoats, 1 donkey, 2 camels 9 quintals harvest
Grawa, Oromiya	9 months of food from production	1 ox, 1 cow 3 shoats	3 meals per day, diet diversity, 12 months of food from production	2 oxen, 2 cows; 5 shoats, 8 quintals food crop 8 quintals cash crop
Adami Tulu, Oromiya	9 months of food from production	1 ox, 1 cow 3 goats	3 meals per day, diet diversity, 12 months of food from production	2 oxen, 3 cows; 5 goats, 2 donkeys + cart 12 quintals harvest
Silte, SNNPR	9 months of food from production for 2 consecutive years	1 ox, 1 cow 4 goats, 1 donkey, 1 hectare land or 10 quintals harvest	3 meals per day, diet diversity, 12 months of food from production	2 oxen, 2 cows 5 goats, 1 donkey, 2 hectares land or 15 quintals harvest, 350 enset plants
Dirashe, SNNPR	9 months of food from production for 2 consecutive years	1 ox, 1 cow 4 goats, 1 donkey, 1 hectare land or 10 quintals harvest	3 meals per day, diet diversity, 12 months of food from production	2 oxen, 2 cows 5 goats, 1 donkey, 2 hectares land or 15 quintals harvest, 350 enset plants
Chifra, Afar	2-3 meals per day	2 cows, 2 camels 4 goats,	3 meals per day, diet diversity,	5 cows, 5 camels 25 goats, 2 donkeys

In addition to the more tangible graduation indicators presented in the table, communities and FSTFs across the nine woredas discussed a set of intangible factors that define resilient households for particular livelihood systems. The similarities across woredas and livelihood systems were remarkable. NGOs implementing food security and

livelihood activities in rural Ethiopia could refer to the following intangible factors of household resiliency in relation to programming outcome indicators:

- Households use credit from *equb* and other community savings & loans groups to invest in IGAs instead of filling food gaps;
- Capacity and willingness to save, as measured in savings;
- Ability to adapt to shocks;
- Increased investment in productive activities;
- Households are able to send all of their children to school, as measured in school attendance rates;
- Ability to hire labor during peak agricultural seasons;
- Collective participatory decision-making within households

Some key issues relating to graduation should be addressed prior to implementation of any graduation suggestions:

- The concept of graduation needs to be clearly understood within communities and across FSTFs at the kebele, woreda, and regional levels.
- An efficient and effective monitoring system should be designed in order to objectively track progress and determine household graduation within participating communities.
- What are the requisite conditions that protect graduates from slipping back?

4.7 Gender Issues

a. Participation in PSNP

A number of previous studies have highlighted the significant issues faced by poor, vulnerable Ethiopian women as they attempt to secure their own livelihoods and provide for the needs of other household members. The most commonly cited challenges include limited access to productive assets and labor markets, unequal compensation, as well as limited opportunities for participation in household and community decision-making (Sharp et al. 2006, Slater et al. 2006, Lautze et al. 2003, Devereux 2006, Ellis and Woldehanna 2005).

In response to these issues, policy guidance for the PSNP explicitly supports the equal participation of women in community development activities. However, while the PIM encourages female participation in the woreda and kebele-level FSTF, this study confirms the findings of previous reports which suggest that women are rarely involved in the

targeting of PSNP beneficiaries and very few hold leadership roles within the community (Devereux 2006, Slater et al. 2006). Meanwhile, many female respondents to the current study feel they spend considerable time and effort on PSNP activities but are paid too little in return (15 kg of wheat and 1 bottle of oil per month). Furthermore, they explained that their involvement in PSNP activities means they have less time and energy to spend on other duties such as supporting the health and education of children, caring for elderly and/or chronically ill household members, and performing daily labor on their own agricultural land.

The PIM acknowledges that widows and other female household heads are more likely to need direct support under the PSNP. Accordingly, it allows pregnant and breastfeeding women to be exempt from public works and permits public works to be carried out on private land owned by labor poor, female-headed households. Again, despite their adoption, official policies in support of female participation are often poorly implemented. For instance, previous studies have found that pregnant and lactating women often continue to engage in labor-intensive activities under the PSNP for fear of losing their beneficiary status (Devereux et al. 2006). This is particularly true for female-headed households who likely have few other opportunities for generating sufficient household income.

b. Vulnerability to Livelihood Insecurity

Table 26 below shows a range of selected indicators of vulnerability, disaggregated by gender of heads of household. Data confirm the greater vulnerability of female heads of household across the entire sample. Though dependency ratios for male and female-headed households are comparable (1.3 and 1.1 respectively), female-headed households were found to have fewer assets per capita and higher monthly expenditures on food than their male counterparts. Table 27 shows that while a slightly higher percentage of female-headed household members have received no formal education than those in male-headed households, a greater proportion of members in female-headed households have attended school to the secondary level or beyond (8.7% versus 7.0% respectively). These figures suggest further effort should be made to increase school attendance among children of female-headed households, particularly among girls.

Table 28 suggests that while incidence of illness and presence of chronically ill members are fairly common among female-headed households, members of such households tend to be slightly healthier than members of male-headed households.

Table 26: Selected Indicators by Sex of Household Head

Sex of head		Per capita asset	Dependency Ratio	Per capita monthly food expenditure	Proportional expenditure on food	Social assets
Male	Mean	33.4	1.3	36.7	59.1	.8
	N	1,050	1,094	1,094	1,080	1,094
	Std. Deviation	34.8	.9	41.8	28.4	.4
Female	Mean	24.7	1.1	60.3	65.4	.8
	N	140	196	196	195	196
	Std. Deviation	30.1	1.1	69.8	27.9	.4
Total	Mean	32.4	1.2	40.3	60.1	.8
	N	1,190	1,290	1,290	1,275	1,290
	Std. Deviation	34.4	.9	47.8	28.4	.4

Table 27: Educational Attainment of Household Members by Sex of Household Head

% within Sex of head

	Sex of head		
	Male	Female	Total
No formal education	29.8%	30.6%	29.9%
Elementary	63.2%	60.7%	62.8%
Secondary or above	7.0%	8.7%	7.3%
N	1094	196	1290

Table 28: Incidence of Illness, Chronic Illness by Sex of Household Head

	Sex of Head		
	Male	Female	Total
Incidence of illness (within previous month)			
One or more incident	20.4%	18.7%	20.1%
No incidence of illness	79.6%	81.3%	79.9%
N	1,084	193	1,277
Chronic illness			
Yes	11.8%	10.8%	11.3%
No	88.2%	89.2%	88.7%
N	1,106	1,144	2,250

The current study found that in general, the participation of women in household income generation has improved in recent years. Nonetheless, findings suggest a significant difference in income generating opportunities available to women and men. In general,

women within the study areas are most often channeled into low-income, low-status livelihood strategies. For instance, in Afar, findings suggest strict gender divisions in terms of livestock ownership and control. Despite the burden placed on women as a result of child-rearing, caring for the elderly and ill, and responsibility for many household economic activities, women are typically prohibited from owning cattle or camels, both of which are integral to the area's pastoral economy. Rather, female ownership of livestock assets is typically limited to donkeys and small ruminants.[31] Likewise, women in both Dirashe and Siltie woredas of SNNPR are prohibited from owning land, though this was not the case in most other study areas.

Significant differences were also revealed in the income generating opportunities available to women of different socio-economic classes. For example, respondents pursuing a diversified peri-urban livelihood strategy in Tigray felt that there has been no substantial change in income security among poor women in the region. It was explained that chronic poverty among this group is largely due to increasing costs of consumer goods and agricultural inputs coupled with continued declines in agricultural productivity. Alternatively, better-off women are able to maximize production and income by applying improved agricultural inputs towards the cultivation of fast-maturing, market oriented crops.

Many women throughout the study area have benefited from their affiliation with savings and credit associations as well as community-based development organizations. For instance, in Habru woreda of the Amhara region, women reported an increase in employment opportunities as a result of interventions implemented by the Organization for the Rehabilitation and Development of Amhara (ORDA). Activities commonly supported by ORDA in conjunction with kebele administrations and agricultural offices include soil conservation through construction of terraces, water catchment basins, check-dams and gabions as well as tree planting for fuel wood and soil stabilization. Women in Grawa woreda in the Oromiya region stated that the formation of savings and investment groups has enhanced their capacity to guide household livelihood strategies, thereby strengthening their role in household decision making. However, savings groups were found to be far less common in Adami Tulu woreda in the same region.

Not all female respondents hold a positive view of credit schemes targeted to poor households. For instance, many women pursuing a highland food crop livelihood strategy in Tigray are very unhappy with the current credit system and regret taking credit given that repayment is nearly impossible. In order to cope in the short-term, many women reported taking more credit, or selling productive assets such as livestock in order to repay the initial loans.

Table 29 below shows that throughout the study area, borrowing is slightly more common among male-headed households than among those headed by females (50.5% versus 42.3% respectively), with nearly half of all respondents admitting to borrowing

[31] This type of resource allocation should not be interpreted as being entirely negative. Women fortunate enough to own donkeys find them very useful for transporting household necessities (water, fuel wood, etc.). Likewise, small ruminants are relatively easy to sell in case of household emergencies which are often attended to by women.

within the last the last year. Data in Table 30 suggest that the most common use for loans among both male and female-headed households is the purchase of food for consumption. However, it also shows that female-headed households are more likely to use credit to invest in productive assets and pay down previous debt than male-headed households. Table 30 also provides data on the source of loans among households who have obtained credit within the last year. Friends and relatives are by far the most common source of loans for both male and female-headed households. Data show, however, that women in the study area are more likely than men to obtain loans from non-formal institutions and micro-credit organizations.

Table 29: Borrowing by Sex of Household Head

% within Sex of head

	Sex of head		
	Male	Female	Total
yes	50.5%	42.3%	49.3%
no	49.5%	57.7%	50.7%
N	1,094	196	1,290

Table 30: Reason for Borrowing and Source of Loan by Sex of Household Head

	Sex of Head		
	Male	Female	Total
Reasons for borrowing			
Investment and productive assets	29.2%	32.1%	29.5%
Non-food consumption	20.2%	21.8%	20.4%
Food consumption	42.7%	35.9%	41.8%
Debt repayment	8.0%	10.3%	8.3%
N	511	78	589
Source of loan			
Friends and relatives	62.7%	56.4%	61.9%
Non-formal institutions	11.7%	19.2%	12.7%
Formal institutions	7.6%	5.1%	7.3%
Micro-credit	18.0%	19.2%	18.1%
N	512	78	590

c. Social capital

Previously, women's roles in rural Ethiopia were largely limited to home management and assisting men in household agricultural production. They typically were not allowed to participate in public gatherings, nor were they significantly involved in decision making within the home. This study found, however, that women are increasingly aware of their right to be involved in community development activities and are willing to voice their opinions in public gatherings. Although women's involvement in community political dialogue remains extremely limited, there are several instances of women being chosen as elected kebele representatives within woreda administrations.

Similarly, women throughout the study area reported an increase in decision-making influence within their individual households. This was particularly true in cases where female household members play a significant role in the generation of household income.

For instance, female respondents participating pursuing a *diversified peri-urban livelihood* strategy in the Tigray and Amhara regions reported that their decision making influence within both the home and community are increasing as a result of their growing ability to contribute to household income. While women still report a gender difference in terms of wages, respondents reported an increased ability and willingness on the part of women to engage in employment outside the home. In some cases, this in turn has led to growing support for investment in female education as a high-potential strategy for reducing chronic vulnerability. Similarly, although religious principles continue to present constraints to the full realization of their rights, women in SNNPR reported that they are increasingly consulted by their husbands regarding the sale of grain and/or livestock. In a break from past tradition, women in the region are increasingly given equitable shares of household property in the event of a divorce. Alternatively, in Oromiya, a lack of influence in household decision making and vulnerability to domestic abuse was reported by women to be most common in polygamist households. Female respondents in Oromiya also suggested that the threat of taking another wife is often used to deter women from asserting their rights within the household. At the same time, several admitted that increases in household income and livelihood security have also prompted men to take additional wives. The following case study provides one example of the decision-making authority that often accompanies an increase in economic activity on the part of female household members.

In Raya Azebo woreda of the Tigray region, Tiwires Getahun started buying grains at a cheaper price in Mehoni and sold it in Maichew for a relatively higher price. Following this, she received money from iqub and bought a donkey, which made her grain marketing much easier. By making more profits, she was able to buy a second ox to plow her land. She took an extension package 4 years ago from the government. This allowed her to further increase yields. After participating in training, she started diversifying her cropping system. She started planting fruits, mainly papaya and earned good money. She continued selling vegetables, including onion, cabbage, potato and tomato. Beyond crop production she managed to have a good number of dairy cows to obtain butter that she sells on the market. She owns a mule driven cart for transportation of the farm products. She has a very good relationship with her husband with whom she makes all decisions concerning their livelihood. They discuss new ideas to make decisions together.

In nearly all of the study areas, the institutions most important to women include health and education facilities (clinics and schools), religious offices, and the kebele agricultural office. Among these, kebele administrative and agricultural offices were deemed least important due to the limited access afforded to women. While the kebele administrative office was reported to be the most important decision-making body within many of the communities, the vast majority due not support the active participation of women in community affairs. In fact, some female savings group participants reported they fear kebele administration attempts to intervene in and/or disrupt group activities. Likewise, respondents revealed a perception that agricultural extension agents are almost always men, working with and for other men, with little consideration for women's role in community development activities. Despite their prominent role within the community, women also viewed both elders groups and religious institutions as being less important for achieving resiliency given their minimal access to these types of institutions.

The study reveals slight differences in the importance attached to specific institutions among distinct social classes. For instance, in Habru woreda of the Amhara region, health facilities were seen as being particularly important among better off women due to services including sanitation training, family planning, provision of contraceptives, as well as vaccination for children. Alternatively, poorer female respondents within the community value both ORDA and the Amhara Credit Service Institution (ACSI) for providing access to credit for women and supporting their involvement in local development activities. Traditional birth attendants and savings groups were also cited as important institutions by poor women in several of the study areas.

d. Aspirations and Household Resiliency

Asked about future aspirations for themselves, their households and their communities, men and women answered very differently according to the particular livelihood strategy they pursue. For instance, men throughout the study area typically mentioned an aspiration to achieve more diversified economic pursuits through increased cash crop cultivation and engaging in irrigated agriculture. Many women on the other hand aspire to improve the quality of household food consumption, establish and/or strengthen local markets, develop local health posts, and increase their involvement in small-scale trade. Overall, women in the entire sample were found more likely to have high rather than low aspirations for the future (63% versus 37% respectively). However, by this measure, women reported having lower aspirations than men, 71% of whom have high aspirations for the future. Responses obtained from male and female heads of household also reveal significant gender differences (Table 31). While the clear majority of all household heads (64.5%) feel that hard work is the key to success, this sentiment is more common among men (68.9%) than it is among women (60.3%), who tend to place a greater importance on the role of good luck.

Similarly, Table 32 reveals slight differences in male and female perceptions regarding the characteristics of resilient households. While both men and women heads of household feel that hard work, savings, income diversification and investment in land are critical to household resiliency, women are more likely to give greater importance to the power of education than men. Women are also more likely to cite the importance establishing contingency funds and receiving remittances in order to establish household resiliency, whereas men give greater importance to abstaining from drinking, sharing with others, and interestingly, practicing family planning.

Table 31: Household Aspirations by Sex of Household Head

% within Sex

	Sex		
	Male	Female	Total
To be successful, above all one needs to be lucky	31.1%	39.7%	35.5%
To be successful, above all one needs to work very hard	68.9%	60.3%	64.5%
N	1,120	1,165	2,285

Table 32: Characteristics of Resilient Households Disaggregated by Gender

Characteristics	**Male**	**Female**
Income diversification	7	7
Hardworking	7	7
Savings culture	7	7
Investing in farmland	7	7
Food available year round	7	6
Joint decision-making with spouse	6	6
Openness to change	7	6
Contingency funds	3	5
Value education	4	6
No drinking/ chewing chat	2	***
Share with others	4	2
Engaging the community as agents of change	4	3
Family planning	2	1
Remittances for investment	***	1

Note: The table above is based on data from Girawa, Enderta, and Raya Azebo, the only *woredas* with both male and female respondents.

Zara Jeloo lives in Grawa woreda of the Oromiya region. She is in her forties and is illiterate. When they first married, Zara and her husband owned very few assets. Soon after, he became severely ill for several years and was unable to work. Not only was Zara responsible for caring for her sick husband, she also had sole responsibility for ensuring that her children were fed and educated, and that household farming activities continued. Zara credits her moral strength, farming experience gained from her husband, and helpful advice offered by community members as the main contributors to her livelihood recovery. She feels the most significant challenge she endured during these difficult years was the pervasive attitude that female-headed households cannot achieve stability on their own and require the assistance of capable men.

In recent years, Zara has continued to rent in land, cultivating both food and cash crops. Meanwhile, she has increased her ownership of productive assets to include one ox, a cow, five goats, a donkey and four poultry birds. She also cultivates 10 *katarra* of chat, 5 stands of coffee trees, and 6 papaya trees. As a result, she has increased her annual yield from 4-7 quintals to 12-15 quintals per year.

While Zara is in support of targeted support for the poorest household, but feels collective action will only be effective where all individuals make a commitment to use resources responsibly and productively. She claims to have instilled these values in her adolescent daughters, who she says are actively involved in household decision making. While she acknowledges the effort and resources that have spent by the government in support of the poor, she feels that many community members have become indolent, do not want to work hard, and do not have an appreciation for their role in ensuring the quality community development projects.

V. Linkages and Layering

The government of Ethiopia designed the Food Security Programme, with the active collaboration of a number of donors and other contributors, in order to graduate a substantial proportion of chronically food insecure households residing in the most food insecure rural areas of the country from food insecurity to food security within a period of three to five years. This programme is in line with the overall goals set out in Ethiopia's Poverty Reduction Strategy – the PASDEP – and over time reducing the need for annual food assistance. The FSP essentially consists of two complementary programmes, the Public Safety Net programme and the Other Food Security interventions. The PSNP was designed to provide cash or food transfers to chronically food insecure households in order to prevent household asset depletion as well as create community assets. OFSP activities are supposed to complement PSNP community assets by improving household food availability and access through increased agricultural crop and livestock productivity. The idea is to complement public works activities, including roads and market infrastructure, with targeted household interventions.

5.1 Government Institutional Linkages

A wide array of government and non-government institutions are involved in the implementation of PSNP and OFSP interventions. The importance of vertical linkages is apparent within the government structure. Although few linkages are found at the federal level, the program has created expectations of strong linkages between the regional and woreda levels in planning, budgeting and support and between woreda and lower levels for activity planning and targeting. Through the Federal Food Security Coordination Bureau (FSCB), the MoARD is responsible for oversight and coordination of the PSNP. The Ministry of Finance and Economic Development (MoFED) is responsible for disbursing PSNP resources to regions based on the size of the targeted food insecure population and requests submitted by FSCB. The Federal Food Security Steering Committee (FFSSC) provides overall advice to ensure the proper implementation of food security strategies and programmes, including the PSNP and is comprised of representatives from various government agencies and ministries, the Office of Women's Affairs, Regional Food Security Coordination Offices, and the donor community.

The Regional Council/Cabinet is the highest decision-making body at the regional level. The Regional Food Security Steering Committee (RFSSC) provides advice to government offices and agencies operating throughout the region to ensure the proper implementation of food security strategies and programs, ensures effective integration of the PSNP into the regional development plan, and participates in monitoring and evaluation activities. The Regional Food Security Coordination Office (RFSCO) reports to the Regional Board. The Regional Bureau of Agriculture and Rural Development's (BoARD) key programmatic duties include overseeing the integration of safety net activities into the Food Security Programme and the regional rural development strategy, and providing guidance and technical support to regional offices. Regional Line Bureaus ostensibly coordinate with RFSCO and provide technical assistance to regional and

woreda level offices. They incorporate PSNP activities in their yearly action-plans and are supposed to include PSNP plans in their yearly plans, including capacity building and training. Regional rapid response teams (RRT) were established to monitor PSNP progress and bring challenges and lessons to the Regional Level Food Security Steering Committee. However, because team members are from different institutions, cohesion and therefore monitoring effectiveness remains weak in most of the regions.

The highest decision-making body at the woreda level, the Woreda Council is responsible for the allocation of safety net resources to kebeles based on the recommendations of the Woreda Food Security Task Force (WFSTF) and vulnerable population size .However, no further guidance is given on geographical targeting to kebeles and communities and no standardized indicators or thresholds are set. The Woreda Council is the highest decision-making body at the woreda level, responsible for the allocation of safety net resources to kebeles based on the recommendations of the WFSTF and vulnerable population size. Woredas do not however receive further guidance on geographical targeting to kebeles and communities. Standardized indicators or thresholds are not set. The head of the Woreda Rural Development Office (WRDO) acts as chair of the WFSTF. The Woreda Food Security Desks (WFSDs) are responsible for coordination of Safety Net activities and are technically accountable to the RFSCOs.

The Kebele Council or Cabinet body is the highest political decision-making body in the kebele. The Kebele Food Security Task Force (KFSTF) is a decision-making body that oversees all planning and implementation of safety net activities. The FSTFs conduct targeting and are a combination of ex officio and elected members, including some DAs (development assistants). There are three DA's in each kebele engaged in ostensibly enhancing the quality of PSNP and OFSP activities. The Community Food Security Task Force's (CFSTF) primary responsibility is to identify beneficiaries and decide on their participation in Public works or Direct Support. It is composed of a representative from the Kebele FSTF, a DA, and elected men, women, a youth and an elder. The community also determines the duration of Direct Support assistance, which is reviewed every six months.

While the specific duties, responsibilities and structural linkages are laid out in the PSNP Project Implementation Manual (PIM), and, as some have argued, "the current process for PSNP public works planning is arguably one of the most systematically participatory that has been seen in government programs in Ethiopia" (Slater et al. 2006), coordination between the multiple stakeholders involved remains difficult. The major actors involved in implementation of PSNP and OFSP programs invariably include:

- Woreda council
- Woreda Agriculture and Rural Development Office
- Woreda FSCDP
- Wordea FSTF
- DA office

- Kebele administration
- Kebele FSTF
- Regional FSCO
- Woreda Finance and Economic Development office
- Woreda Sector Offices / Line Departments (natural resources, health, education, water resources, community roads, cooperative promotion)

Theoretically, the complementarity of the PSNP and OFSP activities operating in chronically food insecure communities will graduate households and promote community assets in a sustainable way. The PIM explicitly sets forth the need for PSNP and OFSP complementarity as a necessary condition for food security program graduation. The reality, as repeatedly conveyed by stakeholders at every level, is that horizontal linkages between the programs are often weak. Although some participating PSNP households will graduate in three years, many more will not. PSNP primarily provides consumption smoothing for participating households. Other food security components however frequently fail to actually complement or coordinate with PSNP, negating the sustainability or resilience potential. The quality of the community assets is frequently questionable. Communities are theoretically involved in the priority selection process for the community assets, which are nevertheless often of questionable sustainable value. PSNP implementing partners in Amhara have noted that ponds for example often fail to hold water. Implementing partners and community residents across the regions have noted that although access roads are useful and important for access to markets and services, they frequently wash away after a season, requiring maintenance that is usually not forthcoming, particularly because the lack of an empowerment process fosters an attitude that the government, not the communities, should take responsibility for road and other infrastructure maintenance. Approximately eighty percent of the PSNP resources are programmed as labor costs, leaving insufficient funding for the capital inputs required for sustainable public assets.

5.2 Complementary Non-Governmental Food Security Programs

Because the overriding purpose of the PSNP is to provide consumption smoothing, complementary food security activities are necessary for households and communities to graduate from food insecurity and move toward self resiliency. Examples of linkages and layering and complementary food security programming approaches encountered by the study team include the following:

- Operating in 74 *woredas* spread in six regions, the WFP-implemented MERET (Managing Environmental Resources to Enable Transitions to more Sustainable Livelihoods) serves approximately six hundred communities by providing 30,000 MT of food for natural resource management and half a million dollars for capacity building and training activities. Not a direct implementer, WFP provides technical and material support to regions, woredas, and communities to devise annual work plans to use local level participatory planning (LLPA) toward watershed management

(the tool is now known as the Watershed Management Planning tool). Community representatives work together with DAs to identify sites and use problem analysis to propose and implement activities. MERET implements household as well as community activities, unlike the PSNP. The project's strengths include WFP support for infrastructure technologies and environmental development and rehabilitation activities promoting afforestation, water harvesting, gulley rehabilitation, area closures, and reforestation. Unlike PSNP, MERET has been ongoing for more than two decades, allowing the project to be internalized in regional government planning. Linkages to the PSNP however remain weak; activities are not synchronized although both projects are ostensibly part of the regional and woreda development plans. Like PSNP, MERET is supported primarily through food assistance; the cash component required for capital outlays and materials are substantially insufficient to build sustainable structures, limiting community ownership of the assets. Much of the problem stems from the government's inability to provide matching funds; the GOE contribution is limited to warehousing and staff. Like the PSNP, MERET cannot count on much field support in a system afflicted by insufficient transport support, DSA (perdiem) support, or material support for DA field staff activities. MERET is supported by an effective National Project Coordination Unit (NPCU) and the Regular Project Support Unit (RPSU), allowing for follow up and monitoring activities. At the field level, however, the project is afflicted by many of the same issues encumbering the PSNP, including the huge problem of high turnover rates, staff dissatisfaction with late payments, and questionable commitment to the program. Regional reporting is problematic, particularly in Amhara and Oromiya regions, where food stocks are not properly accounted for, not because of malfeasance, but a result of poor commodity accounting, commitment and reporting, primarily at the woreda level.

- USAID provides US$ 16 million to support NGOs in implementing SPSNP – Support to the Public Safety Nets Program – in 34 woredas of the country. The NGO partners include REST in Tigray, CARE and CRS in Oromiya (CRS also operates through partners in a smaller context in Diredawa), Save the Children UK and FHI in Amhara, World Vision and CHF in SNNPR (CHF works through partnerships with Water Action and KMG), and Save the Children US in Somali region. The most successful SNNPR intervention strategies are invariably promoted in concert with the PSNP. The key to fulfilling the program goal is to try to promote livelihood interventions linked with Public Works, which by itself only stabilizes food security and prevents transitory or seasonal food insecurity but offers no growth or sustainability potential. Several SPSNP intervention strategies – those promoted by CARE and REST for example – apply holistic livelihood approaches. Some of the other NGOs however, are spread out too thinly, concentrating on few livelihood interventions, diffusing potential impact. USAID considers group mobilization efforts to be amongst the most successful SPSNP activities. Through group mobilization, 10-25 households form savings groups, allowing members to invest in small rural enterprises. CARE also ranks this activity as the most sustainable and successful in their HIBRET project. Savings group formation can offer a means toward promoting salient issues facing community households. Other NGOs are successfully using a mixture of grants and loans, including in-kind loans, to promote asset building activities,

particularly small ruminants such as goats or sheep. Small ruminant production shows quick impact but not necessarily huge sustainable transformations. REST and others have successfully promoted market approaches for milk farmers and other types of producers. The overall idea of the program is to combine public works with the building of sustainable livelihoods.

- Intimately involved in and committed to the historic decades-long struggle for the economic and political development of Tigray, REST has established and maintained excellent working relationships with each of its institutional and community counterparts at central regional and local *kushet* and *tabia* levels. Each REST proposed development project and operational plan must be approved at regional government and relevant bureau levels. Rest representatives are proactive members of Food Security Tasks Forces at the regional and woreda levels. REST agricultural and SWC extension experts typically have excellent working relationships with BoANR Development Agents (DAs), who are integrally involved in developing strategic and operational plans with REST staff. REST extension experts and DAs are nearly inseparable, making joint field visits, carrying out training activities and conducting planning with *baito* members as a team. In addition, DAs work closely with REST Experts to promote common extension messages and plan activities with the w*oreda* and *tabia baito* administrations. They work together to monitor conservation sites as well as the progress of REST activities such as forage development and beekeeping. At the local level, coordination is carried out through *woreda, tabia & kushet baitos* and their accompanying:
  - Watershed Management Committees,
  - Water and Sanitation Committees,
  - Farmer Associations,
  - Youth Groups
  - Soil and Water Conservation Committees, and
  - Water User Associations
- With the GOE contributing nine percent of the operating budget, CARE implements the PSNP and SPSNP in Oromiya and South Gondar in close coordination with woreda and kebele task forces, jointly planning and prioritizing activities and participating in joint capacity building exercises in technical and managerial areas such as record-keeping, accounting, and food commodity management. CARE and woreda management and field staff have jointly developed what is known as the panel monitoring exercise. Every six months, programming staff sequester together to discuss programming accomplishments, key programming issues, implementation challenges, and issues arising from field reports. CARE and government field personnel undertake field trips to representative sites to talk to community participants and gauge program progress and challenges. The panel monitoring exercise helps to delineate NGO and GO roles and responsibilities vis-à-vis program implementation. The process has proven useful toward reaching agreement on technical and management training and capacity building. For example, the forum was used to agree on a joint CARE/GOE financing of a fifteen-day integrated watershed management workshop. The process promotes cross-fertilization, transparency, and enhanced potential for a coordinated programming approach. By

the end of the bi-annual retreat, participants discuss and agree on a six-month plan for the next period.

- CHF-Partners in Development has partnered with ORDA in Bati Woreda in Amhara to implement a form of the positive deviance approach to promote innovation and resilience by drawing on relatively successful and resilient farmers to act as role models within their communities. Innovative farmers who are also community leaders receive training and subsequently share their experiences as "motivators" by communicating message to other farmers within community meeting fora or through videos.
- ORDA has instituted a joint woreda project proposal review process with the Food Security Offices in Habru and elsewhere in Amhara region in order to promote agreement and ownership of the program activity design. The NGO experiences with linkages and layering at the woreda level, characterized by excellent communication with government offices flexible to new programming ideas, have been quite positive
- Several NGOs, including REST in Tigray, ORDA in Habru, and CARE in Grawa, have fostered a coordinated extension approach by instituting joint technical training and implementation activities with DAs operating in their working kebeles. This approach can intensify extension-community communication and helps to systematize extension messages and approaches within the community. Motivating DAs to participate in such joint exercises is considerably easier if the NGO springs for per diem costs (discussed in greater detail below).
- Food Security Task Forces in several woredas – involving ORDA in Habru, SCF-UK in Habru and Ziquala's Integrated Pest Management (IPM) project, and CHF-Partners in Development in Bati – carry out joint implementation and monitoring missions. The per diem issue arises in this context as well.

5.3 Weaknesses in Horizontal and Vertical Linkages

Efforts at promoting sustained development efforts and eventually realizing community and household resiliency, however, are constrained by inherent structural weaknesses in horizontal and vertical linkages between and amongst government and NGO agencies. Weak and ineffective links include the following:

- Vertical linkages between woreda technical experts, kebele administrators, DAs operating in the field, community elders and groups, and FSTF personnel at the kebele, woreda, and regional levels are generally weak and frequently ineffective, as reported in each of five regions visited by the study team. PSNP, OFSP, and Resettlement Program linkages are often weak as well. As a result, Food Security and line offices frequently fail to share reports documenting implementation and monitoring issues, oversights that can negatively affect the quality of the implementation and field supervision process, rendering follow up difficult. Other challenges include the quality of planning processes, the understanding of the need for effective horizontal institutional linkages for program implementation at the woreda level, PSNP and OFSP coverage, the timing of the planning and budget processes, and the timeliness of budget flows

- Despite the examples cited earlier, the study team identified few examples of successful collaboration between government and non-government stakeholders. Program coordination remains weak in many locations. NGO program strategies are frequently not harmonized with woreda development plans. NGO programming usually does not complement the FSP approach. Instead, the NGO presence in PSNP woredas frequently means the NGO programming activities substitute for PSNP activities. As long as NGO programming substitutes for instead of complements PSNP activities, household and community resilience will remain unfulfilled. This theme was repeated by several programming agencies operating in the study areas.
- Ineffective horizontal linkages delay the implementation of activities and impede an integrated multi-sector approach to improved household resilience under the PSNP and other food security programs. Although the Program Implementation Manual – the PIM – lays out in detail the potential role of NGOs in complementing PSNP activities, in practice many NGOs remain unclear and at times frustrated about how they could effectively cooperate and thereby complement public works and food security programming. NGO involvement in Woreda (or regional) food security task force deliberations is not systematic.
- The Disaster Prevention and Preparedness Agency's (DPPA) primary mandate is to respond to food and other basic needs of people affected by acute, unpredictable disasters under emergency appeal circumstances. In principle, the PSNP deals with chronic, rather than acute food insecurity. However, PSNP guidelines promote targeting transitory food insecure households for participation in household packages are credit activities. Contingency funds enable horizontal scaling of the safety net to increase the number of beneficiaries should the number of chronically insecure increase. PSNP's ability to respond to emergency and food insecurity crises raises concerns regarding policy coherence, capacity to deal with both regular and emergency programming, coordination of the response, contingency funding, plan implementation, and the effect on household decision-making in the face of uncertainty. National coordination structures between the Food Security Bureau (FSB) and the Disaster Preparedness and Prevention Agency (DPPA) are poorly defined, resulting in sometimes confused and poorly understood roles of the two agencies. This is a critical issue to resolve in order to properly and effectively identify and target chronically food insecure households in contrast to transitory food insecure households.
- Decentralization has conferred substantial autonomy to the woredas, which represent the key implementing body for the FSP. The Woreda Food Security Task Forces (WFSTFs) target households for the FSP. The WFSTFs display some understanding of the PSNP, the wider FSP and theoretically the importance of horizontal linkages amongst woreda level planners requiring a good degree of joint planning and working. However, woreda food security personnel have yet to receive sufficient guidance on their role in creating these linkages and how the WFSTF should coordinate, particularly regarding defining, planning and measuring graduation. Much of the most essential program design, prioritization, development, implementation, and monitoring takes place at the woreda level, where FSP programming capacity is usually weak, sometimes glaringly weak. Woreda FSOs frequently lack sufficiently trained or adequately qualified staff. The rates of

turnover are unacceptably high. All of these factors necessitate frequent and effective refresher training and periodic retraining, which is impossible to systematically maintain. The workload of woreda food security staff precludes inter-agency coordination and collaboration. Sector line offices involved in PSNP implementation receive poor logistical support, rendering frequent field visits and linkages with other implementing agencies ineffective. Quality assurance is problematic.

- As a result of high turnover, low remuneration, insufficient training, inadequately qualified staff, and personnel shortages at positions at the woreda level, NGOs tend to discount the commitment of field and office personnel. NGOs would like to engage woreda and kebele staff in relevant training and programming exercises, but are not always prepared to pay the per diem demanded by government staff for their participation. Joint monitoring missions have been effectively eroded by such demands. NGOS unable to pay the per diem usually can encounter many empty seats at workshop settings.
- Finally, the inability of households and communities to adequately cope with shocks such as periodic drought has eroded the effectiveness of traditional support mechanisms over time, further entrenching vulnerability. This erosion process has accelerated in highlands woredas more dramatically than in pastoral settings, where traditional support mechanisms remain relatively strong but are slowly weakening nonetheless. One potentially valuable service of NGOs is to grasp the opportunity to facilitate processes to support and strengthen traditional structures, such as the *equb, iddir, marroo, debo, jige, wefra,* and *weber* to promote sustainable programming approaches.

5.4 Examples of Current NGO-Government Linkages and Existing Programs to Link with in the Future

Specific examples of NGO programming efforts and including linkages and layering by woreda and region are provided below:

TIGRAY

In Tigray, REST has collaborated with kebele administrations and community associations such as women's groups, credit and savings associations, traditional healers, farmers' and youth associations, and *idirs* in implementing complementary community development strategies. For example, community mobilization programs organized by kebele administrations as well as community groups have provided an entry point for REST to introduce flood diversion structures. Typically, the *kebele (kushet*) administration assumes the lead role in making decisions that affect the overall development and security of a particular area.

Respondents in Tigray suggested that community political, social and economic participation is gradually increasing and that women's status within the community has improved somewhat to include equal legal access to land. Nonetheless, residents have also noted the increasing ineffectiveness of traditional social support mechanisms

resulting from years of drought and an increase in individualistic attitudes among community members.

Dedibit Savings and Credit Institutions are often the only financial institutions operating within the community and some poor households complained that the repayment system is inflexible and generally unaffordable. Meanwhile, Muslim households are excluded from current financial mechanisms due to the prohibition against taking credit with interest.

An outline of specific programs operating the two woredas of Enderta and Raya Azebo includes the following food security, livelihoods, health, emergency, and other programming approaches:

Enderta projects include:

- Three food security projects:
  - WFP & UNICEF operate the Ethiopia Relief and Recovery Program, which targets supplemental food;
  - The Tigray Food for Work program, funded by CIDA and implemented by the Bureau of Water Resources, the Bureau of Mines & Energy, and BoARD, rehabilitates reservoir catchment areas for irrigation; and
  - Funded by the Belgium Survival Fund and FAO and implemented by RFSCO, the Improving Nutrition and HFS Project builds the capacity of communities and woredas to prepare action plans related to the maintenance of natural resources, potable water structures and latrines.
- Four livelihoods projects:
  - National Livestock Development Project, instituted by MoARD and ADB;
  - Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million;
  - Implemented by REST and BoARD, the Integrated Rural Development Program promotes potable water and sanitation, irrigation, girls' education and women's status, high value vegetable crops, and sustainable land management; and
  - Implemented by the ECC-SDCOA, the Agricultural and Livelihood Recovery project promotes agricultural production, irrigation, and potable water.
- Six other projects:
  - Basic Education Support, with the support of USAID;
  - CIDA-supported Water Harvesting and Institutional Strengthening project, implemented by the Bureau of Water Resources, Mines and Energy, and BoARD, who partner with the Tigray Agriculture Research Institution and the Tigray Cooperative Office to promote water development, particularly irrigation, and strengthen Water User Associations;
  - Rural Capacity Building Project, instituted by MoARD and CIDA;
  - ECC-SDCCA implements a project in partnership with CRS and funded by USAID designed around soil and water conservation, seedling production, roads and pond construction, irrigation, and water rehabilitation;

- CRS also partners with Water Action to implement the Adidaero Integrated Watershed Management project, using cash for work toward income generation for women and WATSAN activities; and
- Rehabilitation of Small-scale Irrigation Schemes in Tigray, funded by FAO.

Raya Azebo projects include:

- Three food security projects:
  - The WFP/UNICEF Ethiopian Relief and Recovery Program;
  - Funded by CIDA, the Bureau of Water Resources, Mines & Energy, and BoARD implement Tigray Food for Work in order to rehabilitate catchment areas; and
  - The USAID-funded SPSNP, implemented by REST in partnership with BoARD, targets natural resources, agriculture production, potable water, credit and savings, and information access and utilization.
- Two livelihood projects:
  - Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million;
  - Natural Livestock Project, also instituteded by MoARD and ADB.
- Pathfinder International implements the Family Planning & Reproductive Health project, supported by USAID nationwide for US$ 16 million
- One emergency project, known as the Emergency Drought Recovery Project, implemented by RFSCB and funded by the World Bank, targets soil & water conservation, rural water, and social infrastructure activities;
- Four other projects:
  - USAID supports the Basic Education Support;
  - CIDA-supported Water Harvesting and Institutional Strengthening project, implemented by the Bureau of Water Resources, Mines and Energy, and BoARD, who partner with the Tigray Agriculture Research Institution and the Tigray Cooperative Office to promote water development, particularly irrigation, and strengthen Water User Associations;
  - Rural Capacity Building Project, implemented by MoARD and funded by CIDA; and
  - The Government of Italy and FAO support the Strengthening of Fruit and Cactus Pear Production Project.

AMHARA

Respondents in Amhara identified few examples of effective linkages between multiple government and non-government stakeholders at the woreda and kebele levels. This may be attributed in part to a common reluctance on the part of development actors to identify critical gaps in provisioning assistance and services. Communities prioritized the most important community institutions to be kebele health, education and administrative offices, the Organization for the Rehabilitation and Development of Amhara (ORDA), Amhara Credit Service Institution (ACSI), irrigation associations, kire, maheber and senbete, iqub and farmers cooperatives.

In Habru woreda, respondents did identify the ORDA project "Reducing Dependency and Increasing Resilience" as an example of effective collaboration. Regional as well as woreda government officials are involved in reviewing project proposals and adequately incorporating projects into the woreda development plan. Similarly, woreda and kebele level food security task force members and DAs receive technical training prior to their involvement in project activities. Community members apparently actively participate in targeting exercises of this micro-enterprise and agricultural development project; kebele food security task force representatives work closely with ORDA technical staff and BoARD extension agents in implementing project activities. The kebele food security task force is also responsible for managing project funds and conducts regular meetings with woreda level sector representatives and project beneficiaries. KFSTF representatives and DAs work closely with ORDA extension agents to conduct regular project monitoring.

In Zikuala woreda, respondents pointed toward the integrated pest management (IPM) project initiated by Save the Children-UK (SC-UK) as a positive example of collaboration between government, non-government and community stakeholders. Prior to phasing out of the project, SC-UK had established good relations with the woreda FSTF and other sector offices involved in overseeing its implementation. SC-UK and woreda officials worked closely together to increase community awareness of the project while helping to build their capacity to utilize new technologies and pest management practices. The technology promoted by the project is low cost and replicable, thus fostering sustainability. Adopting farmers took the lead in assisting other households to adopt the new practices.

Habru represents the most active woreda in the entire sample. Several agencies are implementing a plethora of projects, including:

- Three food security projects:
  - WFP & UNICEF operate the Ethiopia Relief and Recovery Program, which targets supplemental feeding as well as cash resources to 270,000 lactating women and 481,000 children;
  - Financed by the EU, GAA and ORDA implement Food Security Capacity Building, focused on financial and administrative capacity building exercises indirectly benefiting 21,000 people; and
  - GAA and ORDA also partner on the EU-supported Food Aid and Food Security Project, which provides food assistance during emergency periods.
- Eight livelihoods projects:
  - Funded by ADB for US$ 40.6 million nationwide, MoARD implements the National Livestock Development Project, which promotes forage seed production, animal health services, quarantine stations, and financial support for livestock production;
  - Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million;

- Save the Children UK implements the Livestock Improvement and Diversification project, providing improved access to basic services to 5000 beneficiaries;
- FHI and ORDA partner to provide agricultural inputs, water & sanitation facilities, health promotion, and household assets to 10,500 beneficiaries through the Capacity Building and Livelihood Development to Ensure Sustainable Food Security project;
- Save the Children UK programs US$ 88,932 toward natural resource management, agricultural production, access to potable water, credit and savings, and information access and utilization through the project known as Improving Capacity to Implement Safety Net Program;
- LWF partners with EECMY to promote agricultural production, irrigation, potable water, and HIV/AIDS programming in the Agriculture & Livelihood Security project;
- The Sirinka Employment Generation Scheme, implemented by EECMY, targets 750 women for IGA and employment activities; and
- The ECO-DICAC-implemented Babile Rural Development Project programs education, health, HIV/AIDS, water, road infrastructure, irrigation, and women's rights activities.

♦ Six health projects:
- Save the Children UK targets 80,000 beneficiaries to Mainstream HIV into Food Security and Livelihoods programming;
- Funded by CRDA, PADET targets 40,000 HIV-positive children in its Children & HIV in North Wollo project;
- Funded by HAPCO, KMAM targets 12,657 children and young people in the Income Choices Youth & Children project;
- HAPCO also funds the Child's Rights Promotion & HIV-prevention project, which is implemented by ANPPCAN;
- GAA & ORDA partner to promote water improvement, sanitation, hygiene, and women's empowerment in the $ 450,000 EU/GAA-funded MDE Water & Sanitation project; and
- Pathfinder International implements the Family Planning & Reproductive Health project, supported by USAID nationwide for US$ 16 million.

♦ Six other projects:
- USAID funds Basic Education Support nationwide, promoting teacher training, PTA capacity building, increased girls' access, and instructional materials through the implementing agencies AED, IFESH, LOLI, SCUS, TAA, Pact, and UNESCO.
- MoARD implements the Rural Capacity Building Project, which is funded by CIDA to strengthen agricultural services and systems, economically viable and sustainable technologies, vocational training, agricultural extension capacity building, improved community information systems, and agricultural marketing institutions;
- LEM Ethiopia implement the People-based Environment, Population & Development Integrated project, which promotes education, skill building for

youth, health, and activities for women's development, including skill training, small economic activities development, and savings;
- Save the Children Denmark targets 13,200 children in two woredas, including Habru, in the Integrated Child Development Basic Education project;
- CRDA supports PADET with US$ 318,000 to implement the Convention of the Rights of the Child and HIV/AIDS; and
- AARDR targets refugees and internally displaced people (IDPs) by Enhancing Democratic Rights through Improved Adjudication at the Grass Roots Level.

Far more remote than Habru, **Ziquala** woreda has seen fewer projects, including the following outlined below:

- Two food security projects:
  - WFP & UNICEF operate the Ethiopia Relief and Recovery Program, which targets supplemental feeding lactating women and children; and
  - COOPI receives EU funding to provide food security, HIV/AIDS, education, and health programming for 18,4000 beneficiaries in the Integrated Multi-sector Project to Improve the Food Security Situation in Sekota, Dehonna, and Ziquala;
- Two livelihoods projects:
  - MoARD implements the ADB-funded National Livestock Development Project; and
  - Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million.
- Two health projects:
  - Pathfinder International implements the Family Planning & Reproductive Health project, supported by USAID nationwide for US$ 16 million; and
  - USAID funds Basic Education Support.
- Two other projects:
  - AARDR targets refugees and internally displaced people (IDPs) by Enhancing Democratic Rights through Improved Adjudication at the Grass Roots Level; and
  - Rural Capacity Building Project, implemented by MoARD and funded by CIDA.

OROMIYA

In Oromiya, government and NGO programs are frequently implemented in isolation from one another, reducing the potential for effective complementarities and program efficiencies. However, coordination between the woreda administration, FSTF and other sector offices was reported to be encouraging. The sector offices within sample woredas reported that they are usually informed of annual budget allocations in a timely fashion.

Having worked closely with woreda sector offices in Grawa, Bedeno, and Kurfa Chelle, CARE Ethiopia and the sector offices instituted a forum to improve program linkages and layering in selected Oromiya woredas. Every six months, woreda GO sector and

administrative office representatives meet with regional CARE representatives from four to six days in a *'panel monitoring'* exercise designed to:

- Present accomplishments, successes, and implementation challenges;
- Conduct discussions about studies and reports and revise reports;
- Undertake field trips to representative sites to talk to community participants;
- Reflect on key issues that arise from field observations; and
- Discuss and agree on a six-month plan.

Panel monitoring has:

- Improved transparency among implementers and coordinating bodies;
- Improved relations between the GOE and participating NGOs;
- Enabled development actors to analyze their project activities within the rubric of comprehensive woreda development plans;
- Delineated or established duties and responsibilities of sector offices and NGOs;
- Enabled cross-fertilization of ideas and learning among three participating woredas;
- Promoted the idea of a coordinated program approach to sustainable livelihoods rather than limiting discussion of specific project issues; and
- Strengthened resource sharing and coordination through initiatives, such as the fifteen-day workshop on integrated watershed management, which was jointly paid by the government and CARE Ethiopia.

In addition to CARE, which is active in **Grawa** woreda, other ongoing projects include:

- Three food security projects:
  - WFP & UNICEF operate the Ethiopia Relief and Recovery Program, which targets supplemental feeding lactating women and children;
  - FAO supports BoARD to implement the Seed Security Project; and
  - CARE implements HIBRET, the USAID-funded SPSNP discussed earlier.
- Three livelihoods projects:
  - MoARD implements the ADB-funded National Livestock Development Project;
  - Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million; and
  - CARE is supported by USAID and OFDA to implement the East Hararge Agricultural Recovery Project, which promotes health programming.
- Three health projects:
  - The Oromiyia Development Association implements Capacity Building and Rural Health, which provides contraceptives, HIV/AIDS awareness and health care for women;

- CARE implements a Community-based Therapeutic project aiming at health improvements and women-owned transformation; and
- CARE also targets 78,000 people for the FP/HIV/AIDS project.

♦ Two emergency projects:
- CARE receives Gates Foundation funding to implement the Emergency Intervention Project, which targets water-borne diseases, promotes water and sanitation activities, distributes small ruminants, and provides bed nets for malaria prevention; and
- With World Bank support, RFSCB targets 29,550 beneficiaries for asset protection, soil and water conservation, rural water supply, and social infrastructure activities in the Emergency Drought Recovery Project.

♦ Three other projects:
- Rural Capacity Building Project, implemented by MoARD and funded by CIDA;
- USAID funds Basic Education Support; and
- USAID also supports CARE in the Lafto/Warjira Potable Water and Sanitation Project, which strengthens water points, cattle troughs, and WATSAN committees.

Projects in **Adami Tulu** woreda include:

♦ Two food security projects:
- WFP & UNICEF operate the Ethiopia Relief and Recovery Program, which targets supplemental feeding lactating women and children; and
- The Government of Italy supports FAO and BoARD to implement the Seed Security Project, which promotes sustainable seed security, crop production and capacity building for 30,500 farmers.

♦ Three livelihoods projects:
- MoARD implements the ADB-funded National Livestock Development Project;
- Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million; and
- The Rift Valley Children & Women Development Association provides farming households with seed, technology, and irrigation through the Adami Tulu Rural Farmer Self-help Capacity Building and Cooperative Development on Irrigation project.

♦ Four CRDA-funded health projects:
- The Rift Valley Children & Women Development Association also receives funding from CRDA to raise awareness and promote women's rights to Community HIV/AIDS Prevention and Control;
- CRDA also funds the Beach HIV/AIDS Prevention Association to implement the HIV/AIDS Prevention Project;
- CRDA funds another local NGO, the Urji HIV/AIDS & Backward Culture Prevention Association to implement the HIV/AIDS & Backward Culture Prevention Project; and

- The Organization for Social Services and Development, partnering with Impact, promotes comprehensive reproductive and health services and activities designed to reduce traditional harmful practices and HIV/AIDS through the Integrated Reproductive Health & Family Planning project.

- Within one emergency project, CARE receives US$ 910,000 in Gates Foundation funding to implement the Emergency Intervention Project, which targets 20,00 households to decrease water-borne diseases, promotes water and sanitation activities, distributes goats, and provides 5500 bed nets for malaria prevention;
- Four other projects:
  - Rural Capacity Building Project, implemented by MoARD and funded by CIDA;
  - USAID funds Basic Education Support;
  - Norwegian Church AID supports ECC-SOCOM to target 36,000 people in the Comprehensive Development Project of East Shoa Zone by promoting agricultural production natural resources, health, HIV, and education programming activities; and
  - The Vision of Community Development Organization targets 27,000 participants by promoting educational centers in the Integrated Basic Education project.

SNNPR

As is the case throughout the country, effective implementation of the PSNP and OFSP in Dirashe and Selti woredas is dependent on consistent dissemination of policy objectives and implementation guidelines between vertically linked institutions at the regional, woreda and kebele levels (Table 33). The PIM identifies clear vertical linkages intended to facilitate coordination between woreda technical experts, kebele administrators, DAs, FSTF personnel at various levels and community/elders groups. While 2006 has seen some improvements in terms of vertical coordination when compared to previous years, significant constraints to effective coordination remain. Among these are a lack of organizational and technical capacity at the woreda level and excessive influence of elders' groups in beneficiary targeting and program graduation.

Table 33: Program Linkages and Layering in SNNPR

Regional level	Woreda level	Kebele level	NGOs
- Regional FSCO communicates with Woreda Agriculture and Rural Development Office and Woreda FSCO to prepare and consolidate annual implementation plan and budget requirements - Regional bureau mobilizes technical assistance to conduct monitoring and evaluation of the program, train woreda experts, and allocate budgets	- Woreda council or FSTF determines the size and annual needs of vulnerable population based on input from Woreda Agriculture and Rural Development Office and FSCO - Woreda council or FSTF then allocates resources to kebeles, facilitates collaboration between line departments and finance/economic development offices to oversee monitoring and evaluation	- In collaboration with the woreda FSO, kebele administration, DAs, and elders groups identify beneficiaries and activities based on community need. - Kebele FSTF in collaboration with the woreda FSC desk and line departments monitor the implementation of PSNP, including the timeliness and effectiveness of budget allocations	- In Selti woreda CHF works in collaboration with the Agriculture and Rural Development Office and FSC desk to support implementation of PSNP and create enabling environment for graduation - CHF has provided training on PIM at all levels (regional, woreda and kebele FSTF) - CCF is also involved with and Rural Development Office and FSC desk in various food security activities in Selti woreda

PSNP budget planning and disbursement is carried out by the Woreda Finance and Economic Development Office in conjunction with Woreda FSCO. A common complaint with respect to the effectiveness of horizontal linkages under the PSNP involved the timing and direction of budget allocations to woreda sector offices/line departments charged with carrying out specific activities. Due to delayed disbursements, sector offices often lack necessary materials and fall behind in scheduling individual activities. The lack of effective horizontal linkages was cited as a major reason for delayed implementation of activities as well as the lack of an integrated, multi-sector approach to improving household resilience under the PSNP.

To date, implementation of the PSNP in both Dirashe and Selti woredas has been reasonably participatory with respect to the planning of public works activities and selection of beneficiary households. Furthermore, a large number of PSNP and OFSP beneficiaries in both woredas have been able to create and protect household and community assets, as well as feed their families and send children to school as a result of project activities.

Nonetheless, several major challenges to effective collaboration under the PSNP, OFSP and other food and livelihood security interventions were identified by community stakeholders. First among these was a lack of capacity among major actors at the woreda level. Specific problems include the small number of adequately qualified staff, high rates of turnover among high-level staff, and poor logistical support provided to sector offices involved in PSNP implementation. Some respondents also felt that specific woreda personnel lacked an adequate conceptual understanding of PSNP graduation issues. The degree of inter-agency collaboration between government offices was felt to be weak due

primarily to inconsistent communication as well as decision-making modalities among multiple actors.

The lack of transparency and efficiency in budget planning and allocation was repeatedly cited as a major constraint to the effective implementation of the PSNP and OFSP in the region. In Dirashe, 2005-2006 PSNP payments were not made until three months after public works were completed in all kebeles. Similarly, the completion and dissemination of consolidated financial reports was a problem among each of the line departments involved in the PSNP.

Finally, the lack of coverage of the PSNP, OFSP and complementary interventions was reported to be a major constraint to promoting community and household resilience in the region. The number of beneficiaries was considered low when compared with the number of food insecure households in both woredas. At the same time, the lack of NGO involvement in Dirashe woreda may heighten the level of dependence on government assistance among those households that are beneficiaries of the PSNP.

The number of operational projects implemented in SNNPR is far lower than found in Tigray, Amhara, or Oromiya regions, especially in the relatively remote woreda of Dirashe.

The few **Dirashe** projects encountered by the study team include the following, which are primarily nationally-implemented projects :

- Only one food security project, the WFP & UNICEF Ethiopia Relief and Recovery Program, which targets supplemental feeding lactating women and children;
- Two nationally-implemented livelihoods projects:
  - MoARD implements the ADB-funded National Livestock Development Project; and
  - Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million.
- Three other projects:
  - Rural Capacity Building Project, implemented by MoARD and funded by CIDA;
  - USAID funds Basic Education Support; and
  - Hope International Development Agency (HIDA) implements the Integrated Community Water & Sanitation Project, which protects springs, builds reservoirs, rehabilitates cattle troughs, and strengthens water & health management committees.

Project implementation in **Siltie** woreda includes the following:

- Only one food security project, the WFP & UNICEF Ethiopia Relief and Recovery Program, which targets supplemental feeding lactating women and children;
- Two nationally-implemented livelihoods projects:

- MoARD implements the ADB-funded National Livestock Development Project; and
- Creation of Tsetse and Tryponosomacocus-free Areas Project, implemented by MoARD and funded nationally by ADB for US$ 14.73 million.

♦ Three health projects:
- Pathfinder International implements the Family Planning & Reproductive Health project, supported by USAID nationwide for US$ 16 million;
- CCF receives funding from CFC to implement the Child and Family Development Project, which targets 13,015 children for health, education, food security, environmental health, HIV/AIDS, malaria and communicable disease prevention, and pre-school activities, as well as advocating for the rights of children and boosting households crop and livestock production; and
- Receiving support from IPAS International, the Global Action for Community Development targets 4700 women for the Reproductive Health & Post-abortion Counseling project.

♦ Two other nationally-implemented projects:
- Rural Capacity Building Project, implemented by MoARD and funded by CIDA; and
- USAID funds Basic Education Support.

AFAR

Because very few development programs are currently being implemented in Chifra, program linkages are weak and the layering rather thin. Across the PAs the government is the most visible development and food aid agent, which is considered to be inadequate and inconsistent.

Table 34 outlines the existing limited programs and ongoing collaboration in the PAs under study. For the most part, community residents are highly dissatisfied with programming efforts and the lack of accomplishments by the few agencies that have attempted to pursue food security, livelihoods, or health programming in Chifra woreda.

Table 34: Collaboration Matrix

Program/ project	Implements	Collaborator	Level of collaboration	Type of collaboration	Lessons
Health & Education Program	LWF; WHO; WEO	Woreda Admin; WPRDO; Kebele Admin.	Woreda; PA	Need assessment/ Implementation	Lack of sensitivity to local situations; Unacceptable delay in implementation
PCDP Baseline study (new)	PCDP Office	Woreda Pastoral and Rural Development Office	Woreda; PA	Implementation	Participatory sample selection Use of local manpower
Livelihood analysis and zoning	Save the Children UK	Food Security and DPP Office	Regional	Planning and implementation	Limited capacity building component

LWF = Lutheran World Federation
PCDP = Pastoral Community Development Project
WEO = Woreda Education Office
WPRDO = Woreda Pastoral and Rural Development Office
WHO = Woreda Health Office

VI. Programming

Based on two years of PSNP implementation, quantitative and qualitative information gained from government representatives, institutional partners, and program beneficiaries, as well as the findings of previous studies, a number of issues have been idetified that will influence the effectiveness of current food security programming in Ethiopia. These are summarized below:

- **Complementary targeting of PSNP and OFSP-**Current food security policy in Ethiopia acknowledges that chronically poor households are not likely to graduate to a state of self-resiliency solely through participation in the PSNP. Rather, highly vulnerable households also need assistance in household asset accumulation offered by OFSP household extension packages, as well as support for diversifying household income offered by government and non-government livelihood programs. Unfortunately, this often means that households who do not meet the criteria for being deemed chronically food insecure under the PSNP (food gap of three months or more for each of the previous three years) are left without the support necessary to avoid slipping from a state of transitory vulnerability to one of chronic vulnerability. In fact, the study revealed several cases in which PSNP eligibility criteria reportedly served as a strong disincentive to investment in household assets. The GOE should take steps to ensure that targeting of the PSNP and OFSP is designed to maximize coverage and complementarity, with the overall goal of helping all households escape the threat of chronic food insecurity.

- **Lack of understanding of underlying concepts linking chronic poverty and food insecurity-**Although woreda-level offices are given considerable responsibility in setting beneficiary selection criteria and program graduation thresholds, they often demonstrate a limited understanding of the dynamic relationship between chronic poverty and vulnerability to food insecurity. Rather than focusing on static measures such as household food gaps and monthly per capital income, decision makers should give greater consideration to the factors that influence both positive and negative livelihood outcomes. Furthermore, the FFSP should commit to providing the necessary guidance to WFSTFs to ensure that food security programs are consistently and appropriately implemented.

- **Lack of understanding of the role of individual aspirations in achieving self-resiliency-**The current study has revealed the importance of individual aspirations in determining household resiliency. To date, implementation of the PSNP and OFSP has not adequately accounted for the aspirations of beneficiaries as evidenced by continued vulnerability to food insecurity among program ‘graduates’. By accurately gauging beneficiary aspirations, and considering them during various stages of implementation, food security interventions are more likely to adopted by households being targeted.

- **No regular implementation of standardized food security assessments-**While WFSTFs are given primary responsibility for beneficiary selection, few have the

capacity to regularly conduct standardized assessments of food insecurity. Part of this problems lies in the conceptual misunderstandings alluded to earlier. Other reasons for this shortcoming include a lack of technical capacity for conducting large-scale assessments, as well as severe limitations with respect to financial and human resources. This shortcoming can be addressed through capacity building provided by NGOs and through carrying out of joint assessments.

- **Exclusion and inclusion errors in targeting-**This study confirms the findings of earlier reports which suggest the existence of exclusion and inclusion errors in targeting of the PSNP. It found that chronically food insecure households may be excluded from PSNP participation due to their perceived inability to 'graduate' from the program within a given period of time (typically 5 years). The pressure put on woreda offices to graduate beneficiaries is often heightened by pre-set quotas and the demand for maximizing coverage of government assistance. Alternatively, the study found that better-off households with access to woreda-level decision making processes are also inappropriately included as beneficiaries under the PSNP. To rectify this situation, region and woreda-level PSNP administrators should establish transparent eligibility criteria, ensuring that both beneficiaries and non-beneficiaries are aware of them, and take proper steps to ensure their enforcement.

- **Few programs targeted to marginally vulnerable households not participating in PSNP** In order to effectively promote household and community self-resiliency, the GOE should collaborate with non-governmental organizations and civil society to enhance the provision of appropriate services to vulnerable households not participating in the PSNP. Although NGOs offer a wide array of food and livelihood programs, health interventions and educations support to communities throughout rural Ethiopia, few of these programs are integrated into woreda-level development plans. This ongoing lack of coordination limits opportunities for achieving complementarity between ongoing interventions and leaves millions of vulnerable households without needed assistance.

- **Mix of interventions must be appropriately aligned with opportunities presented by a range of agro-ecological zones and livelihood systems-**When designing assistance packages for chronically and transitory food insecure households, the FFSP should ensure the flexibility necessary for adapting packages according to agro-ecological zones and livelihood systems. For instance, agricultural input packages are not likely to be the most appropriate intervention in areas where population pressure and soil infertility threaten the long-term viability of agricultural livelihoods. As is the case with beneficiary selection, WFSTFs should be given enough autonomy to choose assistance packages that are most appropriate for a given area.

- **In areas with extremely limited resources and services, safety nets must be implemented longer than the current window of 5 years-**As stated in government food security policy documents, participation in PSNP alone will not be enough for lifting beneficiary households from a state of chronic food insecurity to one of self-resiliency. Rather, they will need to take advantage of other forms of assistance such as skills training programs, savings and credit associations, as well as health and

agricultural extension services. In areas where coverage of these complementary services is minimal, more time must be given to PSNP beneficiary households to achieve a sustainable level of food security and asset ownership.

- **Credit packages must be reformulated to promote greater participation-**The current study revealed that while poor and food insecure households throughout Ethiopia do rely on access to credit, formal credit services tend to be underutilized. Rather, households seeking to borrow are more likely to do so from relatives, friends, or other informal lenders. In Muslim communities, the underutilization of formal credit services can be attributed to religious prohibition against paying interest. However, in other communities, respondents tended to feel that high interest rates and the risk of default were the primary reasons for underutilization of credit services. In fact, many households who did obtain formal loans regret having done so as the burden of repayment had forced them to sell productive assets, and/or take out additional loans to meet household consumption needs.

- **Monitoring and evaluation of food security programs should be standardized and inclusive of all development actors-**Many of the issues regarding the targeting of and graduation from PSNP and OFSP are exacerbated by the lack of consistent monitoring and evaluation. As mentioned earlier, both programs experience significant exclusion and inclusion error due to inconsistently verified eligibility criteria. At the same time, there remains a considerable disjuncture between program graduation and attainment of sustainable household resiliency. In order to gauge the effectiveness of individual strategies and adapt to changes in context, all development interventions must rely on appropriate monitoring and evaluation systems. Given its technical and financial resource constraints, the GOE should seek opportunities to involve national and international civil society in the development of M&E mechanisms for the PSNP and OFSP. By directly partnering with non-government stakeholders on program monitoring and evaluation, the GOE will also take a significant step towards maximizing the coverage and complementarity of ongoing food security programs.

VII. Recommendations

The purpose of this study was to provide insights on how best to promote self-resiliency for the chronically food insecure, both at the household and community levels. It is intended to provide guidance on how to improve current implementation practices by NGOs employing a sustainable livelihoods approach which, while complementing the federal FSP and PSNP, aims to lift vulnerable communities and households beyond graduation from food insecurity to 'self resiliency'. The following recommendations are proposed with this purpose in mind. The first set of program recommendations seek to highlight the complementary interventions needed to promote resiliency. This is followed by implementation recommendations aimed at improving coordination and collaboration between PSNP and other food and livelihood security interventions implemented by NGOs.

7.1 Program Recommendations

Based on the study findings a number of activities can be implemented that could enhance self-resiliency at the household and community level. First the recommendations related to promoting household resilience are presented, followed by those that relate to community resilience. These are followed by recommendations related to pastoral communities.

a. Program Investments Aimed at Promoting Household Self Resiliency

- **Investments that will enable households to diversify their livelihood strategies in order to accumulate assets-**
    - The mix of interventions being promoted must be aligned with the opportunities that exist in a given livelihood system, or agro-ecological zone. This means that different sets of interventions would be implemented in different livelihood contexts.
    - Livestock investments must be coupled with investments in veterinary services and fodder/grazing resources. If PSNP and other food security programs want households to invest in and maintain livestock, then these other investments are essential to protect the investment.
    - Investments in education and skill building to enable households to diversify their livelihood options. Such investments are considered extremely important by female headed households.
    - Redesign existing credit mechanisms to make them more flexible and affordable to the poor. Existing credit packages are not attractive to the poor due to the perceived risk of adopting the package as well as the high interest rates.
    - Provide opportunities for households (especially women) to participate in saving groups and to receive training in contingency planning.
- **Widening aspiration windows for the poor in order to expand household aspirations and to encourage more pro-active behavioural responses to risk management**.

- Resilient households, both male and female, found in different livelihood systems could share their experiences and advise other households to demonstrate the potential to escape from chronic poverty and food insecurity. Similarly, networks of graduates from PSNP could be used as change agents to encourage households to take a more pro-active stance in achieving self-resiliency. The key is to learn from resilient household experiences.
- Encourage household cross-visits so that households can experience contact with resilient households in other communities.

- **In areas with limited resources and services, and few complementary OFSP interventions, PSNP activities must be implemented longer than the current window of 5 years.**

b. Program Investments Aimed at Promoting Community Self-Resiliency

- **Support local social capital initiatives –**
  - In many of the communities visited, local savings groups (e.g.Equb), mutual support groups (Iddir), and local work groups (Morroo in Oromiya, Weberra in Amhara, Debo/Wonfel in SNNPR) are operating to support participating households. These groups should be strengthened and ways should be sought to diversify their functions. New organizational structures introduced by government or NGOs should not undermine these groups if they are operating effectively. Participatory planning and implementation is one of the most attractive and effective characteristics of many social capital groups.
- **Introduce women's micro-savings groups in areas where credit options are discouraged –**
  - Building on the lessoned learned from CARE in Oromiya, women's micro-saving systems could be introduced in the Amhara and Afar region where Muslim leaders discourage households from taking out credit.[32] Women's micro-savings group promotion may therefore be more effective than micro-credit. Micro-savings activities can promote productive investments, livelihood diversification, enhanced opportunities for women, and provide an excellent forum with which to promote other social and political capital activities. In the pastoral and agro-pastoral context, small ruminant loans to women allow them to build up livestock; a group promotion approach can be used to link women entrepreneurs with markets and build up resilience and social status.
- **Engage the whole community in development initiatives –**
  - In many situations, the better off households are left out of program designs or decisions on investments. These individuals could be key to creating resilient communities because of their own experiences, and should not be left out of the dialogue. Care must be taken to ensure that community initiatives are not co-opted by the elite.

[32] This could also be considered an economic capital recommendation.

- Promote community ownership and management of natural resources. This will require engaging the whole community in the stewardship of the resources, not just PNSP participants. Too often, PSNP soil and water conservation activities have usurped communities' initiatives to manage their natural resources.

c. Pastoral Programming Recommendations

- **Invest in pastoral livelihoods, rather than just try to turn pastoralists into sedentary farmers.** As the Safety Nets Program forges into pastoral livelihoods systems, it is crucial to use the experiences gleaned from the years of Food Security programming in highlands and non-pastoral areas of the country to ensure community participation and empowerment in the design process. Supporting pastoral livelihoods should include:
  - **Veterinary services –** it is inexplicable that pastoral communities in Afar and Somali regions lack access to veterinary services;
  - **Building up holistic pastoral extension systems**, essential pre-requisite to improving livestock management;
  - **Building the capacity of community members** to initiate and oversee veterinary services for their community;
  - **Range management;**
  - **Wildlife conservation,** a community asset; and
  - **Seasonal loans to women's groups for livestock**
- **In addition to investment in strengthening pastoral livelihoods, food security programming in pastoral contexts should strive to diversify livelihood options.** Pastoral livelihoods could be diversified through:
  - **Investments in riverside agriculture** -- rivers in pastoral areas are under-utilized, but can support food production and as critically, fodder production;
  - **Strengthening women's groups and petty trade,** particularly in areas adjacent to towns – Promote business skills within communities in range of small towns to allow local communities to benefit from the development of towns;
  - **Promotion of labor-saving technologies for women,** who are overworked with labor responsibility within and outside of the household. These types of implementation activities should also include training to clan leaders and elders about women's burdens;
  - **Health, sanitation, and nutrition education;** and
  - **Public works for social services** – Schools and health centers are essential in Afar and Somali but should not be constructed unless an agreement is in place to properly staff and equip the structures to ensure the actual utility of the social services. Within the pastoral context, it is important to consider building woreda health care capacity to:
    - introduce health outreach programs,
    - initiate mobile health care treatment services, and
    - provide proper services related to HIV/AIDS

7.2 Strengthening Collaboration and Coordination in Promoting PSNP and OFSP

Although the Project Implementation Manual (PIM) tries to spell out the duties, responsibilities and structures for linkages between different institutions at different levels, coordination between and amongst government agencies as well as between government and NGOs remains quite problematic. There are several reasons for this conundrum, including the array of stakeholders operating at different levels, staff capacities, high turnover rates in different regions, incomplete coverage of OFSP activities in all PSNP operational areas, and logistical challenges in planning, implementing and monitoring the PSNP at the scale it is operating. Recommendations for improving coordination and collaboration are presented below. Recommendations related to strengthening vertical linkages will be presented first, follow by those related to strengthening horizontal linkages.

a. Strengthening Vertical Linkages

- **Timely budget releases** - Untimely disbursement of the budget to Woreda sector offices and kebeles for public work activities, purchase of materials, and payment to beneficiaries can reduce the effectiveness of the overall implementation of the program. This is heavily influenced by the availability and timely delivery of financial and project monitoring reports from Kebele and Woreda offices. Resources are needed to strengthen the capacity of Woreda and Kebele staff to generate these reports in a timely manner. Although woreda FSP and sector offices have received training in reporting, retraining is clearly needed followed by close monitoring to ensure that financial and monitoring reports are properly prepared and sent from the kebele to woreda to the regional FSB in a timely manner. Training activities should include facilitated discussions between sector and FSP offices to ensure efficient reporting structures are understood by all. Some of the NGOs collaborating on the FSP have developed good monitoring systems and could contribute to this effort.
- **Two way information flow -** Woreda and Kebele offices are responsible for regular monitoring and reporting on program implementation. National and Regional offices should be responsible for reporting back lessons learned to help improve program coordination and collaboration. Woreda FSP staff should regularly participate in capacity building exercises, particularly given the high turnover. NGO experiences can be used to help in this regard.
- **Retention and effectiveness of Woreda FSP personnel** – Donors and the national FSB Coordinating office should reflect on remuneration and administrative and logistical support to Woreda offices to encourage retaining committed staff. Included in such a review is the DSA or per diem policy. NGOs throughout the regions have reported an interest in collaborating more effectively with government field staff, who nevertheless lack logistical support and tend not to participate without receive per diem from the NGO to go in to the field.
- **Community participation in intervention selection, planning, targeting, implementation, monitoring and evaluation -** Many of the public works activities that communities would like to implement are not given high priority. If

communities chose the assets they want to build, they are more likely to take ownership. Woreda FSP field project staff as well as sector experts should participate in training activities aimed at improving participatory facilitation skills. NGO training activities could reach out to include FSP staff.

- **GOE-NGO fora to increase collaboration & cooperation** – Several of the recommendations listed above would be strengthened by increased GOE-NGO collaboration. Donors should consider supporting systematic collaboration workshops at the regional and/or national levels bringing together government office personnel, major donors, and NGO partners to discuss practical means by which collaboration could be strengthened. NGOs need to design their project interventions more systematically in collaboration with woreda and regional offices in order to ensure adherence to the woreda development plans as well as promotion of linked programs, which will increase program impact. Similarly, NGOs can contribute in capacity building, technical quality, and monitoring efforts more systematically.

b. Strengthening Horizontal Linkages

- **Strengthen the capacity of the Woreda administration to coordinate and lead the Woreda Food Security Task Force (WFSTF) so that all food security programs in the woreda are linked and coordinated.** This should involve major investments in training, materials and logistics. This coordination should be at the woreda level rather than at the community level. Involve NGO partners working with the FSP in the woreda by including their representatives on the WFSTF, which will strengthen linkages and coordination and allow the WFSTF to recruit NGOs in the training and logistics plans for the woreda.
- **Planning, implementation and monitoring of all food security programs should be coordinated by the WFSTF.** Good examples of such horizontal linkages between NGOs and Woreda administrations can be found with REST in Tigray, ORDA in Amhara, Save the Children UK in Amhara, and CARE in Oromiya, Horizontal linkages can be strengthened to promote more effective and efficient programming and therefore improved sustained outcomes. Because many woreda and kebele offices are currently understaffed, consider using NGOs operating in the woreda to assist in monitoring and verifying the quality and quantity of public works implemented in the kebeles.
- **All NGO projects should be incorporated into Woreda development plans.** For example, the micro enterprise and agricultural development project implement by ORDA (Reducing Dependency and Increasing Resilience) was incorporated into the Habru Wareda development plan. This point relates strongly to the previous point about coordination and complementarity.
- **NGOs and government should engage in joint monitoring and evaluation of program activities.** For example, CARE participates with Woreda staff in undertaking panel monitoring on a bi-annual basis. Such panel monitoring improves transparency among implementers and coordinating bodies and facilitates joint planning. CARE also carries out monthly zonal level meetings with government to comprehend the food security situation as part of an early warning exercise. Similar types of meetings were carried out by Save the Children

UK to monitor the implementation of an IPM program in Amhara. NGOs should institute systematic cross visits to explore innovative programming, linkages and layering mechanisms and activities implemented by each other.

- **Sharing resources for joint training can strengthen integration.** CARE and the Woreda administration jointly funded a watershed management workshop. This workshop strengthened future collaboration.
- **At the Kebele level, insure that communities are involved in program design, beneficiary selection, program implementation, and monitoring and evaluation.** It is also important to involve the whole community in the process, especially better-off households that are not targeted by the project. As mentioned above, PSNP implementing field staff should receive field-based training in facilitation methodologies toward promoting comprehensive community involvement in all aspects of program implementation and monitoring.

c. Food Security Graduation

- **Come to an agreement on acceptable criteria for graduation in a given livelihood context.** Government and NGOs working in an area should jointly work with communities to derive acceptable criteria for graduation. These criteria should be vetted with all stakeholders to identify and implement acceptable relevant and appropriate measures. In situations where few OFSP operate in the area, caution should be exercised in removing households off of PSNP too quickly. Tracking graduation is a skill requiring capacity building at the woreda and kebele levels to improve monitoring and assessment skills and effectiveness.
- **Chose appropriate asset-based benchmarks for graduation criteria.** Graduation benchmarks should be asset-based or could be established on the basis of a combination of assets and consumption variables. Assets are relatively easy to monitor, particularly in comparison to income levels, and information about assets is already collected as part of the household PSNP selection process. This study has confirmed the close correlation between vulnerability, food insecurity, and the lack of access to assets. Assets are the means by which households create livelihood opportunities in rural Ethiopia and figure prominently in households' ability to cope with shocks and protect food security by selling key assets such as livestock.
- **Graduation benchmarks should be determined at the woreda level.** The determination of graduation benchmarks or thresholds should take place at the woreda level, involving the input of the woreda FSTF with input from the various kebele FSTFs within the woreda. The FSTF teams could make adjustments, if needed, for differences by livelihood system within the woreda. Determining and then monitoring graduation benchmarks by livelihood system is probably not feasible, given that many woredas are characterized by several different livelihood systems that straddle woredas, zones, and regions of the country. On the other hand, establishing graduation thresholds at the regional level is far too wide-ranging and would not allow for differences by woreda and livelihood system.

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Appendix I: Methodology

The assessment team employed a combination of data collection procedures in order to triangulate information in developing an in-depth analysis of self-resiliency in the households and communities visited within nine woredas of five zones of Ethiopia.

1.1 Secondary Source Review

Prior to undertaking the qualitative assessment and quantitative survey, an advance team collected and perused relevant secondary sources of data in order to:

- Gain a basic understanding of the food and livelihoods security and vulnerability context of rural Ethiopia;
- Derive basic statistics of key sectors and livelihoods indicators with which to compare to information gleaned from the self resilience study;
- Identify the physical and institutional contexts affecting household decision-making, livelihoods strategies, and resource access and allocation;
- Understand the context, purpose and fundamentals of government and nongovernmental programs operating in rural Ethiopia;
- Compare vulnerability and food security measurements across studies in rural Ethiopia;
- Formulate additional and relevant research questions; and
- Map out potential areas of the study

Information gleaned from this review helped define the self resilience study. The secondary source review included documents from GOE, donor organizations and NGOs operating throughout Ethiopia, academic studies, census data, GOE statistical data, food insecurity and vulnerability profiles and assessments, and relevant reports on previous development and food assistance interventions in rural Ethiopia. Documents are listed in the **Bibliography** at the back of the report. The secondary source review culminated in a substantial *Literature Review*, which can be accessed as **Volume 4** of this study.

1.2 Team leader, enumerator and facilitator training

Prior to conducting the fieldwork, all participating team members, including team leaders were trained during different iterations of workshops that included small group classroom instruction in the concepts of livelihood security, vulnerability, and self-resiliency, as well as livelihoods assessment methodologies. The team leaders received four days of training of trainers after having formulated and established the study design, the methodology, and instrument preparation. Each of the four team leaders subsequently trained the enumerators, who administered the household questionnaire to households, and the facilitators, who facilitated qualitative data collection in the villages, in three days workshops held in each of the five regions. The training consisted of an introduction to the concepts of resilience, livelihoods, and vulnerability, as well as a thorough introduction to the tools.

Each of the four team leaders supervised qualitative teams comprising six facilitators (three women and three men) and a quantitative team comprising seven household survey

enumerators and one survey field supervisor. The qualitative and quantitative teams learnt and practiced qualitative facilitation and survey questionnaire techniques, using the draft topical outlines and survey questionnaires. The training workshops were designed to be participatory, including several group activities.

The assessment team field tested the instruments and tools twice. The initial field testing exercise involved all of the team leaders and quantitative survey field supervisors in an effort to fully understand the assessment process, instruments and tools and use the experience to make necessary amendments. Each of the qualitative community facilitation teams and quantitative household survey teams in turn again tested the instruments in rural communities in the five regions as part of the training process. Field-testing:

(1) Provided participants with practical experience in facilitation methods and interview techniques;
(2) Allowed the team to incorporate final relevant changes to the instruments prior to commencing the actual survey; and.
(3) Reduced the potential for enumerator and facilitator errors during the profiling study.

1.3 Sampling Strategy and Process

a. Woreda selection

The self-resilience assessment exercise was designed as a pilot study to understand household and community vulnerability and resilience in different livelihood contexts. Time and budget resource constraints allowed the assessment team to visit nine woredas in rural Ethiopia. It was important, therefore, to purposively select the nine woredas to ensure heterogeneity within a wide variety of sites. In order to accomplish this, the woreda selection process required considering a variety of criteria for selection, including:

- Livelihood systems
- Agro-ecological areas or zones
- Differential access to aervices
- Woreda vulnerability
- Implementation or non-implementation of the Public Safety Net Programme (PSNP) as well as woreda participation in the Special PNSP
- Government-implemented vs. NGO-implemented PSNP woredas
- Food vs. cash woredas in PSNP
- Logistic feasibility in the study areas

The assessment team developed profiles for potential study areas, a process culminating in the selection of the following woredas for inclusion in the study:

- Enderta and Raya Azebo Woredas, Tigray Region;
- Ziquala and Habru Woredas, Amhara Region;
- Adami Tulu and Grawa Woredas, Oromiya Region;
- Dirashe and Siltie Woredas, SNNPR; and

- ♦ Chefera Woreda, Afar region (originally an alternative, Chefera Woreda replaced Gewane, which had to be dropped as a result of ongoing conflict in the woreda).

b. Quantitative Household Survey Sample

Technical Assistance to Nongovernmental Organizations (TANGO) and the Canadian Nongovernmental Organizations (CANGO) team employed a two-stage sampling procedure to ensure a random sample of all households within the nine woredas located in five regions of the country. Drawing on the assumption that precision is a function of the sample size, sample heterogeneity, and the number of key variables to explore in the study, we began by calculating a minimum required sample size per woreda of 134 households, assuming a two-sided confidence interval of ninety percent, and added an additional ten percent as cushion to take into account non-response and questionnaire error factors. In order to minimize the design effect, ensure that all households within each zone had an equal probability of selection, and obtain a sufficient number of households per kebele, we targeted 24 households for each of six kebeles within each woreda, for a total of 144 households per woreda.

Upon arrival at the selected woreda, the team leader and field supervisor worked closely with the Woreda Food Security Offices to randomly select the six kebeles from the woreda kebele list, keeping an alternative kebele in reserve in case one kebele could not be visited. After identifying the location of the randomly selected kebeles, the team leader, in consultation with the Woreda Food Security team, then devised an efficient plan to complete household survey data collection within twelve days of field work in the six selected kebeles.

The second stage occurred at the kebele level, where the field supervisor obtained a list of households residing in the kebele and from that list randomly selected 26 households. The six-person enumeration team then administered the survey to 24 households within a two-day period.

c. Qualitative Community Assessment Sample

The sampling consultations with the woreda food security offices allowed the qualitative team to purposively select three kebeles from among the six randomly selected kebeles discussed above for participation in qualitative community profiles. Drawing on the expertise of the woreda food security office, the three villages were selected to try to ensure heterogeneity of livelihood systems and diversity of agro-ecological areas. Upon reaching the kebele, the qualitative team randomly selected one community for qualitative field data collection.

1.4 Assessment Tools and Process

The quantitative and qualitative teams worked together within each woreda. Visiting six kebeles per woreda, the quantitative teams consisted of five teams of six enumerators and one field supervisor. The qualitative teams consisted of four facilitators, two female and two male researchers led by the team leader, who visited three kebeles in each of the two woredas per region. Most of the experienced enumerators and facilitators possessed

requisite language skills to allow the teams to adequately communicate within the very diverse language nations of Amhara, Tigray, Oromiya, Southern nations, and Afar.

a. Qualitative Methods

Working in pairs of two – one facilitator and one recorder – qualitative assessment teams spent two days in each village, facilitating a variety of exercises using Participatory Rapid Appraisal (PRA) techniques, described below. The qualitative assessment aimed to enhance our understanding about local livelihood systems, household and community vulnerability, and self-resilience – the economic, socio-cultural and political context and the constraints leading to food insecurity, vulnerabilities, marginalization, and risks of poor families living within this context. The major objective was to gain maximum in-depth knowledge regarding the underlying causes of food insecurity, vulnerability, and self-resilience of rural communities and households. This information complemented the quantitative information and helped in the interpretation of the household level data. After spending two days with the communities, qualitative team members assisted team leaders in entering qualitative data into matrices, beginning the analysis process.

Community group discussions

Upon arrival in the community, the team leader initially contacted the local community (kebele) leaders to explain the purpose of the study and organize a large group of men and women from the village. The entire team, consisting of the team leader, field supervisor, enumerators, and researchers, then introduced themselves and the purpose and process of the two-day participatory exercise, to the community. The team then subdivided into quantitative and qualitative teams. As the household survey team initiated household interviews, the qualitative research team commenced large community group discussions partly in order to gain initial understanding of demography and infrastructure of the village and kebele. The group discussions also allowed the research team to select sub-groups for wealth ranking exercises, ensuring diverse socio-economic and gender representation. At that point, the research team members split up to facilitate focus group discussions. The team leader occasionally asked community leaders to accompany them in a transect walk around the community to become familiar with the physical surroundings of the community. Research team members divided their labor between facilitating focus group discussions, drawing seasonal calendars, constructing Venn diagrams identifying all of the institutions that interact with the community, leading wealth ranking exercises to determine what criteria are used by the community to differentiate poorer households or groups, and using opportunity analysis to identify positive deviant households able to successfully navigate through the vulnerability of risks and shocks encountered by households in the community.

Wealth Ranking Exercise

After splitting into groups of men and women, the research team facilitated a wealth ranking exercise to determine:

Following the focus group discussions, selected residents comprised of men and women from the community were asked to participate in an exercise to understand social differentiation of the community as defined by village residents and determine:

- Perceptions of poverty and vulnerability;
- Wealth groupings by community-defined attributes;
- Proportions of community residents belonging to the identified wealth categories; and
- Specific household identification for participation in the household questionnaire survey, based on proportionality of wealth groups.

Community residents defined three or four wealth categories, ranging from "very poor" to "poor" to "middle" or "middle poor" to "better-off" to "rich". The wealth ranking exercise provided the assessment team with key indicators of poverty and vulnerability by wealth category, including (amongst other variables):

- Food consumption patterns,
- Access to land, livestock, and assets;
- Housing characteristics and attributes;
- Income sources and livelihood strategies;
- Crop production patterns; and
- Social capital within the community.

The wealth ranking exercise also assisted the team in undertaking extensive focus group discussions with groups of men and women identified as belonging to different wealth categories.

The research teams facilitated four focus group discussions in each kebele, dividing residents into two male and female groups, each representing relatively better-off and poor groups of individuals. Group size ranged from five to fifteen participants. The intensive (often three hour) facilitated focus group discussions followed a topical outline but were allowed to develop naturally with greater attention paid to topics the participants felt were the most important. Gathering information from different focus groups proved useful in comparing perceptions and priorities.

The focus group discussions included:

- Community profiles and social information;
- Community perceptions of access to and quality of services, resources, and infrastructure, including transport, schools, markets, and health facilities;
- Area features, including forests, water, climate, and erosion;
- Economic information and livelihood strategies, including agriculture, animal husbandry, migration patterns, and other income generating activities;
- Participation in PSNP, FSP, and other NGO and government programs;
- Food and livelihood security outcomes;
- Social capital;
- Shocks, risks, and coping strategies; and
- Group attitudes and aspirations about trends and the future.

Seasonal Calendars

In an effort to understand and analyze the seasonal or time dimensions of vulnerability, the research team conducted two seasonal calendar exercises per community, engaging community women and men to identify seasonal:

- Food Availability & shortages,
- Health and major diseases,
- Crop Production,
- Livelihoods & work,
- Livestock & Assets,
- Water Availability,
- Migration patterns, and
- Other seasonal events

Venn Diagrams

The research team also conducted an institutional and social positioning exercise, in order to describe issues around social capital within the community, including community and household inter-relations. Starting with the community at the centre, focus group participants were asked to describe and then to place the most Important institutions serving community and households. Which institutions do community residents deem to be closest to them; which institutions are furthest from their interests or participation? The research team facilitated two venn diagram sessions per community, allowing different groups of relatively poor and better-off men and women to reflect on their position vis-à-vis institutions within the community. Residents were asked to comment why they positioned the institutions in relation to trust and institutional importance.

Opportunity Analysis

As part of the focus group discussions, researchers asked community participants to identify "positive deviant" households representing success stories in managing risks. These households, who share similar attributes to other FGD participants, have nevertheless managed to be more successful, through their adoption of different types of adaptive strategies. The team interviewed one or two of such households within each kebele in an effort to understand the enabling factors contributing to household self-resilience.

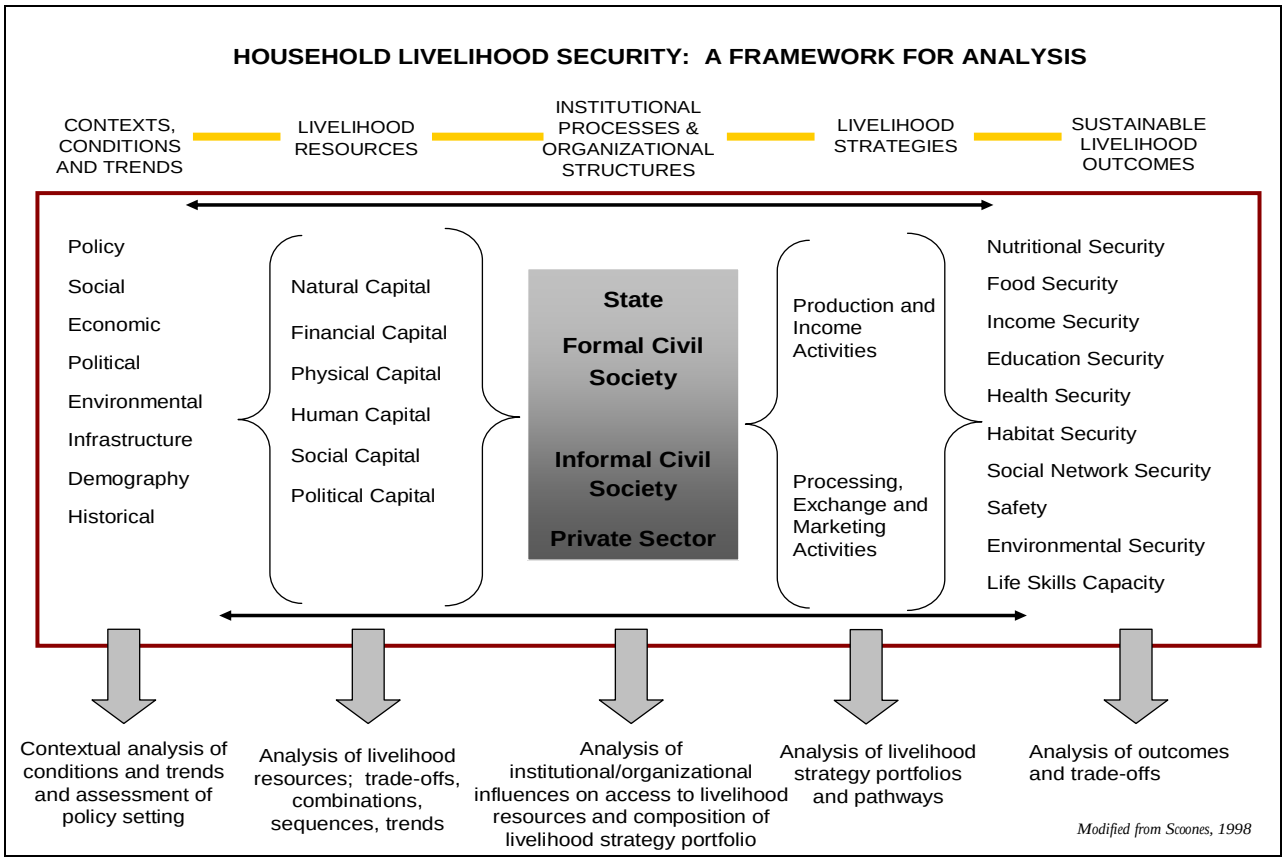
Institutional Interviews

Finally, team leaders conducted key informant and focus group interviews with regional food security offices, *woreda* and i Food Security Task Forces (FSTF), and NGOs operating in the *woredas*. The assessment team leader also interviewed national institutional GOE, NGO, and donor representatives in Addis Ababa.

Qualitative Data Entry and Analysis

The collection and analysis of qualitative information gathered during field research activities was guided by the Household Livelihood Security Analysis Framework (Figure 4). The use of this framework allowed enumerators to consistently gather and analyze information on a range of factors that directly influence household vulnerability and resilience.

Figure 4: Household Livelihood Security Analysis Framework



After collecting the qualitative data, the team returned to a central location at the *woreda* headquarters and commenced the process of entering information into matrices. All team members worked together to contribute to this process. After all of the notes from the team members are entered into the matrices, the team reviewed the information together to identify key trends, issues and potential areas where the interview process could be improved. Each of the teams subsequently came together to present their findings to each other. During this discussion, the teams identified common themes as well as inconsistencies. This process formed the basis of the analysis of findings.

b. Quantitative Methods

Community/Kebele Questionnaire

The field supervisor interviewed up to five people who were knowledgeable about the community, including community leaders, elders, teachers, at least one woman, and at least one member of the Kebele FSTF in each of the six kebeles randomly selected in each woreda. The community/kebele questionnaire allowed the team to obtain a "snapshot" of community issues and a community profile. The community key informant questionnaire sought information about community location and access, water and electricity, education and health services, production and marketing, migration, wages, food prices, and the PSNP.

Household Survey Questionnaire

The five teams of household survey enumerators each spent approximately two weeks in the field visiting 1,296 households from 54 villages in each of nine woredas. The enumerators administered a household questionnaire to each randomly selected household participating in the survey. Enumerators recorded information at the household level into an Amharic version of the questionnaire. TANGO developed a field manual, in order to help guide the enumerators and supervisors

The survey questionnaire solicited data about:

- Basic household characteristics & demographics;
- Land, crop production, and forestry patterns;
- Household Assets;
- Income Sources & Activities;
- PSNP & other program participation;
- Consumption patterns;
- Health, Shocks,& Poverty perceptions; and finally
- Individual Aspirations – 2 individuals per household were interviewed, including, where possible, the wife and husband of the household, in order to elicit different perceptions of aspirations.

1.5 Data Entry and Preliminary Analysis

The quantitative data entry process commenced as the questionnaires were collected from the field, after supervisors from each team had begun the process of cleaning the questionnaires for mistakes. TANGO and CANGO hired a data entry supervisor and two data entry clerks to manage the data entry process. The data entry supervisor designed a data entry system, undertook data entry, supervised the data entry clerks and cleaned the entered data. The software package CSPro was used to create the data masking template for data entry. After entering all of the questionnaires into the data masking template, the data was cleaned then compiled into SPSS in order to facilitate analysis. IFPRI assisted in ensuring that all of the files were clean and logical prior to commencing the analysis process.

Food consumption, expenditure, and asset data collected in household surveys are invariably subject to a host of potential errors, including household reporting errors, enumerator recording errors, and data entry errors. The raw data from this survey were subject to a thorough cleaning in order to avoid any influence of major errors on the estimates of dietary diversity, per-capita consumption, which serves as a proxy for household income, and asset ownership. These variables are also used in the Principal Component Analysis to cluster socioeconomic categories.

Principal Component Analysis

Principal Component Analysis (PCA) technique was employed to differentiate vulnerable households from non vulnerable households. PCA applies an underlying structure to an array of variables and identifies a composite “component” which explains much of the covariance among the variable array.

PCA is essentially a process of data reduction. A series of variables measuring a particular category of behavior are optimized into principal components capturing the essence of the relationships among initial variables of this behavior. Each principal component is thus a new indicator that represents the "best" summary of the linear relationship among the initial variables.

PCA yields as many principal components as there are initial variables. However, the contribution of each principal component in explaining the total variance found amongst households will progressively decrease from the first principal component to the last. As a result, a limited set of principal components explain the majority of the matrix variability and principal components with little explanatory power can be removed from the analysis. The result is data reduction with relatively little loss of information.

The principal component so identified can then be plotted into Cluster Analysis to identify and cluster households characterized by similar patterns, drawing on the similarities or distances between households to form clusters of households.

For this analysis, the explanatory components were drawn from variables on livestock ownership and farmland. The first component extracted from the analysis explains 55 percent of the total variation. The first component was then plotted into Cluster Analysis to identify and cluster households characterized by similar patterns. The analysis resulted in two clusters of households. The mean factor for group 1, which essentially is the vulnerable households group is -.34054 while the mean factor value for the second group is 1.71869. The cutoff point of principal component is 0.68265 meaning that all the households that have a principal component value of 0.68265 and below belong to the vulnerable group while the households that have a principal component value of above the cutoff point belong to the non vulnerable group.

Table 1 presents the results of this analysis. Approximately 84 percent of the sample households are vulnerable. In the midst of widespread poverty, it appears that there is only 16.5 percent of the population that is truly non-vulnerable

Table 35: Household Vulnerability Profiles

Woreda	Group 1 (vulnerable)		Group II (non vulnerable)		N
	N	%	N	%	
Enderta	135	93.8%	9	6.3%	144
Raya Zebo	101	70.1%	43	29.2%	144
Chifira	111	82.2%	24	17.8%	135
Habiru	136	94.4%	8	5.6%	144
Ziquala	124	86.1%	20	13.9%	144
Silte	138	95.8%	6	4.2%	144
Derashe	89	62.2%	54	37.8%	143
Adami Tulu	95	66.0%	49	34.0%	144
Girawa	146	100.0%	0	0.0%	146
Total	1,075	83.5%	213	16.5%	1,288

Appendix II: Study Area Profiles

ETHIOPIA: THE PATH TO SELF-RESILIENCY

Region / Woreda	Vulnerability (1= low; 5= high)	Development Domain	PSNP & SPSNP	Cash vs Food	Implementing Agency	Other Agencies operating
TIGRAY						
1. Enderta	3	Drought prone, highland, high access to markets, medium density, agriculture-based economy	PSNP only	Cash	Government	ECC/FAO
2. Raya Azebo	4-5	Drought prone, highland, high access to markets, low density, agro-pastoral	PSNP only	Both	REST	
AMHARA						
1. Ziquala	4-5	Drought prone, lowland, poor access to markets, low density, agriculture	PSNP only	Both	SCF-UK	
2. Habru	4-5	Moisture reliable, highland, poor access to markets, medium density, agriculture	Both	Cash	SCF-UK, ORDA	
OROMIYA						
1. Adami Tulu	2	Moisture reliable, lowland, high access to markets, medium density, agriculture	PSNP only	Cash	Government	
2. Girawa	4-5	Drought prone, highland, poor access to markets, low density, agriculture	Both	Food	CARE	EU
SNNPR						
1. Dirashe	4-5	Moisture reliable, highland, poor access to markets, medium density	PSNP only	Food	WFP	PF SIDA
2. Siltie Zuria	2	Moisture reliable, highland, high access to markets, high density	SPSNP	Cash	CHF Water Action	EC MY/PF
AFAR						
Gewane (Chefera is the alternative)	4-5	Moisture reliable, lowland, poor access to markets, low density, agro-pastoral	PSNP	Food	WFP	
SOMALI						
Shinile	4-5	Drought prone, lowland, poor access to markets, low density, pastoral			SCF-UK	
Moyale (alternative)	4-5	Drought prone, lowland, poor access to markets, low density, pastoral				SCF-US, CARE