EVALUATING OUR WORK IN MALAWI

EVALUATING THE ASSET TRANSFER MODEL IN FACILITATING SUSTAINABLE LIVELIHOODS

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BACKGROUND
Heifer International’s model has focused on providing livestock and training to small-scale farmers for many decades. A recent study examined the efficacy of parts of that model in the context of a three-year dairy project in the District of Mchinji, Malawi.

The project, which ended in 2012, gave a cow with calf to 130 initial participants, who then passed the offspring to other participants. Eventually, 611 households participated in the project, which received financial and technical support from USAID. The goal was to improve the livelihoods of small-scale farmers living at or below the poverty line. The project also helped establish a milk collection and chilling center, which established a business relationship with a large-scale dairy processor in Malawi.

METHODOLOGY
Heifer project participants’ outcomes in terms of income and social capital were compared to a group with similar characteristics but far enough away to minimize spillover effects. Participant incomes were compared to a benchmark that measures what it would take to have a “decent-but-modest” living. Social capital was measured using social network analysis, which mapped the ties that connect people via knowledge exchanges, safety nets and economic opportunities.

RESEARCH QUESTIONS
1. Did the economic livelihoods of the participants improve?
2. Were changes in economic livelihoods sustainable after the project’s end?
3. Did the project make a significant impact on social capital formation?
4. Does social capital have an impact on improving livelihoods?

FINDINGS
The study finds that a project designed to transfer livestock and build capacity among small-scale farming households created sustainable change that allowed households to significantly improve their incomes and to work toward resilience to future shocks or uncertainties.

1. The change in net income for households was enough for a modest-but-decent living.
2. Three years after the project closed, net incomes had increased 65 percent, showing evidence of sustainability. Participants were above the living income benchmark and had increased economic resiliency.
3. The social network analysis confirmed the project’s positive impact on social capital formation.
4. Social capital had a significant effect on net income. The researchers suggest this occurred because social networks help replace missing markets that provide credit, information and labor.

Read the full study at http://hefr.in/MalawiStudy