

IMPROVING INSTITUTIONAL SUPPORT TO PROMOTE SUSTAINABLE LIVELIHOODS IN SOUTHERN AFRICA

Ian Goldman

Khanya-managing rural change cc, South Africa

Keywords: Sustainable Livelihoods, governance, institutions, Southern Africa, policies, services, poverty

Contents

1. The Conceptual Framework
 2. Levels of Support and Action
 3. Types of Organisation
 4. Policy issues
 5. Conclusions
- Glossary
Bibliography

Summary

Sustainable livelihood approaches (SLA) are being used as one way of looking at addressing poverty. Key to these approaches are some core principles, that effective pro-poor development interventions need to be: people-focused, participatory and responsive, built on strengths, holistic, built on partnerships, sustainable, flexible and dynamic.

This paper looks at institutional issues which influence support for livelihoods. It builds in particular on two significant pieces of work in Africa, research carried out in Southern Africa by Khanya (*And for this it draws on Goldman et al (2000a and b)*), and an evaluation of UNDP's Global SL Programme, as well as Khanya's other work in a total of 13 African countries. Much of this work has used the SLA and involved a vertical transect from village to the centre to see the impact of policy and services on poverty. As a result a framework of 6 questions has been developed for looking at institutional issues, focusing around institutions at different levels (micro, meso, macro). The key findings from this work are summarised according to levels of support and action, types of organisation, policy issues and the process of managing change to promote SLs. The key policy learnings are:

- The SL Approach helps to structure holistic analysis of the people's livelihoods and their links with services and institutions;
- The principles of the SLA are helpful in designing pro-poor approaches;
- The district level (in South Africa's case the local municipality) is critical as the interface between micro-level understanding of clients and macro-level policies. This level is also the key point of intermediation for coordinated service delivery;
- This points to the importance of decentralised approaches, particularly those involving devolution to local governments, and policies and action to support decentralisation are needed, including fiscal decentralisation;

- However, there is a significant gap in the linkages between districts/local governments and the community. New approaches are needed of genuine community-based planning linked to local government plans, and also for community-based service delivery.
- The community worker concept may well need to be the basis of a much wider but more focused community-based service delivery, that is also locally accountable;
- Approaches to public sector reform need to consider not just improving efficiency but also effectiveness in eradicating poverty. This will require re-engineering the approach to service delivery based on an understanding of the clients, how value-added services can be provided and use of a diversity of organisations for implementation. It may well be that restructuring of government to support community-based services may be one of the necessary ingredients;
- National strategies are needed on poverty, rural development, and local economic development which are based on a real understanding of micro-level realities, and how they can be implemented. Such realities also need to guide spending decisions;
- Joint learning programmes are needed between Southern African countries, international ngos and donors to explore new answers to the challenge of poverty, and policies and structures in both may need significant change so that real impacts can be made.

1. The Conceptual Framework

This article discusses the problem of poverty, notably in sub-Saharan Africa. It discusses the Sustainable Livelihoods Approach (SLA) and shows how it may be used to improve the security of rural people by increasing their assets and reducing their vulnerability to stresses and shocks. It uses examples drawn from selected countries in Africa to illustrate the benefits of the SLA for structuring effective interventions to support the eradication of poverty. The countries selected to illustrate the common problems of delivering services to rural areas are those in which Khanya has been most active: South Africa, Zimbabwe, Zambia, Uganda, Botswana and Ghana. As a development consultancy and advisor to governments, the observations recorded in the text are the direct result of Khanya's extensive primary research in those countries. The conclusion maps out a generalised approach to sustainable livelihoods (SLs) that may be applied anywhere.

The poverty problem

Despite economic growth of the last years, the problem of poverty persists, and inequality widens. In 1960, the income of the richest 20% of the world's population was 30 times the poorest 20%, in 1997 the figure was 74 times. Even in rich countries such as the US and UK, the poorest 20% are as poor now as they were 20 years ago.

In much of sub-Saharan Africa, countries such as Zambia and Zimbabwe are poorer now than in 1980 and also poorer than at independence. For example the Gross Domestic Product (GDP) per capita at 1987 prices in Zambia was US\$372 in 1980 but only \$254 in 1997. In Zimbabwe the GDP/capita was US\$756 in 1980 and \$823 in 1997 but is now much lower than this. Overall for sub-Saharan Africa the GDP increased from \$223 billion in 1980, to \$311 billion in 1997 in 1987 real terms, but the GDP per

capita fell from \$591 to \$508. The exceptions are countries like Botswana and Mauritius which have seen significant increases in wealth and decreases in poverty.

Why is this? A number of reasons are obviously causal factors, but amongst these are governance problems, the inability in many countries to develop an effective private sector, declining terms of trade, and continued dominance by First World countries through their control of world markets, debt, aid and the power of multinational corporations (51 of the top 100 economies are companies, and primarily Western companies).

The reality on the ground in many sub-Saharan countries is that very few services reach the village, with the primary school the only fairly ubiquitous government service, with occasional health centres, poor roads and occasional water points. Despite the expenditure on African governments, little reaches the poor.

In terms of the governance factors which have caused this, some of these include:

- The failure after independence to change the public service to address the needs of new clients, but a continuity of colonial models designed for very different clientele;
- The continuation of an elitist model, whereby the middle classes in newly independent countries aspired to the life styles of their former rulers, which also meant continuity in models of unequal service delivery, which could only happen with the continued impoverishment of the poor, particularly in rural areas;
- The cost of overcoming the deficiencies in infrastructure and services inherited from colonial states, and the overspending by newly independent states determined to address this legacy, resulting in unsustainable debt burdens;
- And as a result more capital is leaving sub-saharan africa in interest payments on debt, than is entering the region in new capital, while aid has halved in the last 10 years;
- Newly independent states continuing the autocratic and statist models acquired from colonial governments, and so continuing to exclude the poor;
- The continuation of patronage systems which were formerly by race and links with large companies, and now included patronage systems linked with other ethnicities and political parties;
- Dominant development paradigms which focused on opening the economy without developing sufficiently the local economy and skills-base. The massive expansion in china now is built on a widespread basic education and health system, as well as the natural entrepreneurial talents.

In many countries, such as Zimbabwe, one can see a cycle developing. The post independence government espoused socialist ideals, expanded the public sector and infrastructure, overspent and ended up in debt. They then went through structural adjustment where the addressing of poverty became an exercise in safety nets, they relinquished their social priorities and the elite took advantage of the newly unfettered capitalism to enrich themselves, ignoring poverty. Now in an increasingly globalised world they have little control over their economy, and therefore few tools to address

poverty. As a result we see the attempts of the regime to maintain its power by satisfying their rural electorate through emergency action on land reform.

So are there any alternatives? This paper does not seek to answer the issues about economic management, where major questions need to be asked, but proposes that there are learnings from the experience of the last 35 years that can be applied to “do development differently”. One approach that is being tried is the sustainable livelihoods approach, which is setting some principles of best practice to address pro-poor development more effectively. The rest of this paper seeks to use this framework to look at pro-poor development, and in particular looking at how services and policies can work more effectively for poor people, and the institutional implications of this

Understanding the Sustainable Livelihoods Approach

Sustainable livelihood approaches are being used as one of the human development approaches to addressing poverty. A livelihood can be defined as:

“the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base”.

People have **assets**, the access to which is critically influenced by people’s **vulnerabilities** and **opportunities**, and the mediating **policies, institutions and processes** which influence the livelihood strategies people adopt. The Khanya version of the SL Framework is shown in Figure 1 and the SLA principles are in Box 1.

The SLA suggests that effective pro-poor development interventions need to be:

- People-focused
- Participatory and responsive
- Built on strengths
- Holistic
- Built on partnerships
- Sustainable
- Flexible and dynamic

Box 1 The SLA principles

Using the concepts of assets and vulnerabilities

People not only have needs but also resources or assets. Recognising this provides a much more respectful and positive framework for interacting with them. Five types of assets can be identified: social (including political), human, physical and financial capitals or resources.

Rural people are vulnerable to a range of threats. Therefore when looking at the

situation in a community it is very important to consider the priority attached to reducing **vulnerability**, which may well force trade-offs in other objectives (such as maximising production). We need to understand people's livelihoods in a **holistic** way and build on their **strengths**.

Livelihood outcomes

Rural people have their own aspirations. It is important that government programmes seek to understand these and not impose outcomes, but negotiate with communities on what outcomes may be achievable, bearing in mind the external resources that government and other agencies may be able to provide. **Participatory** appraisals can provide tools for finding out what their desired outcomes are, in terms of increased assets, or reduced vulnerability, or such higher order concerns such as self-esteem, happiness etc.

Institutional structures and processes

A variety of organisations provide services to rural people, and both people and organisations operate within a set of laws and formal and informal policies or processes. Organisations that affect people are at macro level (e.g. national laws), meso level (e.g. district service providers) and micro or local level (e.g. local shops or traditional leaders). They may be in civil society, the public and private sectors, formal (e.g. laws) or informal (e.g. customs or markets). The processes include how organisations and service operate, for example with what degree of participation or accountability.

These policies, institutions and processes (PIPs) define the options which are available to people. Depending on this institutional environment, the outcomes desired and their vulnerabilities, people select livelihood strategies. In order to intervene effectively, organisations need to understand the livelihoods of their clients, **focus on specific groups**, and work in **participatory** ways so that poor people are empowered. It is also important to maximise the role of different stakeholders, not just depend on the state, hence the principle of **partnership**.

Opportunities

Part of the external environment within which people operate are the external opportunities available to them, which are often mediated by the PIPs that operate in their area.

Livelihood strategies

Based on their awareness of the external environment, rural people adopt a strategy or strategies to cope with their lives. One of the most important things development can do is increase the options and choices people have, which increases the power they have over their lives. A critical area seems to be diversifying livelihood choices, which also reduces vulnerability, and trying to help ensure **sustainability**, in economic, social, environmental and institutional terms.

Institutions

This paper looks at the institutional support required to address SLs. Khanya has considered institutions and institutional support to include:

- The organisations which influence people’s lives;
- The services they receive;
- The policy environment;
- The incentives available, overt such as grants, and covert such as the unwritten power relations that govern power relations, e.g. between the centre and periphery;
- The rules of the game.

-
-
-

TO ACCESS ALL THE 20 PAGES OF THIS CHAPTER,
Visit: <http://www.eolss.net/Eolss-sampleAllChapter.aspx>

Bibliography

Ashley, C and Carney, D (1999): “Sustainable livelihoods: Lessons from early experience”, London, Department for International Development.

Carney, D (ed) (1998):“Sustainable Rural Livelihoods: what contribution can we make?”, London, Department for International Development.

DiP (1998):“Shared Objective-Sustainable Rural Development: a study of programmes that impact on Rural District Councils”, Harare, Government of Zimbabwe Capacity-Building Coordinating Committee.

Edwards, M, Hulme, D and Wallace, T (1999):“NGOs in a Global Future: marrying local delivery to Worldwide leverage”, *Public Administration and Development* (19) 117-136.

Goldman, I (1998):“Decentralisation and Sustainable Rural Livelihoods”, keynote paper in Carney (1998).

Goldman, I and Cossee, O (2000): “Evaluation of UNDP’s Global Sustainable Livelihoods Programme”, New York, SEPED, UNDP.

Khanya (2000): “Institutional Support for Sustainable Rural Livelihoods in Southern Africa: Final Report”, Bloemfontein, Khanya – managing rural change. Available from www.khanya-mrc.co.za

Manor, J (1997): “The promise and limits of decentralisation”, Washington, World Bank.

ODI A wide range of relevant publications can be found at the Overseas Development Institute website, www.odi.org.uk.

Onyach-Olaa, M “Community participation and development at the local level: The Mobilisation and Transfer of Resources in Support of Community Action Plan”, paper presented at Pan-African Workshop on Community Participation and HIV/AIDS, June 12 – 16, 2000 Mwanza, Tanzania. Available from community-based planning page at www.khanya-mrc.co.za.