



## Pathways Social-Cost Benefit Analysis Brief

**OVERVIEW** CARE's Pathways to Empowerment program was designed to address the root causes of gender discrimination and promote equity within the agricultural sector. The Pathways program was initially implemented in 6 countries across Africa and Asia, directly targeting 52,000 women smallholder farmers. While the end-line data showed clear improvements among the direct impact population (in the areas of increased yields, income, adoption of new practices, and empowerment scores), we wanted to understand the payoffs of this holistic program beyond these immediate outcomes and the direct impact population. Does challenging gender norms as part of an agriculture intervention have unanticipated outcomes? Do the benefits of such an intensive intervention justify the investment?

At the end of 2016, CARE recruited the New Economics Foundation (NEF) to carry out a social cost-benefit analysis (SCBA) of the program in three of the African Pathways countries: Ghana, Malawi, and Mali. The report concluded that the economic logic of investing in women holds true: **For every \$1 invested in the program, there was a \$31 return to the stakeholders**, including those not directly involved in the project

as beneficiaries. In the three countries studied, the [Pathways](#) program generated **\$158 million worth of benefits** in the impact areas of food and nutrition security, poverty reduction, women's empowerment, and resilience to shock. The SCBA study concluded that **"the ratio suggests that the Pathways program is a valuable investment, returning social and economic value far in excess of its original investment."**

Social Cost-Benefit Analysis Ratio	
All stakeholders	\$1: \$31

*"The results suggest clearly that the Pathways program is a valuable investment, returning social and economic value far in excess of its original investment...Sensitivity analysis supports the robustness of the ratio, with significant changes required in key assumptions and data within the model to reduce the ratio to anywhere close to parity (a ratio of 1:1)."*

Other key conclusions drawn from the SCBA showed that:

Pathways had significant spillover benefits, with **non-target households receiving about one-fourth of the value** generated by the program.

- The **food and nutrition security** and **women's empowerment** impact areas were the most valuable impact areas, accounting for around **40% each of the total value** created.
- **Women's empowerment** was not only an important impact area, but it also **contributed to the gains** in food and nutrition security and economic resilience.
- **Building skills and capabilities were catalysts of change**, particularly the learning-by-doing approach of the Farmer Field and Business School (FFBS).
- It is the **holistic nature** of the intervention that created the value, as much as any one individual activity or strategy.

## Background

Women farmers throughout the world play vital roles in agriculture yet are limited in many ways by gender discrimination. Women farmers have less access than men to the land, tools, information, decision-making power, and services they need to help their families have a sustainable and productive future. In the agricultural sector, the FAO estimates that simply correcting for one aspect of gender discrimination (that is, giving women the same access as men to productive resources) could increase yields on women's farms by 20-30%, which could in turn raise agricultural output in developing countries by 2.5% -4%.

Pathways' aim has been to test the hypothesis that directly addressing gender discrimination can drive a virtuous cycle of increased productivity, empowerment, and equity, which in turn leads to greater income and food and nutrition security. The Pathways program model intervened around five key Change Levers:

**Change Lever 1: Capacity.** Through the Farmer Field and Business School (FFBS) approach, women gain the skills, self-confidence and conviction to succeed in agriculture, business, and as vocal members of their households, groups, and communities.

**Change Lever 2: Access.** Women gain access to and control over productive assets and services, including input and output markets, land, and financial and extension services.

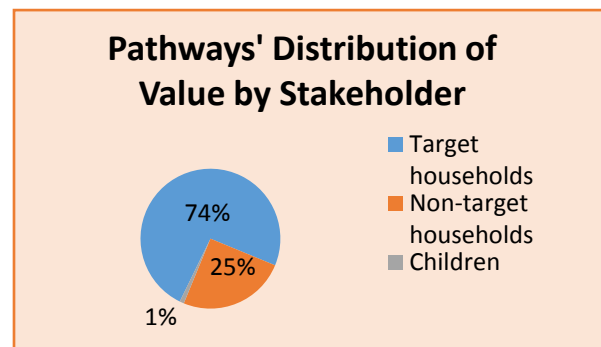
**Change Lever 3: Productivity.** With hands-on demonstrations of best agriculture practices, women improve the soil quality and increase yields of their plots.

**Change Lever 4: Household Influence.** Through gender dialogues, women gain influence over household decisions, related to productive investments, the division of labor, the use of household income, and nutrition, education, and health.

**Change Lever 5: Enabling Environment.** Community dialogues and advocacy with leaders challenge formal policies and informal cultural norms, transforming perceptions of women.

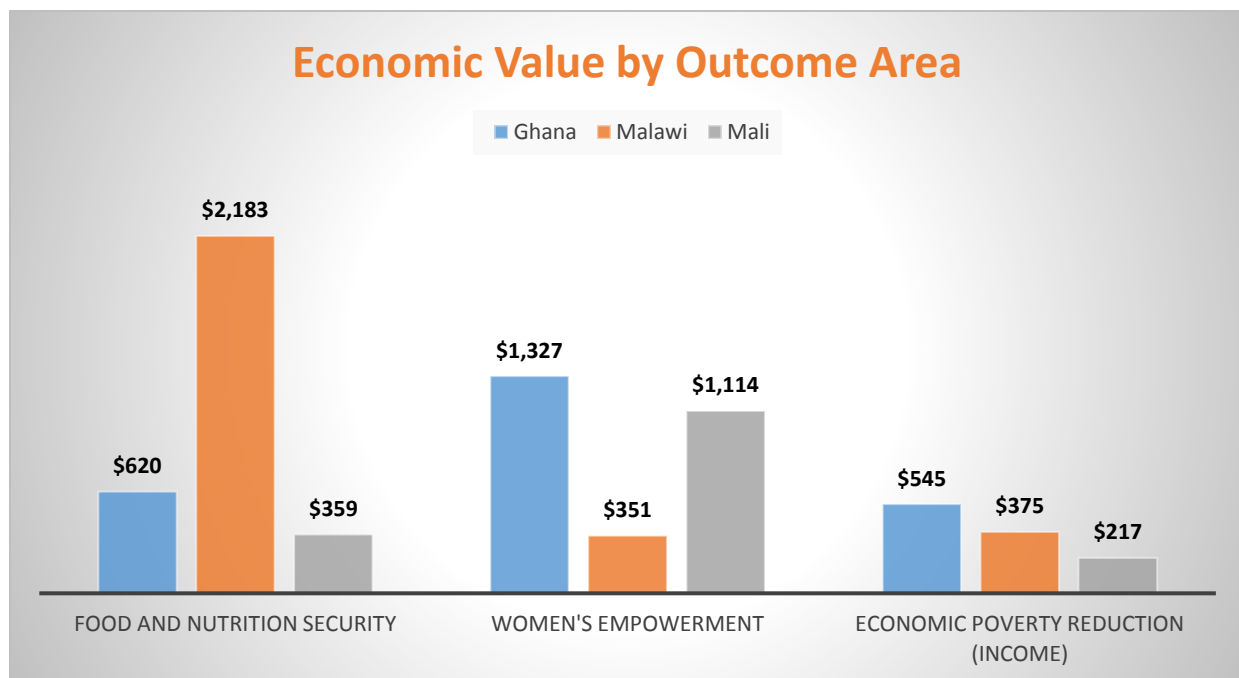
## Social Cost-Benefit Analysis (SCBA)

In 2016, NEF Consulting carried out a Social Cost Benefit Analysis (SCBA) of Pathways that sought to put dollar values on the social and economic outcomes of the program, vis-à-vis the dollars invested. In addition to examining the primary impacts for women farmers and their households, various secondary and tertiary impacts were also considered. These were either indirect impacts stemming from the change experienced by the target households or spillover impacts resulting from other stakeholders' proximity to the program.



**High Return on Investments:** There was a \$31 return for every \$1 invested in the Pathways program. This number is based on the total benefits derived by the larger community – program participants, their families, their neighbors – as a direct result of the Pathways program. About 25% of these benefits accrued to non-Pathways stakeholders: other farmers, businesses, government actors who were not directly involved with the program.

**Enhanced food and nutrition security:** Increases in food and nutrition security accounted for about 40% of the total value generated by the Pathways program. The greatest change in this value across the three countries occurred in Malawi, where a catastrophic drought had devastated many farmers' yields. Pathways Malawi farmers' yields held steady, and the high value that they placed on the food security aspects of the program certainly reflect the food insecurity context around them.



**Women's empowerment:** 37% of the total return on investment (about \$11 of the \$31) was due to gains in women's empowerment. While empowerment is inherently valuable as an outcome area, it also contributed to the gains in the other key impact areas.

**Increase in income:** There was an increase in annual incomes of Pathways families. In Mali, households' incomes increased by an average of \$217; in Ghana, the increase was \$545 on average per household; and in Malawi household incomes increased by an average of \$375.

**Savings to government:** In addition to the returns to the direct participants, governments benefited from the Pathways investments in Community Based Trainers (CBTs), who not only increased community access to extension but generated important savings for overstretched public extension services. Other unanticipated benefits were cost savings to the health sector, as demands on publicly funded health facilities dropped significantly, thanks to reduced childhood malnutrition and illness in the Pathways areas.

### Pathways Success Strategies

**Capacity building:** The SCBA analysis found suggests that training, skill-building, and access to information (Change Lever 1 in the Pathways Theory of Change) was rated across the program as one of the most important drivers of change in other outcome areas. Moreover, the participatory Farmer Field and Business School (FFBS) approach seemed to be ideally suited for learning, confidence, and capacity building among the targeted women's groups.

**Directly addressing gender inequality:** The project's focus on ensuring that women farmers had the same opportunities as male farmers had a twofold pathway: First, women's increased knowledge and skills through capacity building were a necessary precondition for other significant changes – including access to inputs, markets, and land—that led to empowerment outcomes. Second, directly engaging in dialogue around gender norms and women's rights had a broad impact in contributing to women's self-esteem, voice, control over income, and well-being at household and community levels.

## Distribution of Value by Impact Area

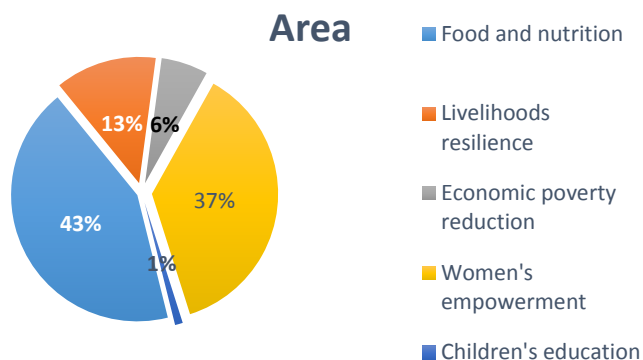


Photo credit: Amelia Conrad, July 2017

- **Invest in women:** The project focused heavily on ensuring that women farmers had the same access to information and opportunities as men. Per the SCBA, this paid off in a big way.
- **Access to Inputs:** Access to resources was another critical factor in facilitating other benefits. Access to seeds, credit, land, information, and markets was important for women to increase their market participation and improve productivity and incomes.
- **Facilitate Productivity:** The study showed that productivity and income gains gave participants the necessary platform to exercise their rights and expand their roles. Once women got more access and resources and demonstrate their prowess as farmers, they gained greater respect from their family and community members and were able to challenge other gender biases and move into leadership roles.

- **Holistic Approach:** Importantly, the SCBA effectively validated the Pathways Theory of Change, concluding that the integrated approach of Pathways is what yielded the high returns on the initial investment and the benefits in social as well as economic outcome areas. The project looked at production, markets, nutrition, gender equality, social norms, and climate resilience. The synergistic effect of addressing these multiple dimensions of farmers' lives yielded a broad and solid foundation for economic and social well-being among the target communities.

**“The theoretical model around which the program is designed is correct... it is the holistic nature of the intervention that creates the value as much as any one individual activity or strategy.”**

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