

# Vocational Education and Training and Extension Services in Agriculture

*Discussion Series on Inclusive Growth  
Project Presentation*

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**ISET** MA Program in Economics  
Policy Institute

International School of Economics at Tbilisi State University



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# Working PAPER

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## **Should Foreign Aid Fund Agricultural Training? Evidence from Armenia**

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## Abstract:

**Many foreign aid agencies fund large-scale agricultural training for farmers in developing countries, but little rigorous research has been conducted on whether these programs are effective. We used a clustered randomized controlled trial to estimate the effectiveness of a U.S. government-funded farmer training program that trained more than 50,000 farmers throughout Armenia. Three years after farmers received training, training did not increase household income or consumption. Training also did not affect mediating outcomes, such as adoption of agricultural practices or changes in cultivation of crops, which suggests that longer-term impacts are unlikely to materialize. Many farmers lacked the financial means to invest in the types of practices that were the focus of the curricula, and farmers were also often unwilling to try new crops that have higher up-front costs even if they are much more profitable in the long run. Our findings highlight the challenges that even a well-implemented training program has in spurring behavioral change among farmers and the challenges of providing effective services when foreign aid agencies prioritize having a large programmatic footprint. These challenges were central to the lack of impacts of this particular program but are underplayed when foreign aid agencies decide whether to fund agricultural training programs**

# Some Questions to Think About

- When is agricultural training *effective*?
- (How) can the *impact* of agricultural training programs be evaluated?
  - A different question than traditional program monitoring and evaluation
  - Might not be able to do so in a rigorous way given the nature of a program

# Some Questions to Think About

- Is a lack of agricultural skills and knowledge necessarily the binding constraint to increasing productivity, improving household incomes and creating jobs in rural areas?
  - What good is training if there is no market demand for the skills and human capital such training produces? Might weaken the incentive for participants in agricultural trainings to learn as well (see Easterly, 2006 for more)
    - **Importance of engaging the private sector**
  - Certainly other issues to consider as well (e.g., credit constraints, land ownership and use fragmentation and capacity for expansion of production, property rights and investment incentives, etc.)

# Thinking Outside the Logframe

- Some surprising results from recent studies in other contexts
- For example: *peer farmers* might be the agents to target
  - BenYishay and Mobarak (2013) in Malawi:
    - **When properly incentivized (e.g., with a bag of seeds), *peer farmers* can amplify the impact of professional agricultural extension staff members in encouraging farmers to use new agricultural technologies and acquire new knowledge.**
    - **“...the results suggest that the power of social learning can be harnessed to cost-effectively improve public agricultural extension services.”**

May be something to consider when there is limited funding or difficulty in attracting qualified personnel...

# The Project

- UNDP-SDC partnership for developing a system of high quality vocational training and extension services in agriculture
- Aims to improve productivity, incomes, and livelihoods of the rural population



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# The Discussion

The panel discussants include:

Anzor Mcharashvili, *College Orientiri*

Samir Morgan, *Habibco*

Nino Zambakhidze, *Georgian Farmers' Association*

Paata Zorzholiani, *Ministry of Labor, Health, and Social Affairs of Georgia*

Moderator: Giorgi Bakradze, *ISET-PI*