# Financing and Training to Address the Gender Gap in Agriculture in Peru



A supervised learning, random forest prediction model
Python for Data Analytics, Final Assignment
Jose Carlo Burga



### Financing and Training to Address the Gender Gap in Agriculture in Peru

A supervised learning model trained to predict locations where the gender gap more pronounced within the agricultural sector in Peru

LaGuardia Community College Continuing Education Program Data Analytics Program Python for Data Analytics

Jose Carlo Burga

### **Abstract**

This project addresses the gender gap in agriculture in Peru by focusing on financing and training. It explores the disparities faced by women in accessing agricultural resources and the impact of targeted financial support and training programs. Using a combination of statistical analysis and machine learning models, the research highlights significant barriers women encounter, such as high interest rates, lack of collateral, and red tape. The findings suggest that improving financial inclusion and providing tailored training can enhance women's productivity and economic empowerment in the agricultural sector.

The machine learning model, specifically a Random Forest model, is trained to predict locations where the gender gap is most pronounced. This prediction is based on various features such as socio-economic indicators, agricultural productivity, access to financial services, and availability of training programs. The model's predictions are based on public data from Peru's National Agrarian Census of 2012, and the strategy will be adjusted as necessary based on new data, model feedback, and results.

This approach combines data-driven insights with practical interventions, providing a powerful tool for tackling gender inequality in agriculture. By accurately predicting the locations where the gender gap is most severe initially to the region level, for resources can be allocated more effectively, thus leading to greater impact.

### GitHub Repository

#Peru #Agriculture #Gender\_Gap #Financing\_Access #Training\_Access #Machine\_Learning #Supervised\_Learning #Regression #Random\_Forest #Scikit\_Learn #Pandas #Jupyter\_Notebooks #Studio\_Visual\_Code #Python

### Audience: Stakeholders in the agricultural sector

- Bilateral and multilateral organizations focused on sustainable agriculture
- Financial institutions involved in sustainable investments in agriculture
- Private sector entities in agriculture
- Policy makers
- Researchers
- People, especially women, in agriculture

### **Benefits: Generate significant improvements in:**

- Agricultural productivity
- Economic growth
- Social equality

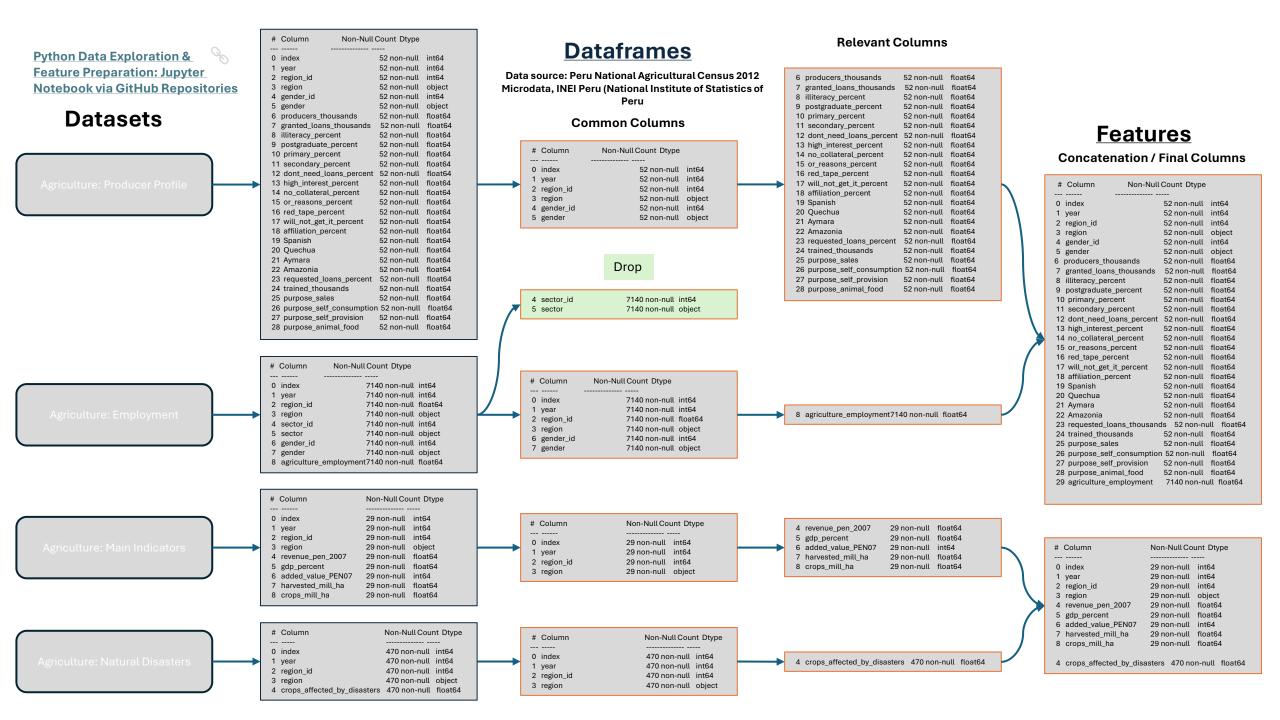
### **Call to Action:**

- To deliver financing and training for women in agriculture
- To further research in this area
- To reduce barriers for women in agriculture

- To validate and expand upon this research findings
- To developing financial products accessible and beneficial to women in agriculture.

### **Technical Challenges**

- Historical Depth of the data: The data considered for this model covers the year 2012 only.
  - I have acquired, and prepared tabular appends with annual datasets, more complete datasets, covering the period 2014 – 2022
- Gender Gap / Statistical Analysis / Ratio Analysis: the current analysis is based in gender gap calculation
  - I need to understand better the relationship between the gender gap, statistical, and ratio analyses, to bring them together in order to create more complex and advanced features to be feed to the model.
- There is no precedent for the comprehensive objective of this research: "predict (through supervised learning) the location where the gender gap in agriculture is more pronounced in Peru, to tackle gender inequality through impact financing and training
  - I need to find comparative research at the regional level in South America, or at an Agricultural nation around the world.



mean

std

minimum

25% Q

50% Q

75% Q

maximum

### Methodology

Method	Supervised Learning	A type of machine learning where the model is trained on a labeled dataset to make predictions.
Technique	Random Forest	An ensemble learning method that operates by constructing multiple decision trees during training and outputting the class that is the mode of the classes (classification) or mean prediction (regression) of the individual trees.
Model	Trained Random Forest Model	A model that has been trained using the Random Forest technique on a specific dataset.
Tool	Scikit-learn	A Python library that provides simple and efficient tools for predictive data analysis, equipped to work with numerical tables or data frames.

### **Model Implementation**

The main objective of the Random Forest model is to improve prediction accuracy by reducing overfitting of the model and handling large data with higher dimensionality. It does this by creating multiple decision trees and merging them together.

#### Formula

There isn't a specific formula for Random Forest like there is for some other models. Instead, it's a collection of decision trees, each created from a different subset of your data. The final prediction is made by averaging the predictions of each tree if it's a regression problem, or by majority voting if it's a classification problem.

### Steps

Prediction:

Model Evaluation:

**Bootstrap the data**: Create multiple subsets of the original dataset, selecting observations with replacement.

Create the Random Forest: For each new data subset, create a decision tree. The optimal split at each node is found from a random subset of features.

Make a prediction: Each individual tree in the Random Forest spits out a class prediction and the class with the most votes becomes the model's prediction.

### **Category vs Features**

#	Column	Non-Null Count	Dtype	Final Feature
0	index	52 non-null	int64	category_index
1	year	52 non-null	int64	category_yea
2	region_id	52 non-null	int64	category_region_id
3	region	52 non-null	object	category_region
4	gender_id	52 non-null	int64	category_gender_id
5	gender	52 non-null	object	category_gende
6	producers_thousands	52 non-null	float64	producers_numerica
7	granted_loans_percent	52 non-null	float64	granted_loans_percen
8	illiteracy_percent	52 non-null	float64	illiteracy_percen
9	postgraduate_percent	52 non-null	float64	education_postgraduate_completed_percen
10	primary_percent	52 non-null	float64	education_primary_completed_percen
11	secondary_percent	52 non-null	float64	education_secondary_completed_percen
12	dont_need_loans_percent	52 non-null	float64	don't_need_loans_percen
13	high_interest_percent	52 non-null	float64	high_interests_percen
14	other_reasons_percent	52 non-null	float64	other_reasons_percen
15	no_collateral_percent	52 non-null	float64	no_collateral_percen
16	red_tape_percent	52 non-null	float64	red_tape_percen
17	will_not_get_it_percent	52 non-null	float64	will_not_get_it_percen
18	affiliation_percent	52 non-null	float64	belongs_producers_association_percen
19	Spanish	52 non-null	float64	language_spanish_percen
20	Quechua	52 non-null	float64	language_quechua_percen
21	Aymara	52 non-null	float64	language_aymara_percen
22	Amazonia	52 non-null	float64	language_amazonia_percen
23	requested_loans_thousands	52 non-null	float64	requested_loans_percen
24	trained_thousands	52 non-null	float64	trained_percen
25	purpose_sales	52 non-null	float64	purpose_sales_percen
26	purpose_self_consumption	52 non-null	float64	purpose_self_consumption_percen
27	purpose_self_provision	52 non-null	float64	purpose_self_provision_percen
28	purpose_animal_food	52 non-null	float64	purpose_animal_food_percen
29	employment_agriculture_percent	7140 non-null	float64	employment agriculture percen

### Model Development Step by Step

Description	Code
Data Collection	https://github.com/jcburga/python final research/blob/main/concatenate clean agriculture producer employment.csv
Data Collection	https://github.com/jcburga/python_final_research/blob/main/ml_producer_profile_selected_features.csv
Statistical Analysis	https://github.com/jcburga/python_final_research/blob/main/%231_ml_producerstatistical.ipynb
Data Exploration:	https://github.com/jcburga/python_final_research/blob/main/%232A_ml_producer_exploration.ipynb
Data Preparation:	https://github.com/jcburga/python_final_research/blob/main/%232B_ml_producer_preparation.ipynb
Feature Selection & Importance	https://github.com/jcburga/python final research/blob/main/%233B ml producer feature selection importance.ipynb
Data Pre-Processing:	https://github.com/jcburga/python_final_research/blob/main/%234_ml_producer_pre_processing.ipynb
Model Training: Split,	

https://github.com/jcburga/python\_final\_research/blob/main/%234\_5\_6\_ml\_producer\_train\_predict\_evaluate.ipynb

### Feature Selection & Importance \*

category\_region\_id

producers\_numerical

granted\_loans\_percent

requested\_loans\_percent

trained\_percent

belongs\_producers\_association\_percent

illiteracy\_percent

education\_primary\_completed\_percent

education\_secondary\_completed\_percent

employment\_agriculture\_percent

language\_spanish\_percent

language\_quechua\_percent

language\_aymara\_percent

language\_amazonia\_percent

\* The analysis includes numerical versions of this features



### Agriculture in Peru

- Timeline: 10 millennia of agricultural development in Peru
- Demographics: 25% of the population is dedicated to agriculture as of 2022

### Gender Gap in Agriculture: Python Data Analysis: Jupyter Notebooks via GitHub Repositories

- Women in agriculture have limited access to training and financing
- Women in agriculture have a limited participation in producer associations



# Agriculture in Peru: 9,240 – 5,500 years ago Preceramic Adoption of Peanut, Squash, and Cotton in Northern Peru Tom D. Dillehay, Jack Rossen, Thomas C. Andres, And David E. Williams

The early development of agriculture in the New World has been assumed to involve early farming in settlements in the Andes, but the record has been sparse. Peanut (Arachis sp.), squash (Cucurbita moschata), and cotton (Gossypium barbadense) macrofossils were excavated from archaeological sites on the western slopes of the northern Peruvian Andes. Direct radiocarbon dating indicated that these plants grew between 9240 and 5500 14C years before the present. These and other plants were recovered from multiple locations in a tropical dry forest valley, including household clusters, permanent architectural structures, garden plots, irrigation canals, hoes, and storage structures. These data provide evidence for early use of peanut and squash in the human diet and of cotton for industrial purposes and indicate that horticultural economies in parts of the Andes took root by about 10,000 years ago.

Agriculture in Peru (2,000 BCE – 1,400 CE): Irrigation and Land Use on the Arid North Coast of Peru: Assessing Ancient Agricultural Systems Through Drone Photography, Soil Analysis, and Local Knowledge
Authors: C. Prado, J. Eerkens, R. Beresford-Jones, and E. Van Valkenburgh

This paper explores the historical development of agriculture along Peru's arid north coast, focusing on the prehispanic timeline and agricultural products of different cultures. Intensive irrigation-based farming began in the second millennium BCE, featuring early canals and check dams. Early Andean cultures grew crops like squash, beans, and cotton. From the first millennium BCE to the first millennium CE, advanced water management techniques were developed, crucial for handling the El Niño Southern Oscillation (ENSO). Key crops included maize, beans, and manioc. Significant hydraulic engineering advancements and irrigation network expansions occurred from the first millennium CE to the 15th century. The Moche civilization (100-800 CE) built extensive canal systems, cultivating maize, beans, squash, and peanuts. The Chimu civilization (11th-15th century) further developed these systems, creating interconnected canals for diverse crops such as maize, cotton, and quinoa. These innovations supported large populations and complex societies. The paper concludes that the prehispanic agricultural timeline in Peru showcases a continuous evolution of water management and farming practices. By examining the specific crops and techniques used by different cultures, we gain insights into the adaptability and resilience of ancient agricultural systems. These historical practices offer valuable lessons for sustainable agriculture in arid regions globally, demonstrating effective responses to environmental challenges

### Agriculture during the Colony (1681 – 1800 CE)

Title: Crecimiento Económico en el Espacio Peruano

### Carlos Newland, Universidad Argentina de la Empresa

### John Coatsworth, Rockefeller Center for Latin American Studies, Harvard University

In-depth analysis of the evolution of agriculture in Peru from 1681 to 1800. The authors highlight a period of economic crisis and agricultural decline from 1681 to 1750. This was followed by an improvement and overall growth in agriculture from 1750 to 1800. In conclusion, despite the initial collapse, there was a subsequent expansion of agricultural production in the 18th century. This expansion was not homogeneous across regions, with Lima experiencing a decline. However, the overall trend suggests stability or improvement in per capita agricultural production and likely increases in real wages for the region, except in Lima.

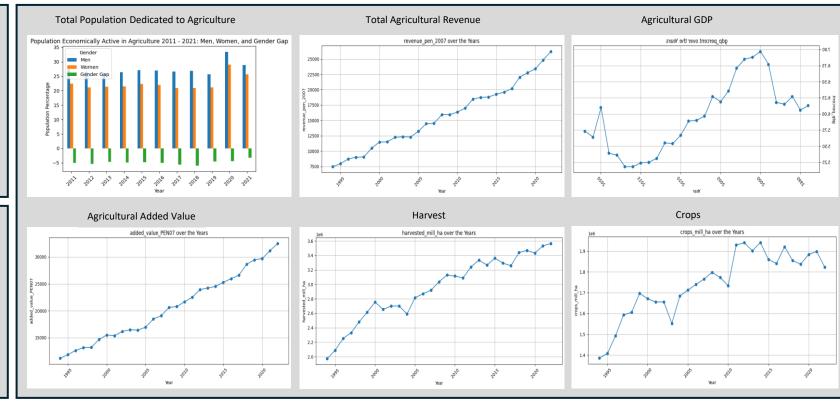
### Agriculture during the Republic (1,875 - 1,933)

### <u>Title: Plantation Agriculture and Social Control in Northern Peru, 1875–1933</u> Author: Michael J. Gonzales

The author explores the development of plantation agriculture in Northern Peru from 1875 to 1933. Beginning with the economic and political transformation during the 1860s and 1870s, marked by the decline of the guano boom and the rise of coastal agriculture. By the late 19th century, sugarcane plantations had become significant economic entities, driven by technological advancements and the influx of capital from former guano traders.

In the early 20th century, the sugar industry continued to expand, with plantations adopting modern agricultural practices and machinery.

Author concludes with the impact of the War of the Pacific and the subsequent recovery of Peru's agricultural sector, as wells as the transition from traditional to modern practices, reflecting broader economic and social changes in Northern Peru.



# Referential Research: Finance and Training in Peru

	Access to Credit and Credit Risk	Financial Inclusion (Services & Literacy)	Training in Agriculture in Peru?
	Study on Peruvian Microfinance Institution	Financial Inclusion in Peru	Gender Equality in Peru: Unleashing the Potential of Women (2022)
Summary	This study was conducted at a Peruvian microfinance institution specializing in rural microcredits. The authors proposed a model for assessing microcredit applications using machine learning techniques. The goal was to improve the assertiveness of the credit granting process and reduce the default rate.	This paper by Rocío Maehara et al. explores the application of machine learning (ML) methods to assess <u>financial inclusion in Peru</u> . The study uses data from the National Survey of Demand for <u>Financial Services</u> and <u>Financial Literacy</u> 2019, covering a sample of 1205 Peruvian citizens.	This OECD's report outlines significant data on women's access to training in the agricultural sector. The report highlights that women in Peru's agricultural sector face substantial barriers to accessing training, which impacts their productivity and economic opportunities.
Methods	Data Pre-processing, Cross-validation, Supervised Learning	Data Pre-processing, Grid Search Procedure, Supervised Learning	Surveys and Questionnaires, Statistical Analysis, Regression Models, Qualitative Interviews, Focus Groups.
Techniques	Handling missing data, Normalizing variables, One Hot coding	10-fold cross-validation	n/a
Models	Logistic Regression (LR), Random Forest (RF), Support Vector Machine (SVM), Artificial Neural Network (ANN), Decision Tree (dTree), k-Nearest Neighbors (kNN)	Logistic Regression (LR), Artificial Neural Networks (ANNs), Decision Trees (DTs), Random Forest (RF), XGBoost, Support Vector Machine with RBF kernel (SVC RBF)	n/a
Tools	Scikit Learn, Keras, Pandas, Numpy, Matplotlib	Not explicitly mentioned	n/a

## Supervised Learning (Random Forest) Predictive Model

8	Description	Code
1	Data Collection	https://github.com/jcburga/python final research/blob/main/concatenate clean agriculture producer employment.csv
	Data Collection	https://github.com/jcburga/python_final_research/blob/main/ml_producer_profile_selected_features.csv
	Statistical Analysis	https://github.com/jcburga/python final research/blob/main/%231 ml producer statistical.ipynb
2	Data Exploration:	https://github.com/jcburga/python_final_research/blob/main/%232A_ml_producer_exploration.ipynb
	Data Preparation:	https://github.com/jcburga/python final research/blob/main/%232B ml producer preparation.ipynb
3	Feature Selection & Importance	https://github.com/jcburga/python final research/blob/main/%233B ml producer feature selection importance.ipynb
	Data Pre-Processing:	https://github.com/jcburga/python_final_research/blob/main/%234_ml_producer_pre_processing.ipynb
4	Model Training: Split,	
5	Prediction:	https://github.com/jcburga/python final research/blob/main/%234 5 6 ml producer train predict evaluate.ipynb
6	Model Evaluation:	

### References

1 Data Collection:

3 Feature Selection:

4 Model Training:

5 Model Evaluation:

6 Prediction:

Kelleher, J. D., Mac Namee, B., & D'Arcy, A. (2015). Fundamentals of Machine Learning for Predictive Data Analytics: Algorithms, Worked Examples, and Case Studies. MIT Press. 2 Data Preprocessing: Garcia, S., Luengo, J., & Herrera, F. (2015). Data Preprocessing in Data Mining. Springer.

> Guyon, I., & Elisseeff, A. (2003). An Introduction to Variable and Feature Selection. Journal of Machine Learning Research, 3, 1157-1182. Bishop, C. M. (2006). Pattern Recognition and Machine Learning. Springer.

Sokolova, M., & Lapalme, G. (2009). A Systematic Analysis of Performance Measures for Classification Tasks. Information Processing & Management, 45(4), 427-437.

Hastie, T., Tibshirani, R., & Friedman, J. (2009). The Elements of Statistical Learning: Data Mining, Inference, and Prediction. Springer.

### Comparative Hierarchical Methodological Decision-Making Matrix

### selected

Method	Supervised Learning	A type of machine learning where the model is trained on a labeled dataset to make predictions.	Supervised Learning	A type of machine learning where the model is trained on a labeled dataset to make predictions.	Supervised Learning	A type of machine learning where the model is trained on a labeled dataset to make predictions.	Supervised Learning	A type of machine learning where the model is trained on a labeled dataset to make predictions.
Technique	Random Forest	An ensemble learning method that operates by constructing multiple decision trees during training and outputting the class that is the mode of the classes (classification) or mean prediction (regression) of the individual trees.	Support Vector Machines (SVM)	A set of supervised learning methods used for classification, regression and outliers detection.	Logistic Regression	A statistical model that uses a logistic function to model a binary dependent variable.	Neural Networks	A series of algorithms that endeavors to recognize underlying relationships in a set of data through a process that mimics the way the human brain operates.
Model	Trained Random Forest Model	A model that has been trained using the Random Forest technique on a specific dataset.	Trained SVM Model	A model that has been trained using the SVM technique on a specific dataset.	Trained Logistic Regression Model	A model that has been trained using the Logistic Regression technique on a specific dataset.	Trained Neural Network Model	A model that has been trained using the Neural Network technique on a specific dataset.
Tool	Scikit-learn	A Python library that provides simple and efficient tools for predictive data analysis, equipped to work with numerical tables or data frames.	Scikit-learn	A Python library that provides simple and efficient tools for predictive data analysis, equipped to work with numerical tables or data frames.	Scikit-learn	A Python library that provides simple and efficient tools for predictive data analysis, equipped to work with numerical tables or data frames.	TensorFlow	An open-source platform for machine learning that provides a comprehensive ecosystem of tools, libraries, and community resources for developing and deploying ML models.

### References:

- 1. Kotsiantis, S. B. (2007). Supervised Machine Learning: A Review of Classification Techniques. Informatica, 31, 249-268.
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### Data from CSV/XLSX

Step	Method	Description	Example Code
1	Databases	Data is extracted from a database using SQL queries or a database API.	<pre>import sqlite3 import pandas as pd br&gt;conn = sqlite3.connect('database.db') br&gt;df = pd.read_sql_query("SELECT * FROM table_name", conn)</pre>
2	Web Scraping	Data is extracted from a website using web scraping tools.	<pre>import requests br&gt;from bs4 import BeautifulSoup br&gt;response = requests.get("https://www.website.com") br&gt;soup = BeautifulSoup(response.content, 'html.parser') br&gt;data = soup.find_all('div', class_='class-name')</pre>
3	APIs	Data is accessed in a structured format using APIs provided by websites and platforms.	<pre>import requests br&gt;response = requests.get("https://api.website.com/data") br&gt;data = response.json()</pre>
4	Surveys and Questionnaires	Data is collected using surveys or questionnaires.	N/A
5	CSV/Excel Files	Data is loaded from CSV or Excel files into a DataFrame.	import pandas as pd df = pd.read_csv('data.csv')
6	Preexisting Datasets	Data is collected from preexisting datasets available on the internet.	N/A

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