# New Zealand Postgraduate Development Research Awards



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programme	
Title of research	Engaging with the private sector for development: A critical analysis of attempts
	to partner with business for women's economic empowerment in Vietnam
Location of	Lao Cai Province, Vietnam
research	

### RESEARCH CONTEXT

The private sector is recognised by development agencies as playing an important role in progress to achieve the UN's Sustainable Development Goals (SDGs) by 2030, especially by filling a financial gap estimated at trillions of dollars each year (Kindornay & Reilly-King, 2013; Nelson, 2010; United Nations Global Compact, 2017; World Bank, 2020). Yet, the private sector's role in this process is also contested (Chamberlain & Anseeuw, 2019; Likoko & Kini, 2017; Ros-Tonen et al., 2019; Scheyvens et al., 2016; van Westen et al., 2019). Nevertheless, development agencies and NGOs are partnering and collaborating with the private sector to leverage private capital, expertise, innovation, technology, and practical experience to achieve economic growth, contribute to poverty alleviation and deliver SDGs (G20, 2015; OECD, 2016).

While there have been numerous studies of the role of large companies, mostly multinational corporations, in development (Blowfield, 2012; Lashitew & van Tulder, 2017; Lucci, 2012; Porter & Kramer, 2011; Prahalad, 2004; Prahalad & Hart, 2002), limited literature sheds light on the engagement of micro, small and medium-sized enterprises (MSMEs) in development, nor does it look at their impacts on women's economic empowerment (WEE). Nguyen and Beban (2020) critique the donor approach to supporting only medium and large inclusive businesses and excluding micro and small businesses, which also have great potential for creating jobs and providing better incomes for the poor. This research plans to fill these gaps. It focuses on the engagement of MSMEs in development, especially for women's economic empowerment purposes. The study's overarching aim is to interrogate a donor's approach to partnership with local government and micro, small and medium enterprises to economically empower ethnic minority women in Vietnam. In order to achieve this aim, the following objectives have been determined as follows:

- To understand the perceptions of different partners about women's economic empowerment.
- To understand if participation in the agriculture and tourism value chains empowers ethnic minority women.
- To identify strengths, limitations, and challenges of private sector involvement in women's economic programs.
- To identify how donors can better engage with the private sector to support ethnic women's empowerment.

## **DESCRIPTION OF THE STUDY**

This research selects a DFAT aid programme in Vietnam called Gender-Responsive Equitable Agriculture and Tourism (GREAT) as an "embedded single-case study" (Yin, 2018, p. 51). Under the GREAT programme, three business cases were selected representing three different partnership models that the programme used to collaborate with the business for local ethnic minority women's economic empowerment: a tea company (donor-NGO-business); a benzoin and ginger company (donor-government-business); and a herbal cooperative (donor-business).

The research uses a hybrid theoretical framework that draws from two empowerment frameworks: Rao and Kelleher (2005), which looks at changes at individual and systemic levels as well as informal and formal rules; and Scheyvens (1999)'s framework that looks at changes in four empowerment dimensions: psychological, economic, political, and social.

Unfortunately, as the Covid pandemic progressed, I was not able to travel to Vietnam to conduct the fieldwork. Plan B was triggered to implement remote fieldwork. Three in-country graduate students were recruited as research assistants (RAs) and trained to conduct in-depth interviews and focus group discussions with women and men of the three ethnic minority groups, Tay, Hmong, and Dao ethnic minority people in Lao Cai province (a remote mountainous province in the northwest of Vietnam). A journal article sharing lessons learned from my experience with the RAs during my remote fieldwork process has been under the peer review process for publication. In addition, I was able to conduct in-depth interviews with key participants, including a DFAT's officer, DFAT's managing contractor, an involved NGO, government officers, and business owners as they had better access to the internet and were more familiar with online meetings.

#### **KEY FINDINGS**

The three case studies focused on the donor-private sector partnership's role in supporting women to improve their income from their participation in agricultural and tourism value chains. In order to achieve this objective, each partnership tried to engage women in relevant project activities and provided them with technical training and production inputs. The findings revealed that depending on the nature of the partnership and associated enterprise; each enterprise has its own strengths, limitations, and challenges for the partnership with the donor for ethnic minority women's economic empowerment purpose. For example, the locally-based enterprises such as the tea company and the herbal cooperative bring to the partnership a solid established network and experience to work with the local communities while the non-local based benzoin and ginger company is struggling to build up a network and trust from the local people.

As anticipated, private sector involvement was perceived to have a strength in creating jobs and improving income through their existing market linkages that can guarantee outputs for farmers. It was also expected that the private sector would contribute its technical skills and resources to the donor-business partnership. In addition, the private sector was praised for being active and innovative in looking for solutions to address challenges practically and effectively. Nevertheless, the private sector partners, especially the MSME, were considered to have difficulties maintaining their commitment towards the provision of jobs and incomes for women during market crises due to its reduced financial capacity. They were perceived as profit-driven and had no expertise and commitment to addressing social norms and improving women's agency.

The concept of women's economic empowerment was donor-driven as the business owners of the three cases studies were not aware of the concept of women's economic empowerment at the start of the programme. The private sector partners were interested primarily in the link of WEE with productivity and efficiency "if women participate in production and decision-making process, the compliance [to the company's production procedures] would be better" (KI- senior staff of the GREAT managing contractor). They had little desire to bring a broader approach to women's empowerment into their businesses.

The research found that women did not always benefit from their engagement in agriculture and tourism value chains. It often depends on the selection of the value chain or types of products. For example, it was unclear how women benefited from the intercropping model of bodhi trees grown for benzoin extraction and organic ginger. Benzoin has a higher value, but people can only harvest once a year, and men mostly control the production and income. However, the tea and medicinal plants value chains provided small but more regular cash incomes over several months of the year for women and supported them in covering their daily expenses, as indicated in the quote below:

Like in the past when I worked as a street vendor, if I couldn't sell anything on that day, then at night, I would have to think, what to eat tonight. But now that I have more income from here [the cooperative], I won't have to think about it anymore. I don't need to worry much as the money from [selling] the medicinal plants will be enough for my [family] meals for a few days. (Mrs Ta-Dao female herbal grower)

In addition to the direct income benefits, there was also evidence to show a strong link between economic and psychological empowerment. For example, many women linked with the tea company and the herbal cooperative reported that they were more financially independent and thus had more respect and appreciation from men, which enhanced their sense of dignity.

I am respected by him [the husband] and other people. Each person does a different job, so he respects me. The same applies to my husband; if he has a high-paying job, [I] must respect him. (HH13-Dao female tea grower)

Furthermore, evidence from interviews made it clear that there was growing respect from some men for their wives:

I think my wife is good, knowing how to make money. [She] didn't ask me for my support. Almost anything my wife could do, she does it. (HH41-Hmong male tea grower)

There is also evidence on the link between economic and social empowerment in terms of having the financial capability to pay school fees and medical treatment for family members.

If I don't have money and tea is in the harvest season, I will pick tea. So I will have enough money to pay for my children's school fees. And if the children are sick, I will have money to buy medicine for them. (HH3-Tay woman tea grower)

In addition, women are recognised and appreciated when they are successful in their business. For example, female business leaders like Mrs Tan, a director of the herbal cooperative, were recognised as "wise and excellent".

However, women still worked more extended hours farming and completing housework because housework was still considered as women's responsibility. Taking care of children and being overloaded with housework are the reasons why women participated less in training and community meetings. In addition, the language barrier, mobility, social norms, and local practices constrained women's access to productive resources and assets and their decision-making power over production and household expenses. These factors also affected women's psychological, social, and political empowerment.

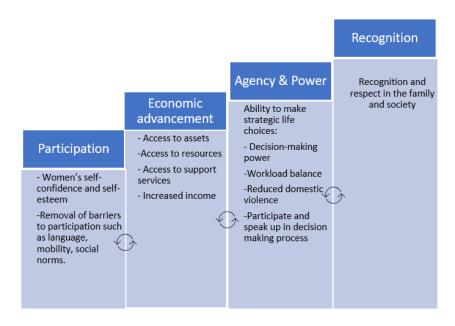
The perception that men were "chủ hộ gia đình" [heads of households] emerged from all the interviews across three business cases. It meant that men were "the pillar" [trụ cột] of the house and "responsible for all important and big tasks" (HH15 & HH41-Hmong men tea growers). This perception is explained by the fact that the three ethnic groups involved in the research are patriarchal, where males command most of the decision-making power. Men also dominate in managing and controlling production and economic decisions in the families. More than 90% of the contract with the benzoin and the tea company were signed by men. The local government and the community adopted this norm. As a result, everything was channelled through the household head, including social activities. This approach also affected women's access to training and information. Men would attend community meetings and training more than women if there were no specific requirements for women to participate (HH46-Hmong man-herbal grower, HH6-Tay man-tea grower, HH42-Hmong man tea growers, HH23-Dao man benzoin farmer). It ended up that male dominated in community meetings and signed important documents such as production or loan contracts. Some Tay and Hmong women said they only participated when men were busy (HH4 & HH5 tea growers) or when the meeting invitation mentioned their names.

#### RECOMMENDATIONS

Partnering and collaborating with the private sector could create jobs and improve incomes for ethnic minority women. However, not all business benefits women. It depends on factors such as the type of products, the business's commitment to the community and the benefits of women. The stories of the herbal cooperative and the tea company with a solid community bond compared to the benzoin and ginger company with a weak community linkage illustrate why strong community connections are critical for business success. The research also revealed that focusing solely on providing training and access to productive resources was insufficient to empower women. The partnership must be based on a gender-based approach that addresses barriers to women's participation, such as language, mobility, social norms, and local practice. It is only through this gendered approach that women are enabled to access better training and productive resources and participate more in household and community decisions. In addition, NGOs, civil society organisations (CSOs) such as the women's union, and government agencies need to be involved in providing additional support to donor-private sector partnerships to tackle social norms and improve policies and regulations aimed at empowering women. The partnership also needs to include men to support the changes. Importantly, it takes time to change social norms, and thus a proper timeframe should be considered when designing partnerships.

Based on the research findings, I recommend an implementation approach for women's economic empowerment as illustrated in figure 1 below. This approach consists of four interlinked steps to support women's participation, to ensure that women benefit from economic activities, to safeguard women's ability to make their own life choices, and to gain recognition in their families and local communities.

**Figure 1:** Recommended donor-private sector-NGOs/CSOs/government agencies partnership approach to WEE



Source: Author adopted from the GREAT's WEE approach

#### LIMITATIONS AND CONSIDERATION FOR FURTHER RESEARCH

All three donor-business partnerships studied have only been implemented for just over two years. This time frame is too short to achieve significant gender transformation. In addition, the Covid-19 pandemic has caused delays to the project activities and affected business activities. The remote fieldwork with support from the RAs also presented some challenges concerning the range and depth of information collected. In addition, this research only discussed how the business and donor partnerships might benefit women who are the producers and linkages within each business's value chain. Further research could examine how women are empowered when they are full-time or part-time employees.

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