

Productive Safety Net Program and the Rural Poor in Sire Woreda, Oromia Region of Ethiopia

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Abstract

The Productive Safety Net Program (PSNP) is one of the social protection initiatives designed to counter food insecurity in Sub-Saharan African countries, such as Ethiopia. The aim of this study is to examine the perceived impacts, challenges and dysfunctions of PSNP in Sire Woreda, Arsi Zone, Ethiopia, based on sociological analysis. Qualitative research approach was employed to collect, analyse and interpret data from purposively selected study participants residing in the study area from October 2015 to June 2016. Interview, focus group discussions and observations were employed as methods for data collection. The study found that improvements in the schooling and health status of the target population were seen by PSNP services. The distance travelled to schools, human health and veterinary institutions, local markets, feeder roads, and water points have been shortened through PSNP public work program. The study also revealed that PSNP has brought improvement in households' food consumption status and in protecting assets of the beneficiaries from depletion. Moreover, PSNP beneficiary households reported that they were able to maintaining their assets, and creating additional assets. However, there are problems such as dependence behaviours, erosion of the capabilities of entrepreneurs in the community and manipulation of the labour market that impede the initiative from achieving its objectives in full. Other challenges which negatively affect the program include poor institutional linkages and lack of active community participation in the decision making process. The study also suggested that greater standardization of the targeting process; the development of more efficient appeal systems; connecting recipients to other agricultural projects; ensuring monitoring and evaluation that feeds into programmatic transformation; and the search for other methods of financing beyond the existing external donor ring are crucial.

Keywords: Rural poor, productive safety-net, Sire Woreda

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1. Introduction

Nowadays, food insecurity is one of the challenges of all communities in the world. However, it is more visible in Africa, especially Sub-Saharan Africa, where a large proportion of the people are food insecure and poor. It is recognized that food insecurity involves poor food intake, lack of access to food and susceptibility to food scarcity (Devereux, 2000). Many causal factors are mentioned for food insecurity in Africa such as low agricultural production, low incomes, policy failure, access problem and so forth (Devereux and Maxwell, 2001).

Ethiopia is one of the countries where food security is a central concern in development discourse. It is one of the countries in Africa where food insecure segment of the population resides. In particular, rural Ethiopia is more affected by persistent food insecurity. Farm households rely on rain-fed agriculture that is not dependable (Devereux, 2000). In order to resolve this problem, the Government of Ethiopia has launched the Productive Safety Net Program (PSNP) for food insecurity and relatively poor parts of the country. It was started in food insecure regions of the country and was operating as a safety net by providing transfers to the vulnerable through public works or direct support. It is noted (Gilligan *et al.*, 2009) that although the poor sells their assets as a form of coping strategy with food insecurity, asset protection and asset formation are important factors in overcoming this vicious cycle. Thus, PSNP is targeted towards households that are both food insecure and poor with the aim of protecting household asset depletion and creating capital/asset both at household and community levels. The PSNP consists of two components: one is a labour intensive public works component and the other is a direct support component to ensure support to those households which cannot engage in labour activities at all and do not have other means of support, and who are chronically food insecure (Gilligan *et al.*, 2009).

It is indicated that safety nets help vulnerable households to be protected against livelihoods risks, maintain an adequate level of food consumption and improve food security. They also help to prevent from depleting their assets. In the context of agriculture, they might also alleviate liquidity

constraints for smallholders, boost demands for farm products, foster income-generating strategies, promote market development by increasing household purchasing power, and create multiplier effects throughout the local economy (Gilligan *et al.*, 2009).

When poor people, in most rural areas of Ethiopia, encounter shocks, they suffer from the direct effect of poverty and hunger which make them less productive to earn a living (Habtamu, 2011). Similarly, Barret (2003, cited in Yitagesu 2014) noted that they are also forced to employ negative coping strategies such as reducing food consumption, selling productive assets, and removing children from school. These strategies further diminish their asset base and make them more vulnerable to the next shock, which leads them to further destitution.

To reduce poverty in general and to combat hunger and vulnerability in particular, the Ethiopian government launched a social safety net program which is called Productive Safety Net Program (PSNP) in 2005 with the aim to provide transfers to food insecure households, strengthening livelihoods and shifting away from emergency food aid distribution system which saves life but not livelihood. It assists the households to meet basic food needs and to face modest shocks (FAO, 2009). PSNP is implemented as part of the overall food security program, with the objective of providing transfers to the chronically food insecure population in a way that prevents asset depletion at the household level and creates assets at the community levels. It aimed to enable the households create assets and increase income, to reduce vulnerability and build resilience to withstand shocks without depletion of assets (FAO, 2009).

As Ravallion (2003) points out, safety net programs in general and income transfers to the vulnerable in particular are, at best, short-term palliatives and, at worst, a waste of money. They are not seen as a crucial aspect of an ambitious plan to alleviate poverty over the long term. However, a substantial body of research now suggests that there are numerous situations under which safety nets, as part of deliberately designed social security programs, can be a springboard for the poor to escape poverty (e.g. Welteji *et al.*, 2017; Debela and Holden, 2014; Hoddinott *et al.*, 2009). Thus,

Productive Safety Net Program (PSNP) and the Other Food Security program (OFSP) and Household Asset Building Program (HABP) represent an important contribution to the pro-poor development agenda (MoA, 2014). An analysis of the outcomes of the PSNP is thus a timely and important issue to make a significant contribution to the program's success and to ensure food security for food insecure households and to minimize vulnerability as well.

Although previous studies (e.g., Tefera, 2007, Mesfin, 2018, Sabates-Wheeler and Devereux 2010; Berhane *et al.*, 2011) have offered considerably comprehensive analysis on the achievements (asset protection and formation, access to social services, etc.), gaps and prospects of PSNP, they could not do justice to examine the perception of target population about the challenges faced and its undesirable consequences. This study, therefore, is designed to address this gap of previous studies.

The main objective of the study is, thus, to examine the perceived outcome, challenges and dysfunctions of Productive Safety Net Program (PSNP) in Sire Woreda (used interchangeably with district), Arsi Zone of Oromia National Regional State (Ethiopia).

2. Methodology

Sire is one of the Woredas in the Oromia Region of Ethiopia. It's part of the Arsi Zone. It is one of the 26 districts of Arsi Zone. It is part of former Dodotana Sire Woreda. The Woreda has 18 Kebeles (Kebele is the smallest administrative unit in Ethiopia) and the total population is estimated to be 110,000. Sire is the Woreda administrative centre and it is one of the towns in south-western of Ethiopia. Geographically, it is located in the Arsi Zone of the Oromia Region, this town has a latitude and longitude of 08°17'N 39°27'E / 8.283°N 39.450°E / 8.283; 39.450 Coordinates: 08°17'N 39°27'E / 8.283°N 39.450°E / 8.283; 39.450 with an altitude of 1793 meters above sea level. Three Kebeles (Ibseta Huduga, Koloba Hawas, and Koloba Bika) from the Woreda were purposively selected since they are PSPN intervention Kebeles.

In order to generate deeper insights on the experiences of both PSNP implementers and beneficiaries, the study employed a qualitative research approach. Interviews and focus group discussions were used as means of generating data. Observations were also made. The study through convenience sampling technique recruited ten individuals, who are from graduated one, for interviews. Interviews were also conducted with implementers of PSNP at Sire Woreda agricultural and rural development office. The FGDs were organized into separate groups to explore the members' opinions, views and perceptions on their expectations, experiences, and achievement after program implementation. A total of six focus group discussions were conducted two in each sample *Kebeles*, and each FGD constituted six members from both male and female households. One moderator and two note-takers involved in the management of the discussions. In addition to the words, the moderator attempted to detect non-verbal gestures of discussants. Data collected from FGDs and interviews were categorized and grouped into themes and descriptions and interpretations were made. Data obtained from FGDs were triangulated with data gathered through interviews.

The study was implemented after obtaining the agreement of the management of the PSNP and officials. Procedurally, the study participants were informed on the purpose of the study and only people who have agreed to participate in the actual data collection activities were allowed for both the interviews and the FGDs. The privacy of the respondents and confidentiality of their information were strictly respected, therefore, the respondents' name was not asked during the process of data collection and the interviewees were given codes which cannot link with their actual name. For participants who were not willing to give their informed consent, the use of the tape recorder and digital camera as data collection instruments was dropped.

Theoretically, the research drew on the sociological view of 'social functions,' in particular the work of Robert K. Merton (cited in Ritzier 2011). Robert K. Merton (cited in Ritzier 2011) has developed ideas of manifest and latent functions. The former are the planned ones, while the latter are unintended. The intended impacts of PSNP are explained in the

discussions referred to above. However, as Merton argued, everyone is conscious of the expected results of an action, but a sociological study is needed to discover the unintended ones. Therefore, this research focused on the aforementioned conception of 'function' to investigate both the unforeseen and intended consequences of the program.

3. Major Findings

3.1. Perceived Outcomes

According to the study participants, the Woreda has both direct support and public work beneficiaries of PSNP. Beneficiaries of direct support are persons who are very vulnerable and are unable to take part in public work due to their age or health problems (permanent disability). It is not anticipated that recipients of direct assistance will be graduated from PSNP as their health or age will not allow them to escape poverty. According to the study participant from the Food Security Department of the Agricultural Office, direct support is given to household heads of the beneficiaries throughout the year, both in cash (190 per person per month for 9 months) and in kind (15 kilograms of wheat, 4.5 litres of vegetable oil and 1.5 kilograms of pea per person for around 3 months). The maximum number of beneficiaries of assistance per household is 5 individuals.

In the study area, according to the informants, the beneficiaries of PSNP by public work are those households who are very poor but can participate in work if they are granted opportunities. As a result, the PSNP engaged these households in tasks such as water and environmental protection, the construction of dry season roads, and the development of drinking water. In the Woreda, beneficiaries of PSNP by public work were required to work 21 days per month for about six months and earned help in cash (190 birr per person for 3 months) and in kind (15 kilograms of wheat, 4.5 litres of vegetable oil and 1.5 kilograms of pea per person for about 3 months). Much like that of direct support, according to the informants, the maximum number of recipients of help per household for PSNP beneficiaries through public work was 5 individuals. The study also showed that the recipient of

PSNP by public work would graduate from the program when the household will have a cumulative capital of 30,000.00 birr in the form of an asset.

According to one of the experts who served as PSNP officer in Woreda, Sire Woreda Agriculture and Food Security, besides providing cash and food assistance to vulnerable householders, through its administration and capital budget, it is also engaged in development activities. Some of the development activities carried out by PSNP in the study area include: construction of health centres, warehouses, renovation of schools and classrooms, construction of homes for development agents and school teachers, and the development of drinking water. The empowerment of women through training and capacity building was also carried out through PSNP.

Participants thought that households were able to feed their household members following the implementation of PSNP, but they are still unable to provide food from their own production, and there are five months of the year in which food supplies depleted; May, June, July, August and September are the key months in which most households suffered from food shortages. The informants estimated that the number of households suffering from food shortages usually rises from May to August and decreases in the months of September.

The program played pivotal role in reducing the land rented out (for buying food, for medical expense, lack of labour, children school fee and accommodation, lack of oxen, unable to buy agriculture input (such as fertilizer, chemical for insects)) and even it enhanced among some individuals restocking livestock particularly sheep and goats. School enrolment of children is improved according to the study participants.

3.2. Challenges Faced

The study participants stated the following as main challenges.

The way beneficiaries of PSNP recruited is corrupted: The informants, in particular from the beneficiary side, claimed that the members Task Forces in many Kebeles are tainted in the recruitment of recipients of the scheme.

There are occasions where well to do households, deceased people, Kebele administrators and relatives of members of Kebeles' Task Forces were listed and became beneficiaries of PSNP.

Poor working habits among beneficiaries of PSNP through public work: The informants, mainly the officers of PSNP, stated that the beneficiaries do have poor working habits while engaging in public work. They concluded that one of the goals of PSNP by public practice is, in part, to improve their work culture, albeit not yet as effective.

Unwilling to graduate from PSNP and forcefully graduating person who is in impoverishment: According to this report, in particular PSNP staff members, many of the beneficiaries of PSNP through public work are not willing to graduate from PSNP and develop a sense of dependence in the assistance they get, even though they are in a position to graduate from the program. In this regard, the study participants from the recipients of the PSNP also claimed that the Woreda PSNP Coordinating Office is, in many instances, forcefully graduating poor persons who did not meet the specified requirements. Finally, participants from both sides accepted the presence of obstacles in graduating beneficiaries.

Lack of proper implementation of income generating activities (IGA). According to the informants from the Woreda PSNP office, the Woreda promotes processes by which recipients of PSNP can receive loans for IGA but, in many cases, recipients do not actually use the loan for intended purposes. For example, the use of an IGA loan for weddings and other social ceremonies.

Delay of budget for implementation of PSNP: In an effort to figure out how budgets are being allocated and executed, the study participants from Woreda PSNP Office reported that there was a discrepancy in the allocation of capital funds for the execution of projects. They also complained that there are occasions where the beneficiaries have come into contact with the administering office due to a delay in the release of the budget.

Challenges related to micro finance institutions: According to one of the experts from PSNP office, microfinance institutions are provided with revolving funds that circulate in the form of a loan between the beneficiaries of the PSNP. The profit accrued to micro-finance institutions is the thirteen percent return in the revolving fund. But often these micro-financial institutions lend PSNP revolving fund to non-beneficiaries in order to collect seventeen percent of their interest. As a result, there was a condition in which the beneficiaries of the PSNP did not access loans.

Lack of proper checking mechanisms whether the support offered through PSNP is properly utilized by entire family members: According to the informant from Woreda Food security, some beneficiaries (mainly male household heads) are selling food items or cash received through the program and spending their money on alcohol. FGD participants have stated there are no administrative support systems and some household members complain that their household heads are inappropriately using the support.

3.3. Undesirable Consequences

Although the PSNP was designed to have a positive effect on the lives of food insecure households, during its implementation it had some undesirable effects on the recipient households. The interviewees were asked whether the PSNP had negative effects, which would restrict the program from having a long-lasting effect on the prevention of asset depletion in targeted households. In this regard, even if two of the participants in the FGDs stated that the program had no adverse effects, participants in other FGDs stated that aid through the PSNP aggravated the syndrome of dependence and worsened the entrepreneurial capacity of the local beneficiary households. That is, most households are supported by the program which runs through support from external agencies, thus eroding self-reliance at the level of the community. The PSNP partially weakens the informal institution of the community, which has been the centre of past risk and vulnerability capping initiatives.

In addition, the interviewees replied that the PSNP resulted in unusual consumption habits, such as alcoholic addiction, which are commonly

observed among a significant number of households that are beneficiaries. The study also demonstrated the PSNP's adverse consequences by causing disagreements between those participating in the PSNP program and those excluded from the PSNP program. Local political cadres have capitalized on a program as a means of securing political support as a result of implementation problems, though the program appears to foster political pluralism.

Participants believed that safety net transfers should not only be for chronically food insecure households but also for everyone at verge of insecurity. Besides, the participants endorse the conviction shared by the beneficiaries that in order to bring about better livelihoods, the initiative must continue for longer years. In addition, it was observed that the initiative cultivates a weak working community as it encourages the recipient's attitudes towards inability to work on their own farms. Thanks to the fact that public works take longer than for their own farming activities, a degree of consensus has been found. Similarly, the participants conclude in three of the six FGDs that the recipients of the PSNP invest much more time on public works and not on their own farming activities. According to this study, in order to benefit sustainably from the PSNP, the beneficiary should, on average, spend more than twenty days a month on public work. However, this is contradictory to the implementation manual, which specifies that, in order to prevent dependence, the beneficiaries should spend about eighty percent of their working time in their own livelihood practices. According to the discussants, asset depletion rather than asset protection is the result and concomitant of this.

Finally, it was found to support the argument that, by anticipating inclusion in the PSNP, households rent out or share their own farm property. Similarly, the same number of FGD sessions, the participants agreed that, other households sell their livestock assets anticipating inclusion in the program.

The key informants were also requested to comment on the PSNP's negative effects. Accordingly, they shared the concept that most of the above effects were caused by the program. In addition, they pointed out that there are

households that rent out or share cropped out and sell their livestock claiming to be included in the program. According to them, among the underlying causes of the negative effects of the PSNP are inefficient institutional arrangements, misunderstanding of the essence of the program and design-related problems.

4. Conclusion

It is clear that the use of social safety nets in Ethiopia is now, more than ever, becoming a real possibility, and the mere fact that the PSNP has been established effectively in one of the world's poorest countries, Ethiopia, is proof of this.

The program supports households who have not been able to fulfil their annual food demands from their own production to reduce the food gap from a long time (four to five months) to one to three months. It also supports beneficiaries in the protection and formation of assets and in accessing social services.

In contrast to partially contributing to the protection of asset depletion and asset creation, PSNP has generated undesirable outcomes and/or adverse effects such as dependence syndrome, deterioration of household-targeting entrepreneurship abilities, distortion of the labour market and refusal to engage in farming that are worth considering if the program materializes its objectives

Recommendations

PSNP Beneficiaries targeted eligible are expected to be supported with their full family size so that the resources transferred will bring a change intended. To do this, the stakeholders involved in the process are desired to have awareness hence they selected beneficiaries obeying priority principle in a way that the neediest and vulnerable are addressed. The issue seems to be corrected is therefore avoiding family size reduction which will in turn lead to resource dilution within the same family.

The study found that, there were households who were able to narrow their food gaps from long period to short periods, but there were also households who cannot narrow their food gaps instead became suffer from food shortage for long periods. Hence, the government should re-think the food security strategies/ policies, targeting criteria of PSNP as a whole and/or the targeting process in the study area.

The transfer amount delivered to the beneficiaries is not sufficient so far. This has also been coupled with the current market situation which is always experiencing high inflation. There is a fear that the beneficiaries would not cover their food gap and protect their assets. Therefore, improvement seems necessary to be made on the amount of transfer being done so far.

In comparison to their past living conditions, the food security status of PSNP beneficiary household has relatively improved. Despite of the achievements of the PSNP, there are still areas in which the program could further be developed and refined in order to render it more effective, efficient and sustainable. These include greater standardization of the targeting process; establishing more effective appeals systems; linking beneficiaries to other agricultural projects; ensuring monitoring and evaluations feed into programmatic transformation; and, seeking other methods of financing outside of the ring of current external donors.

Even though PSNP brought positive results, there were also some undesirable effects, such as dependency syndrome, deteriorating of entrepreneur abilities by the targeting households, labour market distortion and reluctance to on farm investment. Therefore, the program implementation manual (PIM) should be revised and boldly incorporate awareness creation about the objectives and the targeting criteria of the program.

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