Session 7:

The external environment

Summary

Purpose

This session examines the household and how its livelihood options are enhanced or restricted by factors in the external environment. It looks into the interplay between various social, economic, institutional and environmental forces that influence the household and its local environment. Participants examine how these forces operate at various levels – the community, the district and the province, as well as nationally, regionally and globally.

By the end of the session, participants will:

• have deepened their understanding of the effects, interactions and impacts of different external influences on household assets, activities and capabilities
• have assessed how a given external influence has different impacts on different members of a given family and on the different households in the community
• be able to trace particular influences back to the key organisations and institutions where they come from.

Activity overview

Participants investigate the effect of various external influences (physical, social, political/institutional and economic) on case study households. They then consider what kind of interventions would help to build the resilience and sustainability of household livelihoods.

Session components and time required

The ‘key ideas’ section introduces some of the physical, social, political/institutional and economic influences on households. This can be photocopied and handed out at the end of the session. The preparation section alerts the trainer to what he or she will need to do before running the session. The facilitation section is a step-by-step session plan. The activity guide is designed to be photocopied and handed out to participants. This session requires the use of two case studies. The activity has been designed around using the filmed case studies Floods and Legacies on the videocassette, but you can use printed case studies from Chapter 4, or your own case studies. The session will take about 3 hours.
The external environment is constantly changing. We need to monitor this changing context in order to understand the complex pressures and opportunities that affect household livelihood strategies. Once we understand how external factors influence livelihoods and where these influences come from, we can begin to think of ways to counter negative influences and reinforce positive ones. Efforts to improve livelihoods cannot only look within the community. They must also try to improve policies, practices and decisions that are taken further away. This helps to create a more supportive environment for household livelihoods to flourish.

This session introduces some of the big global and regional issues that impact on the ability of poor households to sustain their livelihoods. These include:

- external foreign debt and structural adjustment
- the General Agreement on Tariffs and Trade, globalisation and the World Trade Organisation
- HIV/AIDS.

These and other issues like climate change affect the various countries in southern Africa in different ways. For example, Zambia has a very high external foreign debt burden. In Zimbabwe the cost of living increases sharply from month to month due to very high inflation. By contrast, South Africa has a stronger economy with relatively low levels of external debt and inflation. However, it also has high levels of unemployment, poverty and extreme inequality. It also has the fastest spreading HIV/AIDS epidemic in the region.

It is important to avoid ‘doom and gloom’ scenarios, particularly if they cast local people as passive victims without the capacity to take action for change. There are also many areas where we can actively challenge these ‘narratives of disaster’. For example, it is widely held that there is heavy environmental degradation in Southern Africa. Empirical research and new thinking on the environment brings such broad generalisations into question.

We need to understand opportunities and constraints at all levels. This starts with the local and district levels where people can analyse key issues, take action and see most immediate results. We need to link local issues and trends with those that operate at broader levels. Making connections like this creates opportunities for advocacy. For example, the impact of structural adjustment and external debt on the lives of the poor in the South have sparked local campaigns and activism. This has resulted in high profile international actions such as the Jubilee 2000 campaign for debt relief.
Household livelihoods in context

Different issues (physical, social, political/institutional and economic) and the different levels at which they are located (local, district, provincial, national and global) interact with one another. We need to understand the complex way that external influences affect what happens to household livelihoods at local level.

For example, international financial institutions like the World Bank and International Monetary Fund (IMF) impose structural adjustment programmes (SAPs) on developing countries which include reductions in government spending.

These policies are implemented at national level and have negative impacts at the local level. Cutbacks in public spending affect costs of schooling and availability of health care at the local level.

At the same time, policies and programmes which favour the poor may be implemented at national, provincial and district levels. These can have a positive impact on local livelihoods.

We need to identify the impacts of global, regional and national trends on local level development and livelihood opportunities. We also need to understand how environmental, institutional, social and economic issues at local or district level affect policy, planning and the allocation of resources at other levels. We need to think holistically and make linkages between the different levels.

Sometimes linkages may involve making connections between seemingly unrelated issues. The short scenario below shows how a policy decision in another part of the world can end up by having a major local impact which triggers a local response.

GOLD AND GRAZING

In 1999 the Bank of England decided to auction off part of its gold reserves. This led to a fall in the international price of gold. Less profitable gold mines closed and miners were laid off. This forced many retrenched workers to return to impoverished and overcrowded rural areas in Lesotho and South Africa. Back home several workers used part of their retrenchment payouts to purchase livestock. This has resulted in increased demand for grazing land which, in some cases, has created social tensions between livestock and crop farmers. It has also increased demand for wood to fence fields and gardens to protect them from livestock. Increased demand for wood increases pressure on local forest and woodland resources.
In Lesotho, Mozambique and South Africa, research and advocacy has highlighted the effects of international gold auctions on the gold price, how this leads to retrenchment in the mining sector, and how retrenchment impacts on the lives and livelihoods of the families of mineworkers. The National Union of Mineworkers (NUM) and the Mineworkers’ Development Agency (MDA) have linked the research findings to practical programmes. These programmes have secured resources from the mining companies to retrain mineworkers and to create opportunities for livelihood diversification.

This type of ‘big picture’ investigation and analysis can identify a very wide range of factors that impact on local livelihoods. There is a risk that complexity of all the issues at the macro scale has the potential to overwhelm and even disempower people. To avoid this danger, we need to target key issues and trends.

When carrying out livelihoods analysis on the ground, the analysis needs to be lead by local people’s observations and priorities. The analysis needs to take into account that communities are stratified and that the priorities of local people may vary considerably. Because the planning team members are usually outsiders, they must be careful to highlight the critical issues which affect local livelihoods when they make macro-micro links.

Such issues could include:

- district planning frameworks and local economic development strategies that have not taken local livelihood strategies into account
- fluctuating prices for agricultural commodities and their impacts on local producers
- the impacts of retrenchments in the mining sector on local livelihood security and natural resource management.

In this session, only one or two key issues from each of four sectors in the livelihoods framework have been identified. You will need to assess the relevance of these issues to your particular situation and supplement them if necessary. It is important to identify both the macro level issues and things at the local level that enhance or undermine livelihood security.

**Economic issues**

A wide range of economic factors impact on the sustainability of livelihoods. Pro-poor economic policies and programmes that stimulate local economic development, protect workers, deliver affordable services and broaden access to credit can enhance livelihoods. However, with the advance of globalisation, the power and the will of national governments to
promote and defend the economic interests of the poor is being eroded. We briefly introduce some macroeconomic issues and trends that directly affect the livelihoods of the poor.

**Debt and structural adjustment**

The extent of Third World debt and the operation of structural adjustment programmes have had major impacts on the life of the poor. How did so many countries in the South accumulate such high levels of debt?

**The origins of the debt crisis**

The roots of the debt crisis lie in the 1960s when the US dollar fell in value as a result of overspending in the US economy. The fall in the value of the dollar affected the economies of oil-producing countries which responded by raising the price of oil. These countries made huge sums of money from the sale of oil and deposited it in Western banks. Because there was so much cash in the international banking system, banks lent out money at very low rates of interest. Banks gave out large loans, often without checking whether the countries that they lent to had the capacity to manage the loans or whether they could afford to pay them back.

These loans did little to benefit the poor. Before the fall of the Berlin Wall in 1989 that marked the end of the Cold War, the capitalist and socialist blocs used aid and loan finance to try to secure the political support of Third World countries.

**Inappropriate development advice**

Aid and loans were often accompanied by inappropriate development advice. Development advisers commonly encouraged poor farmers to grow cash crops for export rather than concentrating on food security or processing initiatives that added value to raw materials. Because each country got the same advice, it was not long before too many countries were producing the same crops.

This resulted in dramatic falls in the prices of primary commodities on which many Third World economies had come to depend. To make matters worse, interest rates and oil prices started to rise. The value of exports from the Third World fell while the cost of their imports rose. This forced countries into borrowing more money than they could afford to pay back.

**The rise of structural adjustment**

In the early 1980s, several countries announced that they were no longer able to pay their debts. The IMF and the World Bank responded by introducing structural adjustment programmes and directly intervening in the day-to-
day economic management of indebted countries. Governments had to agree to a standard package of economic reforms before the IMF would approve their access to further loans. The IMF lent more money to prevent debtor countries from defaulting on existing loans. At the same time the IMF negotiated with international private lenders to reschedule debts of defaulting countries. Towards the end of 2001, Argentina defaulted on repaying its foreign debt.

SAPs have had major consequences for the poor – usually deepening poverty and increasing vulnerability. Structural adjustment measures:

> generally entail severe reductions in government spending and employment, higher interest rates, currency devaluation, lower real wages, sale of government enterprises, reduced tariffs and liberalisation of foreign investment regulations.

Debtor countries have been forced to reduce government spending on social services and subsidies that keep the price of food down. The poor have had to start paying for health care and for their children to go to school. Those who cannot afford these fees simply go without. Governments have been required to increase tax collection, link their currencies to the US dollar and impose high rates of interest to ‘stabilise’ their currencies. They are also required to sell off state-owned enterprises to the private sector, lift restrictions on the operations of foreign businesses and banks and guarantee that they can take their profits out of the country.

Deregulation of the debtor economies has often been carried out without adequate safety nets to protect the poor. Structural adjustment measures are often pushed through with very little consultation with civil society and democratic institutions.

**Impacts of cuts in social spending**

Reductions in social spending on health care and education have further contributed to the spread of AIDS and contributed to the children of the poor being denied an education. The education of girls is particularly vulnerable to increases in school fees and the increasing demand for home based labour.

Health care spending cuts have crippled health care services in countries most affected by HIV/AIDS. This has meant that they are unable to cope effectively with the pandemic. The ratio of expenditure on health care and repaying foreign debt highlights the impact on the lives of the poor. The Jubilee 2000 campaign for dropping the debt of Third World countries illustrates the problems with the case of Zambia. The value of Zambia’s gross national product (GNP) is US$390 per person. However Zambia’s external foreign debt is so high that, if it were equally spread out among the population, each Zambian would owe US$720 to foreign creditors. Each year
the Zambia government spends US$17 per person on health and US$30 per person on debt to Western financial institutions. By contrast, the Group of Seven richest nations spend US$2,300 per person on health care every year. Life expectancy in Zambia has now dropped to 43 years and is expected to fall further. In Zimbabwe health care spending per person has fallen by 33% since 1990 when a structural adjustment programme was introduced.

**Attempts to redirect SAPs**
Since 1987 the World Bank’s Social Dimensions of Adjustment (SDA) project in sub-Saharan Africa has tried to make poverty alleviation and economic growth explicit objectives of structural adjustment. It has tried to embed these elements in local policy formulation and through programmes to strengthen local capacity and institutions. In practice the SDA project has been widely criticised for being poorly targeted, and for providing short-term assistance rather than addressing more long-term issues of poverty.

Although the World Bank now labels structural adjustment as ‘poverty reduction strategies’, many commentators regard the effect of the programme to be the same. Recently there has been pressure for the IMF to be reformed. However, there are still major concerns about the ‘democratic deficit’ that prevents poor countries from having an effective voice in the IMF.

**GATT, globalisation and the World Trade Organisation**

The General Agreement on Tariffs and Trade (GATT) had its roots in a multilateral trade agreement originally signed by 23 countries in 1947. The agreement was part of a series of moves by the United States and its World War II allies to reconstruct world trade and war-damaged economies. As the name suggests, GATT put rules in place to govern international trade. Nations that became ‘contracting parties’ to the agreement undertook to limit restrictions on trade between them. Under GATT, the regulation of imports and exports between members would be done by imposing a system of tariffs rather than by setting quotas.

The government of the importing country usually imposes tariffs in the form of customs duties. The money these tariffs raise can be used to protect domestic industries. To protect a local product, high tariffs can be levied on similar products from other countries to make them more expensive than the local product. Rather than countries negotiating separate trade agreements with each other (bilateral agreements), the members of GATT negotiated tariffs and reductions in tariffs as a group (a multilateral agreement) that bound them all.

For the first 50 years of GATT, members focused on reducing tariffs through a series of negotiating ‘rounds’. The formation of the World Trade Organisa-
The essence of globalisation is the push by big companies and financial institutions to have more power, to grow bigger by taking over others and to make more profits. They have lobbied their governments to break down the national barriers that prevent them from totally free access to markets across the world, especially in developing countries.

Not true. It is really a question of what countries are willing to bargain with each other. Rules written into WTO agreements allow barriers to be lowered gradually so that domestic producers can adjust. It would be wrong to suggest that every country has the same bargaining power. The consensus rule means that every country has a voice and every country has to be persuaded before it joins a consensus. Quite often reluctant countries are persuaded by being offered something in return.

Transnational corporations (TNCs) have almost total control over the process of globalisation – their grip is tighter here than at national or local level. Just 500 corporations account for two-thirds of international trade. Of the world's 100 largest economies, 50 are TNCs. Globalisation widens the gap between rich and poor and destroys jobs.

Underlying the WTO's trading system is the fact that freer trade boosts economic growth and supports development. It has the potential to create jobs, it can help to reduce poverty and it frequently does both. However, producers and their workers who were previously protected clearly face new competition when barriers are removed. Some survive by becoming more competitive. Others don't.

There is an assumption that globalisation only creates benefits. But some gain more than others. In reality globalisation creates benefits for some and losses for others. Globalisation can be called recolonisation.

Whether or not developing countries gain enough from the system is a subject of continuing debate in the WTO. Least developed countries receive special treatment, including exemption from many provisions.

The developing countries have too much influence in the United Nations since decisions are on the basis of one country, one vote. So the major powers decided in the early 1990s to reform and reshape the UN and transferred its authority on economic and social issues over to the IMF, the World Bank and the WTO. Decisions there are on the basis of one dollar, one vote.

The WTO does not tell governments how to conduct their trade policies. The rules of the WTO system are agreements resulting from negotiations among member governments and are ratified by their governments. Decisions made in the WTO are generally made by consensus among all members.

In areas where the big companies and their governments would lose from liberalisation they practice protectionism.

In the WTO system everyone has to follow the same rules. As a result in the WTO's dispute settlement procedure developing countries have successfully challenged some actions taken by developed countries.
How GATT affects southern Africa

Despite the WTO statement that an increase in world trade results in rising incomes, the benefits are very unevenly spread. It is clear that there are winners and losers. The poor in Africa are the most disadvantaged. Between 1960 and 1980 per capita income in Africa grew by 34.3%. However since 1980 incomes have fallen by 23%. These average figures mask the realities of the highly unequal distribution of income that has worsened both within and between countries as globalisation has proceeded. It is these hidden figures that disguise the impacts of globalisation on the poor and vulnerable.

Opponents of trade liberalisation argue that the WTO and the GATT Uruguay Round agreement before it say their effect has been to ‘pry open markets for the benefit of transnational corporations at the expense of national and local economies, workers, farmers, health and safety and the environment’.7

Social issues

Clearly there are many social issues of importance. Session 2 and Session 6 focused on issues of gender equity. We need to analyse the gender dimensions of policy, legislation, programmes and institutions to show how policies developed at national and global level affect people on the ground. The main focus here is on the impact of HIV/AIDS and its effect on households, livelihoods, institutions and the economy at local, national and regional levels.

HIV/AIDS

Recent research by the UNAIDS programme in Geneva shows that 70% of all new infections and 80% of world AIDS deaths occur in sub-Saharan Africa. In Zimbabwe, Botswana, Namibia and Swaziland more than one in five adults are now infected with HIV.8 It is no coincidence that AIDS has become so deeply entrenched in our society. Half of all Africans are still living in absolute poverty. While poverty does not cause AIDS, there are many links between poverty and poor health.

Southern African HIV/AIDS statistics – a moving target

In southern Africa life expectancy rose from 44 in the 1950s to 59 in the early 1990s. It is projected to fall to 45 by 2010. About 20% of 15–19 year olds are HIV-positive. About 10% of school children are infected. In Zimbabwe one million people have died from AIDS-related illnesses in six years.9
In Mozambique there will be more than 250,000 AIDS orphans by the end of 2000 and one quarter of all children will be living in a family where HIV is present.

In South Africa perhaps 4.2 million people (10% of the population) are infected. Prevalence in girls aged 15–19 rose from 12.7% to 21% in 1999.

By 1999 there were an estimated 1.66 million AIDS orphans in Zambia and children head 7% of Zambian households.

**Getting behind the figures**

Presented as numbers and percentages the statistics can only numb. What we need to understand is the relationship between HIV/AIDS and poverty and the different ways in which the pandemic contributes to the intensification of vulnerability and poverty. This takes place on different levels.

In southern Africa the combination of rural poverty and perceived opportunities in the cities forces people to migrate in search of work and livelihood opportunities. As people move to occupy sprawling informal settlements on the fringes of cities and towns, they become isolated from social and traditional networks and become more likely to engage in risky sexual behaviour.

Likewise, women who head poor households in marginal areas (for example, in the Winterveld area of South Africa – Case Study 7) may be forced into multiple relationships with men or into sex work which places them and their households at risk. AIDS awareness information and preventive measures are likely to be inadequate in marginalised areas.

Poverty directly influences how long people live from the time they become HIV-positive. Poor people in Africa generally live for 5–7 years after contracting HIV – about half the time of infected persons in the North. The combination of poor diet, inadequate living conditions and limited access to medicines and treatment mean people in the South are likely to die more quickly. Tuberculosis is a common contributor to AIDS-related deaths and has long been regarded as a classic indicator of poverty.

**HIV/AIDS, households and livelihoods**

There are clear impacts of HIV/AIDS at the household level.

- Human capabilities are affected by reduced availability of physical labour. This is not only because people get sick, but also because the labour of others gets diverted to look after them.
• There are increased constraints on time available for work by neighbours and family, due to funerals and traditional mourning periods. This can involve between two and four days of work stoppage in communities.

• People in the prime of life die early and this decreases the skills and knowledge base of households, communities and enterprises. Less knowledge is transmitted to the younger generation as informal ‘teachers’ die early.

• Children orphaned by AIDS have less chance of getting an education. This will affect their chances in life and those of their children.

• Families affected by AIDS face depletion of financial assets as their incomes are reduced, cash savings used up, and stores and productive assets sold to cover costs of medical care and funerals.

• Social assets – social relationships and networks with extended family and neighbours – become stressed or destroyed due to fear of the disease, the increasing burdens of orphaned children and requests for help.

• The range and diversity of household livelihood activities is reduced because of the constraints on capabilities and assets. In general, people become increasingly vulnerable as internal household options dwindle, and external support declines.

• Women, the elderly and children are especially hard hit. Often their access to, and control over, resources is already weak, and this is further eroded by AIDS.

• HIV/AIDS also has a major impact on development interventions. Despite growing understanding of the extent of the AIDS crisis, it is still common to find that supporting institutions (government, NGOs and others) do not pay enough attention to AIDS in their planning.

• AIDS can play havoc with assumptions about levels of demand for services in communities, and the ability of people to participate in and benefit from development programmes.

• Interventions and recommendations are often inappropriate and may make unrealistic assumptions about the availability of labour.

• Credit schemes can collapse as borrowers default.

• AIDS undermines the capacity of organisations and institutions to deliver services, as managers and staff fall sick.

• Costs of medical care for staff divert resources from programmes.

• Sometimes development interventions can have unintended consequences. Provision of school hostels, improved roads, and projects that
increase access to disposable incomes can contribute to further transmission of HIV.

As this section shows, debt, structural adjustment and aspects of globalisation contribute to fuelling the AIDS epidemic.

*Like all great epidemics who gets infected, and who does not, is a function of larger social forces which form the boundaries of personal choice. AIDS thrives where there is poverty and inequality. Structural adjustment causes poverty and aggravates inequality, which in turn fuels the AIDS epidemic.*

Dr Mary Basset – International Conference on Aids, Durban, July 2000

These factors further aggravate a fundamental problem:

*How to achieve the sustainable development essential for an effective response to the epidemic under conditions where the epidemic destroys the capacities essential for the response.*

**Environmental issues**

**Sustainable development and natural resource management**

Internationally there were massive increases in industrial output and a sharp rise in population growth after World War II. There was a great faith in the power of technology and science to boost agricultural output and regulate the environment.

This period saw the development of the so-called Green Revolution which boosted crop yields through a combination of mechanised production, hybrid seeds that depended on high inputs of artificial fertilisers and pesticides, as well as massive dam building and irrigation projects.

Although there was a massive boost to agricultural output, this approach to agriculture and development has had major social and environmental costs. In the Third World it was only richer farmers who could take advantage of these new methods. This contributed to growing impoverishment and landlessness among the rural poor.

Environmentally the industrialisation of agriculture made it highly dependent on non-renewable oil reserves used to produce artificial fertilisers. Heavy use of pesticides, herbicides and fungicides has resulted in massive pollution of water resources and has spawned new generations of resistant pests. These factors combined to slow down agricultural output.
Although food production doubled between 1950 and 1980, after this it stagnated and then started to fall. By the 1960s there was overwhelming evidence of pollution from industry and agriculture. This was also coupled with the realisation that radioactive waste from nuclear testing could not be contained on site but spread throughout the entire biosphere.

Critical questions were asked about this high-input, high-energy approach to development and a variety of NGOs started to actively contest this approach. Many people started to recognise that major negative impacts on the environment stemmed from the industrial economies of the North and the nature of their investment in newly industrialising economies in the South.

The ‘limits to growth’ debate

The growing international movement for more sustainable development began with the ‘limits to growth’ debate that originated in the 1970s.

*If present growth trends in population, industrialisation, pollution, food production and resource depletion continue unchanged, the limits to growth on this planet will be reached sometime in the next hundred years. The most probable result will be a sudden and uncontrollable decline in both population and industrial capacity. It is possible to alter these growth trends and to establish a condition of ecological and economic stability that is sustainable far into the future.*

In recent years these initial forecasts have been criticised as being overly pessimistic and the supposed linkages between population growth, poverty and environmental degradation have been characterised as too simplistic.

It was ‘catastrophist’ forecasts like these that prompted the United Nations to begin to address environmental issue and launch the United Nations Environmental Programme (UNEP) in 1972 with its headquarters in Nairobi. UNEP set up Earthwatch – an international environmental monitoring system – and began work on a range of different programmes to protect water resources, and combat deforestation, desertification and drought. At this stage, sustainability was seen largely as a technological challenge.

The World Conservation Strategy

The World Conservation Strategy was produced in 1980 by the International Union for the Conservation of Nature and Natural Resources (IUCN) in association with UNEP. This strategy was largely driven by the conservation concerns of ecologists. It presented a narrow vision of sustainable
development that centred on non-renewable resources and prevention of environmental degradation.

Momentum gathered for a more holistic approach to sustainable development with the formation of the World Commission on Environment and Development (WCED) in 1987 and the development of an environmental programme for the 1990–95 period.

**Our common future**

The WCED report *Our common future* stated that it was:

*impossible to separate economic development issues from the environment issues; many forms of development eroded the environmental resources upon which they must be based, and environmental degradation can undermine economic development. Poverty is a major cause and effect of global environmental problems. It is therefore futile to deal with environmental problems without a broader perspective that encompasses the factors underlying world poverty and international inequality.*

Theoretically sustainable development started to be understood as having multiple dimensions. It became increasingly clear that environmental sustainability was interwoven with social, economic, political and institutional sustainability as expressed by the sustainability pyramid.

*Caring for the Earth: A strategy for sustainable living*, a follow-up to the earlier World Conservation Strategy stated that ‘environmental, social and economic issues were joined in the network of sobering complexity’.

The year after the publication of *Our common future* an international conference entitled ‘The changing atmosphere: Implications for global security’ was held in Toronto. The conference declaration stated:

*Humanity is conducting an unintended, uncontrolled, globally pervasive experiment whose ultimate consequences could be*
second only to a global nuclear war. The atmosphere is being changed at an unprecedented rate by pollutants resulting from human activities, inefficient and wasteful fossil fuel use and the effects of rapid population growth in many regions. These changes represent a major threat to international security and are already having harmful consequences of the many parts of the globe. It is imperative to act now.

The Earth Summit

This apparent sense of catastrophe provided part of the momentum leading up to the 1992 World Conference on Environment and Development known as the Earth Summit. A total of 178 countries attended the conference and signed declarations and conventions committing them to a more sustainable development path.

Two conventions were ratified – the Convention on Biological Diversity and the Convention on Climate Change. The second agreement committed countries to reduce their emissions of carbon dioxide and methane and other ‘greenhouse’ gases. These gases contribute to global warming and are also thought to have played a role in the unusual cycles of drought and floods in different parts of the world.\(^\text{13}\)

The conference also adopted the Rio Declaration laid down 27 non-binding principles for environmentally sound development and the 40-chapter Agenda 21 which sets out detailed strategies for sustainable development. However, while the conference gave the issue of sustainability a high profile, it failed to agree on the necessary measures to implement Agenda 21.

The follow-up Earth Summit+5, held in New York in 1997, highlighted how most nations had not done anything to put sustainable development into practice.

Implications for the South

The big question is what all this means to poor households in the South. How relevant are the sustainable development principles drafted at international conferences to poor households in southern Africa? Can global environmental concerns ‘come down to earth’ to enable ordinary people to think about the sustainability of their resource base and identify ways to manage it better?

We may need to check some of our assumptions and challenge some stereotypes about poor people and their management of the environment. Are they, as so often portrayed, guilty of mismanaging and degrading the
environment? Is there a direct link between poverty and environmental degradation as proposed by the Brundtland Commission? Do poverty and environmental degradation feed into each other to create a downward spiral of decay and further impoverishment?

New thinking on the environment

There is a lively debate over these questions between so-called ‘old’ and ‘new’ thinking about the environment. The table below compares the approaches taken by conventional and new environmental thinkers.

<table>
<thead>
<tr>
<th>Conventional environmental wisdom</th>
<th>New thinking about the environment</th>
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<tbody>
<tr>
<td>The environment has stability and balance. Vegetation naturally develops to a climax state. The environment has a fixed carrying capacity.</td>
<td>The environment does not evolve in a state of equilibrium. The environment is dynamic and shows great variations over space and time. Carrying capacity is variable and is determined by multiple factors. Increases in population and intensity of land use does not inevitably lead to degradation and may actually reverse it.</td>
</tr>
<tr>
<td>Evidence to show environmental change and degradation comes from comparing snapshots over a relatively short period of time.</td>
<td>More attention needs to be paid to historical sources to reconstruct the nature of change over much longer periods of time. This results in a more realistic assessment of the nature of change.</td>
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<tr>
<td>The assessments and statistics produced by major international environmental agencies are authoritative, unquestionable, neutral and value-free.</td>
<td>Western science alone cannot adequately describe environmental change. Scientific method provides only one perspective and needs to be balanced by local knowledge and recognition of other perspectives that represent different social values and political positions.</td>
</tr>
<tr>
<td>The relationships between people, communities and the environment are generalised to identify broad trends.</td>
<td>There are significant differences between people who use and value the environment in different ways from place to place. More accurate understanding of environmental change can be derived from context specific analysis of people in places.</td>
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Whatever our understanding of environmental issues, it is important that we ask critical questions and draw on current research when analysing the environmental dimension of livelihood security. We need to critically assess causes of degradation.

Do the poor degrade the environment or does the real threat to the global environment come from rich Northern countries with their very high consumption of resources? How real is the perceived environmental crisis? What do these ‘crisis narratives’ suggest about local people? Are local people seen as passive onlookers or contributors to a creeping disaster?

Do we accept uncritically the received wisdom of extensive environmental degradation in the South and southern Africa in particular? African soil
deterioration statistics are particularly exaggerated because they are linked to desertification:

*In countries South of the Sahara the soil is not necessarily degraded. Desertification may be the result of years of droughts and all it needs is some rain and some farmers to bring it back to life.*

We need to check that our assumptions about the causes of the environmental degradation are correct. Many people assume that dense settlement invariably leads to soil erosion and environmental degradation. Current research is highlighting many cases that show that local people have strong capacity to manage the environment and to cope with and adapt to stresses and shocks. For example, the IUCN ‘egg of well-being’ locates people centrally in the larger ecosystem. Do we recognise the ways in which people already manage their environment and cope with risk, seasonal variability and uncertainty?

In the Machakos District in Kenya, the population grew five times larger between 1930 and 1990. Studies of the effects of this population growth have shown that the state of the soil and the tree cover improved over this period. A combination of factors, policies and institutions enabled certain households to intensify and diversify production and rehabilitate degraded land.

**Sustainable livelihoods – whose understanding? Whose definition?**

How do we define sustainability in the endeavour to secure sustainable livelihoods? Whose definitions do we use? Whose knowledge do we rely on? How do we integrate Western scientific knowledge with local indigenous knowledge?

Arguably the key strategies and indicators of sustainability will come from the people most vulnerable to a declining resource base. For these strategies to be effective we need to ensure that marginal groups are represented and that there is support for communal institutions to manage local resources.

The process of livelihoods analysis and planning should address these issues and critically examine the links between local realities and national policy frameworks and sustainable resource management programmes.

**Institutional/political issues**

This is a very broad arena. It spans the whole range of policies, legislation and plans that impact on the rural and urban poor. It covers the systems and institutions of governance and the extent to which they recognise and support the needs and livelihoods of ordinary people. These issues are not
confined to the state. They operate – as the livelihoods framework shows – at all levels from the household through to the global level. They include cultural norms and local conventions ranging from land allocation through to inheritance.

Given that much of the focus in the preceding sections has been on global issues like structural adjustment and debt, this section focuses briefly on local institutions and how they determine people’s rights, access and control over resources. Many of these rights are exercised through systems of tenure that are one of the most important institutions to understand within the context of livelihoods analysis and planning.

**Tenure, land rights and natural resource management**

With a history of colonial occupation and land dispossession that has taken different forms in countries in the region, access to land and natural resources is a key issue for rural and urban households. This access takes many different forms. It includes the different ways that households gain access to arable, grazing and residential land. It also takes in how people gain access to and benefit from forest and marine resources and co-management of conservation areas and national parks. In many areas in southern Africa benefits derived from tourism and hunting are of great importance to communities and indigenous peoples.

Despite the extent of colonial land dispossession and its stubborn legacy, much land remains under what is often called communal tenure. It is important to understand how local tenure systems function and the values on which they rest. Communal tenure systems recognise that access to economic and resource rights provide people with basic economic security. They also highlight how individual rights are interconnected with those of the group. Communal tenure systems confer rights as well as duties.

Usually communal tenure systems recognise that all families belonging to the user group have a claim on the community for land for residence, grazing and cropping. They also recognise that people have rights, or entitlements to resources they need for subsistence – water, firewood, fruits, thatch, medicinal plants and a wide range of other environmental goods and services.

Where the systems function effectively, individual rights holders recognise that their rights are limited by group rules that govern how they are able to utilise resources that belong to the common pool.

Tenure systems are dynamic. In the past, many communal tenure systems allowed traditional authorities to reallocate unused land to others in need.
Today this practice is much less common. Once land has been allocated it usually stays within the family. Because of the pressure on land, the older principle of universal access often gives way to conditional access.

Colonial systems often tried to co-opt traditional leaders and intervene in the way that land rights were allocated. In the cases where they succeeded, the legitimacy of local land rights management institutions was compromised. In the post-colonial era, the state has often tried to intervene through ‘tenure reform’. Depending on the nature of the reforms, people’s rights can be strengthened or weakened. For example, tenure reform in Kenya gave people individual title to the land. Many argue that this favoured the richer and more powerful members of society and contributed to increased landlessness and vulnerability among the poor.

The value of land and natural resources for local livelihoods

Access to land and the resources on it remains an important asset for the very poor. However the sustainable management of the land and natural resources depends on two things: local institutional arrangements must be strong, and they must be supported by policy and law at national level.

Under pressures of overcrowding and land shortage, these rules may break down and common property management systems will deteriorate into ‘open access’ where group rules no longer function. Clear systems of land rights management are essential for livelihood security. There are also gender dimensions that influence who is entitled to claim rights in land and whether customary inheritance systems recognise the rights of widows and female descendants.

Bringing it all together

The linkages between the household, its place in the community, its immediate locality and the wider external environment can be extremely complex. There are many more factors than those discussed above that can be analysed and considered. However, we must avoid the danger of information overload. There is also a real danger that outside ‘experts’, officials and policy analysts can take over the analysis of the external environment and substitute their priorities for local people’s ideas about what must be done.

Programmes aiming to increase livelihood security rest on ordinary people identifying the most important social, economic, environmental and institutional factors that affect their ability to secure their livelihoods and those of future generations. The challenge to the development facilitator is to listen,
ask the right questions and make meaningful linkages between household realities and the local and external environments. This includes the capacity to analyse the effectiveness of policies, laws and programmes that impact on the local situation.

These include:

- policies and legislation on land and tenure
- local government and service delivery policy
- agricultural, conservation and natural resource management policy
- local economic development and macroeconomic policy.

Very often policies – even those that are consciously pro-poor – are ‘blunt instruments’. Once they are developed they are routinely applied across the board. As a result, they may not have enough flexibility to be effective.

A different approach to policy making factors in risk and uncertainty and allows for a more organic development process. This emphasises participatory research and incremental learning in an active partnership with the poor. This adaptive management approach is based on the way rural people manage risk and uncertainty. Although this approach to policy making makes heavy demands on the capacity, energy and vision of those tasked with development management, it helps to create an enabling policy environment for strengthening livelihood sustainability.

Endnotes for Session 7

1. See the website www.jubileeplus.org for updated information on this campaign.
2. Responding to the crises of job losses in mining the NUM established the Mineworkers' Development Agency. Through MDA, NUM is the only labour union in Southern Africa that provides training and development service after a member has lost a job. The MDA has supported retrenched mineworkers from several countries to become successful small and medium businessmen and women. See www.num.org.za/Services/after.html
8. Cohen no date.
9. Cohen no date.
10. Cohen no date.
13. During 2001, the US, the world’s largest economy and its worst polluter, abrogated the Kyoto accord on greenhouse gases.
Reference and further reading for Session 7


DFID (Department for International Development). Sustainable livelihoods guidance sheets. Available from the livelihoods learning platform www.livelihoods.org


Iowa State University. Economics Department. General Agreement on Tariffs and Trade: The roots of the WTO. www.econ.iastate.edu/classes/econ355/choi/gatt.htm


Getting started

Before you run this session, you will need to:

• read through the ‘key ideas’ section of this session and make sure you understand what it contains

• make sure you know what the session objectives are (from the summary) and work through the facilitation section to prepare yourself

• choose two case studies; this activity has been designed using the films ‘Floods’ and ‘Legacies’ on the videocassette, but you can use printed case studies from Chapter 4, or your own case studies

• make sure the video machine and television set are working if you use the filmed case studies.

Materials required

Flipcharts, photocopies (specified below), prepared flipcharts (specified below), cards (two colours if possible), pens for writing on flipcharts and material to attach flipcharts to the wall and cards onto flipcharts. If you use the films you will also need a working video machine and television set.

Preparing the materials

1. Write the learning objectives (from the summary) and the session outline on a flipchart.

2. Make enough copies of the ‘key ideas’ section to hand out to every participant at the end of the session.

3. Make enough copies of the activity guide to hand out to every participant.

4. Use materials from Session 3 to revise the livelihoods framework.

5. Prepare a flipchart of the LAL livelihoods model like the one below for each small group using the photocopiable materials in Session 3. Stick four flip chart sheets together for each one and put the framework in the middle so that there is lots of space around the edges for groups to do their analyses next to the relevant aspect of the external environment.
Learning about livelihoods
6. Prepare a sample matrix like the one below.

| Analysis of the sector’s influence on the case study household at the ______ level |
|-----------------------------------------------|-----------------|-----------------|
| Capability                                   | How it helps (positive influence) | How it constrains (negative influence) |
| Assets (social)                              |                               |                               |
| Assets (material)                            |                               |                               |
| Activities (productive)                      |                               |                               |
| Activities (reproductive)                    |                               |                               |
| Activities (community maintenance)          |                               |                               |

Factor 1

| Capability                                   | How it helps (positive influence) | How it constrains (negative influence) |
| Assets (social)                              |                               |                               |
| Assets (material)                            |                               |                               |
| Activities (productive)                      |                               |                               |
| Activities (reproductive)                    |                               |                               |
| Activities (community maintenance)          |                               |                               |

Factor 2

| Capability                                   | How it helps (positive influence) | How it constrains (negative influence) |
| Assets (social)                              |                               |                               |
| Assets (material)                            |                               |                               |
| Activities (productive)                      |                               |                               |
| Activities (reproductive)                    |                               |                               |
| Activities (community maintenance)          |                               |                               |

Factor 3

| Capability                                   | How it helps (positive influence) | How it constrains (negative influence) |
| Assets (social)                              |                               |                               |
| Assets (material)                            |                               |                               |
| Activities (productive)                      |                               |                               |
| Activities (reproductive)                    |                               |                               |
| Activities (community maintenance)          |                               |                               |

7. Prepare the case studies for four small groups. If you use one or both of the filmed case studies ‘Legacies’ and ‘Floods’, arrange viewing facilities. If you use printed case studies, make enough copies so that each participant has a copy of the relevant case.
Step 1. Session introduction

Purpose: To introduce the session, to revise the household triangle and livelihood process, and to introduce the external environment.

1. Introduce the session learning objectives and the activities, using the flipcharts you have prepared.

2. Use the materials you have prepared to remind participants about the elements of the livelihoods framework. Point out that households do not exist in a vacuum – they are located in the context of an external environment. Like the factors inside the household, the external environment is dynamic and presents opportunities and threats to livelihood security. The external environment operates on a range of levels, from local to global. There are many factors in the external environment. To make analysis easier, these factors have been put into four broad categories – physical (which includes the natural and the built environment), social, political/institutional and economic. Events and policies that come from any of these levels can positively or negatively affect the household. Explain that in the same way as the external environment has an impact on household assets, capabilities and activities, the household livelihood process also has an effect on the external environment.

3. Present the livelihoods model as a different way of looking at the way the external environment influences household livelihoods. The household triangle remains at the centre, but the levels of the external environment are drawn as a series of circles ranging from local to global. The external environment is divided into the same broad categories as the physical, social, political/institutional and economic factors which impact on the household and on each other. You may find it useful to create sub-categories in this session to focus discussion on specific issues. Briefly discuss some of the different types of influences with participants and explain that they will try to systematically categorise these external influences and their impact on household livelihoods.

4. Put up the sample matrix and explain how it will be used as a tool of analysis in this session. Pick one external influence and discuss how it affects the assets, capabilities and activities of the household at the centre of the triangle. You may want to use the ‘gold and grazing’ on pages 128 and 129 which shows how something which happened at the global level can have very real local impacts. You can also use the example below which discusses some of the effects on a household of a drought.
IMPACTS OF DROUGHT

Drought has a seriously negative effect on agricultural activities and assets. Cattle and crops suffer from the lack of rainfall and may die. Cattle become too weak for ploughing so crop yields go down. Because there is less of a harvest, there is less for the household to use and less to sell. The household might need to spend more money on buying food. This may mean that the household can no longer afford to pay school fees for all the children. A daughter may be forced to leave school. She may get a boyfriend and be at risk of HIV. She may become pregnant...

Step 2. Activity: External influences on household livelihoods

Purpose: To identify factors in each of the four sectors on the livelihoods model that impact positively or negatively on household assets, capabilities and activities, and to identify the levels from which these factors originate.

1. Explain that each group will watch or read a case study and will concentrate on one of the four sectors of the external environment (physical, social, political/institutional or economic) so that every sector is analysed properly.

2. Divide the group up into four small groups and allocate a sector to each group to analyse. Hand out a copy of the Activity Guide to each participant and a livelihoods flipchart to each group. Arrange for each group to watch or read a case study and do the activity.

Step 3. Presentation and discussion of external factors

1. Reconvene the plenary group and ask each small group to put its annotated livelihoods chart and the three matrices it has prepared up on the wall in a gallery display.

2. Ask participants to walk around and briefly look at the presentations of the other groups.

3. Ask each small group to present its findings without repeating what has already been said. Encourage participants to suggest factors which groups may have missed.

4. If there is time, facilitate a brief discussion on external factors.
Step 4. Intervening for change

**Purpose:** To identify ways of maximising positive impacts and minimising negative impacts

1. Select one of the external influences discussed in the previous step and ask participants to answer the question: ‘What are the key organisations or institutions involved – either in causing this external influence, or in potentially improving the impact, or in mitigating negative impacts? How might they do this?’ Write points down on a flipchart.

2. Ask participants for suggestions about how households, communities, associations, networks, or others could go about trying to make a change in the policies and practices of these organisations. Write points down on the flipchart.

3. Point out that, although not all organisations are interested in or capable of doing advocacy work themselves, they can play important roles. Staff and managers of any development programme can at least identify external organisations, and specific policies or actions that are having a positive or negative impact on livelihoods of poor people. They can then share this information with others who do specialise in advocacy work.

Step 5. Wrap up

1. Refer to the objectives of the session, and check they have all been achieved. Note that different households and household members will be affected differently by the same external influence. This will be explored in the next session.

2. Hand out copies of the ‘key ideas’ section to each participant to keep as a reference.
The external environment
Activity Guide: Household portraits

Learning objectives

By the end of this activity you will have worked with a household case study to:

- identify different types of external influence that impact positively or negatively on household livelihoods
- locate the different levels of the external environment from which they originate
- explore linkages between influences that originate in different sectors.

What to do

1. The facilitator will allocate you to a group, give you a prepared livelihoods diagram flipchart, give you and ask you to focus on one of the four sectors of the external environment (physical, social, political/institutional or economic). Choose somebody in your group to facilitate the activity and someone to record and report back on the group’s work.

2. Watch the filmed case study or read the printed case study your facilitator has given you, making notes about factors in the external environment which have an effect on your case study household’s livelihood.

3. In your group, brainstorm the effects on your household’s livelihood of the external environment sector you have been asked to focus on (physical, social, political/institutional or economic). Write each factor on a card, mark it according to whether the effect is positive or negative, and stick the cards on your livelihoods flipchart at the appropriate level (for example, district or national level).

4. Discuss the effect of the various factors in that sector on the capabilities, assets and activities of your case study household. Write up the results of your discussion in a matrix like the one below for each level (district/province, national and global/international):
5. Move clockwise around the external environment circles and briefly brainstorm positive and negative factors in each sector, writing them on cards, and placing them on the livelihoods flipchart.

6. Start to look for linkages between the sectors. For example, some environmental factors may combine with economic factors to influence household livelihood security.

7. Prepare to put your chart and matrix up on the wall and present your findings to the plenary group.