



EFFECTS OF A RURAL POVERTY ALLEVIATION PROJECT ON PRODUCTION SYSTEM AND FARMING INCOME STUDY CASE IN A SEMIARID AREA ("SECANO") OF CENTRAL CHILE

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ABSTRACT

The study was carried out in the Secano Coastal area, a coastal dryland of Central Chile, geographically located in the community of Curepto, belonging to the Talca province in the Maule region (VII region) from October to November 2003. It used an ex-post fact investigation design with a historic control group (*reflexive comparison*). Small farmers who participated in the poverty alleviation project Prodecop-Secano (performed from 1997 to 2003) composed the target population. The sample consisted on 90 small farmers selected from 11 localities (characterized in Low, Middle and High land area). The data were collected from the sampled farmers by face-to-face interviews. Mainly, the study investigated if the on-farm income of participating households increased by the comparison of gross margins. It also examined effects on the production system of the farmers, the adoption of more sustainable resource conservation agricultural practices designed to manage drought and erosion risks, which constituted an additional aim of Prodecop-Secano. It explored the risk perception and coping strategies with Lickert-type attitude scales and open questions. Land availability and land tenure did not change since the start of the project. The farm capital increased, mainly because the facilities improved (durable assets). The production system showed some changes as the farmers introduced more labour intensive crops, such as fruit trees and vegetables. Also, some small forest plantations were added. There was no significant improvement on-farm income of the farmers (total sample) between the time before and after the project intervention. As well, there was no unanimous trend in on-farm income among areas. In the Low land-area income decreased, while in Middle and High land areas it increased. The variability of on-farm income also increased strongly. The farmers fear environmental risks -particularly severe droughts- more strongly than economic risks. The adoption of resource conservation agricultural practices -including terraces, irrigation techniques- was highly variable and it found high percentage of farmers that stopped the use of these practices.

Keywords: Dry land, income, gross margin, poverty, risk, adoption