

NUTRITION EDUCATION THROUGH INCOME GENERATION - DEVELOPMENT OF A PROGRAM CONCEPT

PREAMBLE: On October 9 and 10, 1988, the Korat program staff met with the Director of International Program Operations and the Interim Regional Director for Asia from Freedom From Hunger headquarters to review the Korat ANP and to develop a long-term strategy for the program. The following presents the new program concept based on the results of those meetings.

RATIONALE

The Nutrition Problem

Staff identified the following major **causes of malnutrition** in the program area, Chumpuang District of Korat Province. These were:

- Lack of food and income
- Lack of knowledge about good feeding practices especially during pregnancy and weaning
- Disease, particularly diarrhea and parasites

The Royal Thai Government has an extensive and well-developed health and rural development infrastructure to address many of these problems. In Chumpuang District, one district hospital and 18 health centers serve people in 175 villages. One agricultural agent provides outreach to each of the fifteen subdistricts and six community development officers cover all villages in the district. Chumpuang District has 85 primary schools. Despite these comprehensive government services, 41 percent of children under age five years continue to suffer from either first-, second- or third-degree malnutrition.

The government's challenge is how to reach the poorest with educational messages on good food practices, nutrition and health, and ways of increasing food supply and income to reduce the prevalence of malnutrition in the area. An alternative system was needed to expand the government's outreach.

Meeting the Criteria for Good Projects

During the meeting, the ANP staff discussed how to design and implement a such project that could be replicated beyond Chumpuang District. To achieve replication, the project would need to meet the following criteria:

1. Importance to Malnutrition. The project should address the major causes of malnutrition in an area.
2. Impact. The planned activities must clearly address the problems to be solved. It should address factors important to ensuring that there will be a significant impact on a large number of people's lives.
3. Coverage. The project should have the potential to reach a large number of people beyond the population in the pilot area.
4. Sustainability. There should be a plan for continuing project benefits once the FFH inputs end. What will be the organizational structures, behavior changes, and/or technologies identified that will exist at the end of the project to sustain benefits? The project should describe how it will strengthen or create community and/or institutional systems to support the continuation of benefits.
5. Cost. The project services should be delivered at a reasonable cost, so the various institutions and/or organizational structures can afford to continue the services without additional FFH input.

How to attract the poor to receive health and nutrition education?

What could be the vehicle to bring poor people together to learn about nutrition and health? It is a given that the poor have so few resources and so little time, they are often too busy to attend meetings or unable to take advantage of the services the government provides. There must be a service provided that responds to a strong and immediate need of this group -- something that has the power to attract people who would otherwise be unwilling to participate.

The meeting participants examined the following questions in an attempt to identify such a vehicle.

- What interests the poor; what do they want?
- What would motivate the poor to come together so they could receive educational messages to improve nutrition?

Participants were asked to put themselves in the place of the poor and to choose between the following types of program activities:

- a cash loan that must be paid back
- an in-kind loan of ten ducks
- an hour of nutrition education

Over 60 percent chose a cash loan, while approximately 30 percent chose the ducks and less than 1 percent wanted an hour of nutrition education. Why? The cash loan was appealing because it gives people a resource --cash-- that they can use to carry out a productive activity with the potential to increase their resources. With cash, people have flexibility to invest in the activity that appears most appropriate and productive at the time. The ducks may not be what everyone wants and may not always be appropriate. They are costly to transport and maintain. And given the above choices, few people --poor or not-- are eager to sit in a class for an hour to hear "what's good for them".

THE CONCEPT

How can we design a program that responds to a perceived need --cash loans-- and at the same time addresses ANP concerns to improve the nutritional well-being of the poor? It is important that the cash be used for productive activities that will increase incomes and food supply. There must also be a means for educating people about better health and nutrition practices so they use the resources to eat better and maintain good health.

Income-Generation as the "Locomotive" for Nutrition Education.

The proposed program was presented using the analogy of a railroad. The "destination" of the railroad is poor people. The "cars" are: nutrition education, health education, and good ideas for income-generation. The cars cannot go anywhere without a "locomotive" to pull them. The "locomotive" is credit. Credit is the mechanism that motivates poor people to come together to receive education on nutrition, health, and good ideas and technical support for income-generation.

Purpose of the Program

The purpose of the proposed program is:

- to increase the incomes of the poor and the women so they have more money to buy food and other items essential for good health and nutrition.
- to provide health and nutrition education resulting in:
 - improved diets for weaning-age children, resulting in better growth;
 - improved diets for pregnant women, resulting in a decrease in rate of low-birth-weight babies;
 - improved treatment and referral of the malnourished; decreased morbidity due to diarrhea and parasites
 - increased birth intervals.

Structure

The Bank. The Bank will finance and manage the loans. FFH has begun discussions with the Friends of Women World Banking Program (FWWB) of the Bangkok Bank. If FFH joins the program and provides a guarantee of 25 percent of the total value of the loans, the FWWB will finance loans to poor communities. Interest will be charged at the current bank rate (approximately 13 percent). Repayment will be short-term, between three and six months.

The Women's Committee. At the village, women's committees already organized in many communities will manage the loans. They will be responsible for distribution and collection of loans, helping to form the borrowers groups, monitoring the performance of the village loan fund, training borrowers in loan management and health and nutrition, managing village capital and/or savings, and guaranteeing the loans.

Borrowers Groups. Borrowers will organize themselves into groups of five to seven members. The members of the groups will be responsible for guaranteeing each others' loans. In each village, at least 80 percent of the borrowers should be poor and at least 50 percent must be women because these are the people we want to bring together to hear nutrition and health educational messages. They must pay interest on their loans. The interest rate paid by the villagers will be higher than the bank rate. The difference will be used to create an independent village loan fund.

Poor borrowers would be willing to join groups and pay a higher interest than the bank rate in order to obtain loans that would not normally be available to them. Under the banking system, they would be required to provide collateral for the loans, which many do not have. Savings may also be required. With interest earned and savings accumulated, an independent loan/community fund can be created and operated by the village.

The average initial loan size will be no more than \$50 per person. Borrowers will meet at least once a month to provide partial payback on the loans. They must attend these regular meetings in order to remain eligible for the loans. At the meeting, they will receive health and nutrition education, discuss good ideas for income generation, and learn about financial management.

The alternative loan system for the poor is the moneylender, who charges a yearly interest rate between 40 and 60 percent. An interest rate of 16 or 18 percent is attractive in comparison.

The Government Services.

The government extensions of the Ministries of Health, Agriculture, Community Development and Education can reach the

poor with specific health and nutrition-related messages through regular meetings of the loan groups. The community development agents will be trained in organization and monitoring of the credit system. They will assist borrowers with financial management and development of good ideas for income generation. Health, agriculture, and education and community development officials will be trained to deliver simple health- and nutrition-related messages to improve people's health, diets, and access to nutritious foods.

Benefits

The project provides benefits to all the participants:

The Bank will make money and help the poor, enhancing its public image.

The women's committees will help the poor and generate income to establish independent funds for further loans and to support community projects.

The government will have easier access to the poor and women to provide educational messages and services.

The poor will increase their incomes and their knowledge and practices to improve the diets of women and children and establish better health practices.

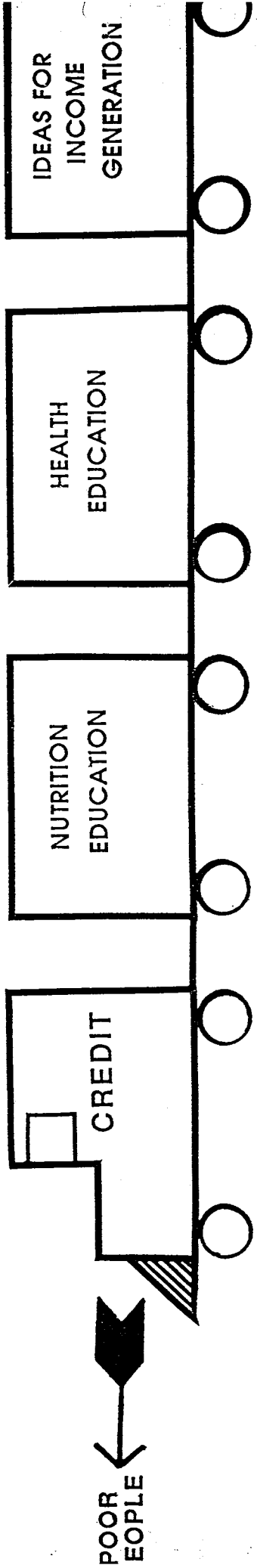
FFH will have created a system to increase income and improve nutrition and health practices among the poor that pays for itself, and hence can be expanded to reach a greater number of people.

CAVEAT:

THE BORROWERS MUST PAY BACK OR THE ENTIRE SYSTEM WILL COLLAPSE. If any borrower, group, or village committee does not pay back, they must be immediately excluded from the system. If project managers do not follow this rule strictly, the project will lose credibility, payback will be low, and the system will not work.

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Freedom from Hunger Foundation
Korat Program



(Reason for coming together)

(Additional benefits)

[Must pay for itself to be sustainable. Railroads are a business!]

CREDIT 

BANK (Bangkok Bank)


WOMEN'S COMMITTEES

BORROWERS' GUARANTEE GROUPS

(Includes $\geq 80\%$ poor, $\geq 50\%$ women)

- Small cash loans to groups of 5 to 7 people for activity of their choice.
- Frequent payback with interest and savings.

NUTRITION/HEALTH

MESSAGES 

Delivered by: FFH; Health, CD, Agriculture, and Education Workers; and Village Committees

Includes:

- Food practices
- Causes/treatment of malnutrition
- Prenatal care
- Environmental sanitation
- Family planning

