ABSTRACT

Farm households in developing countries are faced with various challenges one of which is occurrence of unexpected negative events namely shocks. Shocks could be caused by extreme adverse natural events (droughts, storms, flood, and landslides) and market-related events (fuel, food, input and output price fluctuations, volatilities and price hikes). Most of these shocks affect production systems, food markets and local economies, all of which have direct effects on food security. This study explores the prevalence of shocks among indigenous vegetable farmers in Kenya followed by an assessment of the type of coping strategies in response to these shocks. We find that over two thirds of farmers have coping strategies that are not based on market-related insurance mechanisms; rather they use strategies such as working for more hours and selling assets. We analyze which socioeconomic and institutional factors determine households' decision and extent of coping with shocks. The results showed that access to high-value markets and market information were the major factors informing their decision and extent of using coping strategies along with access to critical services such as credit, extension, and farmer groups. This has significant policy implications regarding the dissemination of information and promotion of credit markets through mobile phone-based platforms for easy accessibility in remote rural areas. Social capital should be encouraged because it acts as a necessary and sufficient conduit for information dissemination and mutual support to help farmers' access critical services and resources needed for successful and sustainable implementation of relevant and appropriate coping strategies.

Keywords

Shocks, Coping Strategies, Household Welfare, Smallholders, Kenya