ADDIS ABABA UNIVERSITY
COLLEGE OF DEVELOPMENT STUDIES
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THE ROLE OF NON- AND OFF-FARM ACTIVITIES IN RURAL HOUSEHOLD LIVELIHOODS: THE CASE OF GUBALFTO WOREDA, NORTH WOLLO ZONE, AMHARA REGION

By: Gesese Kune Shiferaw

A Thesis Submitted To The School Of Graduate Studies At Addis Ababa University In Partial Fulfillment Of Requirements For The Degree Of Master Of Arts In Regional And Local Development Studies

July 2008

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Gesese Kune

June 2008

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Acronyms

AAU	Addis Ababa University
CSA	Central Statistical Agency
DAs	Development Agents
EPRDF	Ethiopian Peoples Revolutionary Democratic Front
IDS	Institute of Development Studies
LSP	Livelihood Support Programme
MA	Master of Arts
MOLSA	Ministry of Labour and Social Affairs
NGOS	Non-governmental Organizations
TLU	Tropical Livestock Unit
UK	United Kingdom

Glossary of Amharic words / terms

Woreda (district)**:** The fourth tire/ unit of administration from top to bottom in the present administrative arrangement of the Federal Democratic Republic of Ethiopia.

Dabo and ***Jigae***: indigenous associations of volunteers in which people join hands to help each other to carry out agricultural activities.

Derg: A military government that existed in Ethiopia from 1974 – 1991

Kebele: is a sub-district, next to Woreda (district). It is the lowest administrative unit in the present decentralization arrangement.

Eddir: is an indigenous burial association insurance scheme in which a household head contributes money for members so that the household does not face cash shortfalls in the event of the death of a family member.

Mahaber: is an indigenous religious association of most often 12 members to commemorate Martyrs', Angels' and Saints' Days in ceremonial festivity on a rotation basis. It involves a meeting every month. It also serves as an association where members help each other to carry out agricultural activities, social and religious duties.

S*enbate:* is a religious meeting done every Sunday by an association of unlimited number of members based on strong social ties in which a member or two brew local drinks for the Sunday meeting on a rotation basis.

S*hamma*: a general name for traditionally woven textile products.

Timad- a local land measurement equal to one –fourth of a hectare.

Zar, chalae and ***dua*****:** are almost similar and the same types of cultural cults and spiritual mechanisms done to treat the sick or to bid prosperity health and welfare to an individual or the household in general.

Abstract

This study tries to explore the characteristic of non-and off-farm activities and their role in rural household livelihoods in Gubalafto Woreda of Amhara Regional State. The challenges of undertaking non-and off-farm activities of the study Woreda and local government institutional support to non-and off-farm activities are also explored.

The study used household survey, focus group discussions, key-informant in- depth interviews, and field observation to generate primary data.

Descriptive statistical analysis was utilized to present results and discussions. The study finds that orientation toward non-and off-farm activities in the study area is a result of historical factors, transforming structures and pressures arising from declining agricultural production and productivity. Findings indicate that households were forced to undertake additional activities in order to compensate failures in agricultural income and in order to maintain their social and economic viability. Non-and off- farm activities of the study area are survival oriented seasonal supplementary activities, but their contribution to household livelihood security is of great value in economic and social terms.

The implication of the study is that stimulating the non-farm sector requires interventions ranging from well organized, planned and demand driven institutional support at local and regional level through developing existing niches to expanding large and medium scale irrigation at local level.

CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

There has been growing research recognition in recent years that rural livelihoods in many developing countries are not limited to income obtained solely from agriculture (Ellis, 1998; Reardon, 1997; Carswell, 2000; Bryceson, 1997; Barett *et al.*, 2001; Livingstone, 1997). When farming has become insufficient or when the non- farm sector has provided attractive income opportunity or due to both reasons, a considerable number of rural populations in developing countries have been driven into undertaking non-agricultural activities. The contribution made by such diversification is growing in importance with varying degrees among countries. Off- and non-farm sources are said to be accounting for 29%, 45%, and 36% of the total rural household incomes in South Asia, Eastern and Southern Africa, and Ethiopia respectively (Reardon, 1997). Half of rural household incomes in low-income countries are earnings from non-and off-farm activities as well as transfers from urban areas or abroad (Ellis and Allison, 2004).

Africa today is a continent of poverty and food insecurity. Even though the question 'why?' is beyond the scope of this thesis, it is not debatable whether they can be linked to natural, political, economic, social and historical factors. Poverty and food insecurity are more vivid in rural Sub-Saharan Africa, than elsewhere. Ethiopia is one, if not the first, of those experiencing poverty and food insecurity (Lipumba, 2003; Ondiege, 1992; Mekonnen, 1999; Workneh, 2006).

The fact that colonialism was partially responsible for the under development of African nations is unquestionable. However, whether it would make a difference if they were not colonized is difficult to judge. But, obviously Ethiopia, an African giant, has sustained both its independence and its poverty simultaneously. It is also doubtful if post-independence African nations are economically better than colonial times.

Development thinking in the 1960s was mainly dominated by the notion of industrialization and modernization. But the moves toward improving African living standards through large scale industrialization in the following two or so decades did not bring a significant solution at all. Most of the blame for this economic failure was laid on domestic polices pursued by post-independence governments. Over-valued currencies, neglect of peasant agriculture, too heavy

emphasis on protected manufacturing industry, and too much state interventions in the economy were seen as the main factors (Bryceson, 1997).

Policy prescriptions in the 1970s, 1980s and 1990s shifted their attention to the agricultural sector. This major shift acquired its seeds from the "small-farm" efficiency paradigm, which was born in the middle of the 1960s (Ellis and Biggs, 2001). While the dual-economy theories of Lewis (1954) and Fei and Reinis (1964) disregard the role of small- farm in the development process, the 'small-farm' efficiency rural development thinking that developed in the 1960s (Schultz, 1964; Mellor, 1966) saw it as an engine of growth and development for low-income countries. This idea promised more productivity and efficiency through intensive use of abundant labour and the implementation of appropriate technology than through capital demanding large-scale farming. Besides, the assumption built a linkage with the industrial sector and a development progress from agriculture to industry.

Eventually, neither agriculture nor industry came through with self-sufficiency, put aside development. Population growth accompanied by land-deficiency and landlessness, environmental degradation, slow spread of technology, and low investment in agriculture rendered the farming sector insufficient to sustain rural livelihoods. Agriculture has become insufficient means of survival; asset activity and income diversification are now the major components of livelihood strategies in rural Africa. Very few people live by farming alone but efforts to support the non-farm sector seem to be reluctant (Brett *et al*, 2001; Bryceson, 1997). As the situation in Ethiopia appears largely the same, the focus of this thesis on rural non-and-off-farm activities is in line with current development research emphasis.

1.2 Statement of the Problem

Ethiopia is one of the most agricultural dependent economies in Sub-Saharan Africa. Drought and famine catastrophes have been major threats since the BCs (Pankhurst, 1985). Natural calamites, erratic rainfall, rinderpests, and caterpillars had a lot to do with these crises. The leadership, most importantly of latter times, was also equally accountable for policy and institutional inefficiencies (Mesfin, 1999; Pankhurst, 1985; Degefa, 2005).

The nature and extent of drought vulnerability of the nation has been well documented. Practically, every region of the Federal Democratic Republic of Ethiopia hosts food insecurity

and has got some geographical entity labeled as 'famine prone'. Gubalfto *Woreda* is one of the drought prone districts in Amhara Regional State. As several studies indicate the contribution of non- and off-farm activities to the poor in drought prone regions is significant (Bryceson, 1997; 1999).

The current government food security policies and "sustainable poverty reduction" and development program documents (Degefa, 2005) do also acknowledge the importance of non- and off-farm activities to ensure food security. However as the characteristic, level of operation, as well as constraints of these activities varies from place to place, local level intervention may not be an easy task. Locality based researches can therefore provide an input for enhancing poverty reduction.

Studies done in some parts of Ethiopia suggest different outcomes. Some perceive non- and off-farm activities as potential areas of growth that can link the agriculture to the non- agricultural sector (Tegegene, 1995) while others treat them with reservation or consider them as survival strategies at best (Mulatu and Teferi, 1996). The role of rural non-and off-farm activities in the development process will therefore remain to be contentious.

Tegegne (1995) focused on the need for farm- non-farm linkages. He specifically investigated how non-farm income positively influenced the production decision of farmers in Damotgale and Kachabira woredas to cultivate more land and utilize modern inputs. Mulatu and Teferi (1996) discovered that non- and off-farm activities practiced in Ankober, Debre Berhan and Gera Midr districts of North Shoa were survival strategies. Tasew's study (2002) on Endirta and Adigoudom districts suggested strong consumption linkages between farm and non-farm activities but he also suggested non-farm activities may result in inequality. Wondeye (2005) and Yeheys (2004) tried to address determinants of non- and off -farm activities at household level. Carswell's study (2000) focused on the issue that credit should not be strictly tied to buying fertilizers.

The main focus of the thesis is not on farm-non-farm linkages but rather on the contribution of non-and off-farm activities to household livelihood security. It tries to describe the observed patterns of a mix of livelihood activities and income diversification not only in light of economic objectives aimed at offsetting income shortfalls but also in light of social objectives as well. It is this is this element of the thesis that separates this study from other previous studies. In other

words it tries to show that diversification is not done only for meeting economic objectives but also for covering social expenses and maintaining ones identity as well.

1.3 Objectives of the Study

1.3.1 General Objectives

The general objective of this study is to assess the characteristic as well as the contribution of non-and off-farm activities to household livelihood security in the study *Woreda.*

1.3.2 Specific Objectives

The study will more specifically try to:

- explore the characteristic of non-and off-farm activities in the study *Woreda;*
- assess the contribution of non- and off-farm activities to household incomes in the study area;
- identify the institutional support system that can enhance the performance of non-and off-farm activities;
- identify the challenges of non- and off-farm activities

1.3.3 Research Questions

This study will try to address the following questions:

1. What does the nature of rural non- and off-farm activities in the study area look like?
2. Is the institutional system supportive of rural non-and off-farm activities?
3. What are the challenges of rural non- and off-farm activities of the study locality?
4. What interventions or additional measures can help to enhance rural non-farm and off-farm activities in the study area?

1.4 Significance of the Study

This study can be of some value both from academic and policy point of views. First, from the academic point of view, assessing the contribution of rural non-and off-farm activities from the perspective of securing rural household livelihoods will shed more light on rural non- and off-farm activities. Secondly, assessing locality specific issues, problems, and institutional constraints provide some input for decision makers and development practitioners. It is important

for them to understand the challenges of these activities to enhance their performance. This will enable them to make strategies in line with area specific situations at least.

1.5 Research Methodology

The key processes and methods employed in this study for data collection and analysis are briefly described below.

1.5.1 Sampling procedure

Since most studies associate the prevalence of non-and off-farm activities with drought- prone localities, Gubalafto, one of the 31 most drought-prone districts in Amahra Regional State, was chosen as a study area with the assumption that it would make a good sample in this respect. The main purpose of this study is to describe the character of non- and off -farm activities as well as their role in rural household livelihoods. Therefore households having additional activities other than farming were included in the universe for the study of non-and off-farm activities.

First, three *kebeles* were purposively selected among the total 31 *kebeles* of the *Woreda* for their proximity to the *Woreda* administrative town and the availability of larger number of non-and off -farm activity practicing households compared to others. This was possible through utilizing recent data from the Woreda Small and Micro Enterprise Development Office meant for follow up and assistance purposes. Thus Hara, 28kms, off the east, Gehober 23 kms, off the north-west and Amaya -Mecha 10kms, off the west, from the administrative town were selected based on the assumption that these sites will suit the purpose of this study. The research was restricted to sampling only three *Kebeles* because of financial and time constraints. Moreover, having taken time and financial constraints into consideration, a decision was reached that about 15% of the target population in each *Kebele* would be a fair sample size for the study.

Secondly, households were randomly selected from each *Kebele* using the respective *Kebele* administration rosters. An attempt was made that each *Kebele* should receive a proportional representation according to the number of target households it has. Initially a total of 200 households were sampled. However 3 questionnaires were not filled out properly while 12 were filled by households who reported to have not participated in non-and off-farm activities with in the time frame this questionnaire addresses. As a result 15 were excluded and only 185 of them

taken as sample size. This is equal to 14.5 percent of the total target households of the study kebeles.

Table 1.1: Distribution of sample households by study Kebeles

Kebele	Non-and off-farm practicing households	Sample Households	%
Hara	297	45	15.15
Amaya-Mecha	500	70	14
Gesheber	478	70	14.6
Total	1275	185	14.5

Source: Kebele Administration Offices

1.5.2 Data Collection Methods

This study utilizes both primary and secondary data. Primary data was collected using structured and semi-structured questionnaires, focus group discussions, key informant interviews, and personal observations. Secondary data sources such as base-line surveys of NGOs working in the field of non-and off-farm activities were also utilized.

1.5.2.1 Household Survey

A questionnaire was designed to gather information on farming activities and farm income, demographic and socioeconomic characteristics, non-farm activities and non- farm income, wage labour income, institutional or organizational support, and on the major problems faced by farm, non-farm and off-farm activities. The questionnaire was meant to address these issues with in 12 months time prior to March 2008.An Amharic version of the questionnaire was administered by five 10+2 level (pre-college) students to the target peasant household heads. The questionnaire was pre-tested in field and modified where appropriate. The survey was conducted from March 12- to April 7, 2008.

1.5.2.2. Focus Group Discussions

Two group discussions were held in each site, one with men and the other with women, in order to collect qualitative data, investigate gender differentiation aspects of non - and off- farm activities as well as uncover issues that could not be easily addressed by the survey

questionnaire. Each focus group discussion was made to have seven to eight members in order to make the discussion manageable. Age was the most important criterion for selection because it was assumed that it would help trace the major events and trends in the livelihood situation of each of the study Kebeles. As a result all focus group informants were all above 37 years of age. A checklist of issues was prepared to ignite discussions and allow the participants to unravel and analyze their own situation in a way they do not feel an influence from an outsider. This helped to examine livelihood transformations taking place in the study locality.

1.5.2.3 Key Informant in-Depth Interviews

In-depth interviews were held with experts from non-governmental organizations and governmental institutions working in the area of or related to non- and off-farm activities, Development Agents (DAs), notable community leaders and people picked during survey exercise based on their willingness to participate.

1.5.2.4 Personal Observation

Personal observation was also another important source of information for this study. A field observation was made on market days. Few petty traders, potters and wooden implement sellers were contacted in order to have a clear picture of the nature and level of operation of non-and off-farm activities. Moreover the workshops of some crafts men were also visited and actual working conditions observed.

1.5.2.5 Secondary Data

Secondary data on bio-physical, socio-economic and cultural aspects of the study *Woreda* were also gathered from an MA thesis, a baseline survey of a non- governmental organization, Save the Children UK, North Wollo Branch Office and its Country Office in Addis, and a survey made by the Institute of Agricultural Research.

1.5.3 Method of Data Analysis

This study utilized both quantitative and qualitative data. The quantitative data was computed manually and complied to make a section of the thesis in line with the objectives. Descriptive statistics was used to analyze the findings. The results of the analysis were summarized and

presented as tables or bar graphs. Crosschecking information obtained from different sources-interviews, survey, and field observation enabled triangulation.

1.6 Limitation of the Study

This study relied on in-depth interviews in some cases. Though an attempt was made to tape-record the information generated, informants were not willing to be tape- recorded at all.

1.7 Scope of the Study

As far as the scope of the thesis is concerned, the focus is mainly on how people are driven into diversification to maintain their social and economic viability, the nature and level of operation of non-and off-farm activities, the formal institutional support system to non-and off- farm activities, and on the contribution of these activities to rural household livelihood security.

1.8 Organization of the Thesis

This thesis is divided into five chapters. The first chapter covers the background to the study, statement of the problem, objectives of the study and the research methodology employed in this study.

The second chapter deals with literature review. Here aspects covered include definition of terms and concepts and brief review of relevant issues and theoretical perspectives as well as review of empirical works on non-and off-farm activities.

The third Chapter is about the description of the study *Woreda.* This chapter gives a brief description about the geographical location, socio-economic characteristic, and the history of livelihood of the study Woreda.

Chapter four gives the results and discussions. Finally, chapter five concludes the thesis with summary, conclusion and recommendations of the study.

situation, depending on cultural and social contexts. While co-residence, joint production and consumption are the most important parameters often used in the discussion of the concept of the household they rarely address all cultural and social contexts. Frank Ellis (2000) notes the problem and makes mention of a concept of the 'household' denoting four types of social units in rural South Africa - 'homestead units', 'family groups', 'co-resident units', and 'mutual support units', bounded by different forms of rights, duties and social bonds. In this study 'household' will be understood as defined by the Central Statistics Authority of Ethiopia as follows:

- a one person household, that is a person who makes provisions for his own living without combining any other person to form part of a multi-person household or
- a multi-person household that is a group of two or more persons who live together and make common provisions for food and other essentials of living. The persons in the group may pool their incomes and have a common budget to a greater or lesser extent. They may be related or unrelated persons, or a combination of both. These persons are taken as members of the household (CSA, 2007).

Another concept worth defining is **'livelihood'**. Most of the time income and "livelihood" appear to be used synonymously. However, though inextricably linked to one another, there is a difference between the two. Livelihood refers to every activity, income, processes, social and institutional aspects, and influences that construct the living of households or individuals. Therefore the term livelihood in this study will mean "the assets, (natural, physical, human, financial, and social capital), the activities and the access to these mediated by institutions and social relations that together determine the living gained by the individual or household" (Ellis, 2000: P.10).

Institution is also a worth defining concept. According to the sustainable livelihoods approach institutions play an important role in determining households' access to financial, social, natural and human capital and play a significant role in constraining or promoting involvement in non-farm and off-farm activity. Institutions encompass customary and local rule systems (gender, cast etc.), formal laws and administrative procedures. They include social structures and legal arrangements (Swift and Hamilton, 2001). In this study institutions will be understood as defined by Douglas North (cited in Ellis, 2000) as follows:

[Institutions] *are rules of the game in society or more formally, are humanly devised constraints that shape human interaction (p. 10).*

2.2 Conceptual Framework

The literature on non-and off-farm activities contains several perspectives (Bryceson, 1999; Barrett *et al*, 2001; Ellis and Ellison, 2004). While there is a general consensus that rural non-farm and off-farm activities contribute to the income of the poor in low- income countries, how and why people engage in them and the role they can play in the development process is viewed in different ways. These issue researchers often try to address in the wider context of the socio-economic forces of modernization and development on the one hand and marginalization and impoverishment on the other. The deeper one goes to explain them the closer he comes to the class position of the peasantry, which in turn leads to the 'peasant permanence' and 'peasant disappearance' theses.

The 'peasant permanence' thesis carries a sense of argument that peasant mode of production is always characterized by the logic of subsistence (Araghi, 1995; Chayanov cited in Bernestein, 2002) and needs special transformation which requires organizing and training peasants to bring about development progress. On the other hand, the 'peasant disappearance' thesis argues that capitalism leads to fast destruction of the peasantry so long as privatization of land and favourable conditions of competition exist at the same time because this creates two different social classes, landless wage labour and wage- hiring capitalist farmers. In addition, this argument underlines the essentiality of this destruction for fast economic, social and cultural progress (Araghi, 1995). An in-depth study can actually demand the explanation of several disciplines and perspectives, as pulling one thread leads to another. But as a matter of relevance to this thesis, attention is given only to the following three perspectives: rural industrialization, sustainable livelihoods, and deagrarianization.

Rural industrialization: The notion of rural industrialization draws lessons from the development moves observed in European cottage industries and the more recent Chinese experience of rural industrialization. This approach envisages a development process from peasant agriculture to modern industry. Rural industrialization is perceived as a means of transforming primitive 'capital accumulation' (Mulatu and Teferi, 1996) from the agricultural sector to investment in the industrial sector. The assumption builds strong forward and backward

linkages between the two sectors but proposes a development move in which the industrial sector plays the greatest role. However when this failed to bring about change in low - income countries, a paradigm shift appeared and gave rise to what is now called Agricultural-led Industrialization Development, a rural development thinking that focuses on the 'small-farm efficiency'. The idea envisages a sequence of development from agriculture to industry and claims that rising farm productivity and rising farm income lead to the growth of non-farm activities in rural areas and eventually result in industrialization (Mellor, 1966; 1976 cited in Ellis and Biggs, 2001).

Deagrarianization: According to this perspective, diversification into non-farm activities is part of a long-term process of the erosion of the agrarian way of life. "Deagrarianization", as defined by Bryceson (1997), ''is a long term process of occupational adjustment, income earning reorientation, social identification and spatial relocation of rural dwellers away from strictly peasant modes of production". For her off-/non-farm activities are livelihood trajectories arising from economic opportunities or compulsions that work toward the dissolution of the peasantry. It is argued that, whatever push or pull factors it involves and whatever challenges it may have, deagrarianization is an evolutionary move of rural populations to modernization and the wide spread of rural non- farm and off-farm activities is an occupational experimentation to come to specialization. It is a process that should be positively influenced by policy interventions meant to enhance specialization according to local and regional contexts.

The deagrarianizaton perspective argues that African peasant modes of livelihood are under pressure of being eroded by a combination of factors such as exposures to western life style, education, rising cash needs, population growth, declining agriculture, price rise for agricultural inputs, low world price for cash crops, etc and ponders whether the future is seen as based around agriculture. The central issue and the rationale of this argument is that, under conditions that rural societies are getting dissatisfied with agriculture, the sustainability of rural livelihoods is questionable (Bryceson, 1999; Swifit and Hamilton, 2001).

The Sustainable livelihoods approach: This approach is said to have evolved from preceding works such as Sen's 'Poverty and Famines...' (1981) and Robert Chambers' "Rural Development: Putting the Last First" (1983). The approach perceives rural non- and off-farm activities as livelihood strategies of rural households diversifying in response to 'push' or 'pull' factors. Push

factors include factors such as land degradation, population pressure and declining fertility, which force rural populations to diversify into occasional wage labour, petty commodity production as well as migration in search of means that will provide a sustainable livelihood (Barrett *et al*, 2001). Pull factors include the realization of complementarity of activities, higher returns on investments in the non-farm economy, economic opportunities often associated with comparative advantage accorded by superior skills, etc (ibid).

According to the sustainable livelihoods approach, poverty and food insecurity are not only results of a particular devastation or shock but also effects of a set of complex arrangements and historically accumulated factors that have operated over the years. This approach tries to verify how people construct their livelihoods and ensure household well-being through diversification. The framework of this analysis places non- and off-farm activities as well as migration, as diversification livelihood strategies within the wider set of the sustainable livelihood system of a household whereby households diversify their sources of income in addition to cropping or livestock rearing. It also suggests that diversification is of two types: an accumulation or survival strategy. The idea is that some households would like to engage in non-or off-farm activities because they find some activities remunerative while others go into them for lack of options (Tesfaye, 2003; Barrett *et al*, 2001).

Turning to mediating factors, non-farm or off-farm operations may be influenced either positively or negatively by socio-political settings, natural, social, human and financial capitals, and institutional arrangements (Scoones, 1998). According to Ellis and Allison (2004), diversification involves dynamic factors that may help improve livelihoods but if it fails it can be attributed to institutional inefficiencies. In their own words, "livelihood diversification generates earnings and remittances that tend to alter significantly the options open to households.... In general, livelihood diversification improves livelihoods, and to the extent it fails to do so, this can often be traced to adverse institutional environments that penalize people on the move" (p.12). Regarding the determinants approach suggests several determinants of livelihood diversification such as risk management, seasonality and social identification and cultural bias.

Risk management is often mentioned in the literature (Ellis, 2000; Barrett *et al*, 2001) as the most fundamental motive behind diversification. The idea of risk management has it that rural households are prompted to undertake additional activities other than farming in two main ways -

either in the form of planned response in anticipation of income failures from major activities or in the form of unplanned short term response to unanticipated disaster or shock. The first response (*ex ante* risk management) involves forward planning to spread risk across several activities based on subjective judgment on the degree of risk that each income source may embody while the second form of response (*ex post* risk management or otherwise called coping) involves immediate confrontation mechanisms in answer to an unanticipated livelihood failure. Risk management is thus a measure of managing, spreading and sharing the risks associated with agriculture.

Social identification and cultural bias can also shape diversification decisions of rural households. Some households have a deep attachment to agriculture as a way of life and are willing to maintain family farm by supplementing it with income from diversified sources to help them compensate farm income short falls to cover taxes and expenses on consumption goods or services, such as school fees and medical expenses, which the farm earnings fail to cover (Barrett *et al*, 2001). On the other hand, social circumscription and discrimination, which attribute status to communities and individuals on the basis of the kind of activities they undertake, promote or discourage household choices of diversification. The most common informal institutional barrier cited by researchers is the cast system (Carswell, 2000; Pankhurst, 1966).

Whatever complementary or supplementary the above arguments are, as Warren (2002) says, all suggest that rural livelihood diversification is pursued along meeting three main objectives-for fulfilling consumption needs, ensuring security against shock and negative trends as well as meeting social values and expectations.

The agricultural development theory that generates the idea of small farm efficiency and sequential move from agriculture to industry perceives rural non- and off-farm activities as positive off-shoots of rising agricultural productivity (Mellor, 1976 cited in Ellis and Biggs, 2001). However, this assumption is hardly feasible in drought prone localities where agriculture fails to meet consumption demands, put aside surplus.

If a similarity was to be drawn between 'deagrarianization' and the sustainable livelihoods approach, both sides unanimously converge on the driving forces for the prevalence of non-and off-farm activities amidst largely agricultural societies of low-income countries. But each perceives absolutely different policy directions and strategies to be followed with regard to

diversification. The deagrarianization perspective draws global, national and local contextual issues and questions the role agriculture can play in the long run development process. The idea is that structural adjustment programmes, low world price for agricultural products and a number of other compounding factors have created a move toward a single 'formless economic sector' (the service sector) and in such a move where agriculture is losing its importance to sustain rural livelihoods non-and off-farm activities are more a means to deagrarianization than a help to the sustainability of rural livelihoods (Bryceson, 1999).

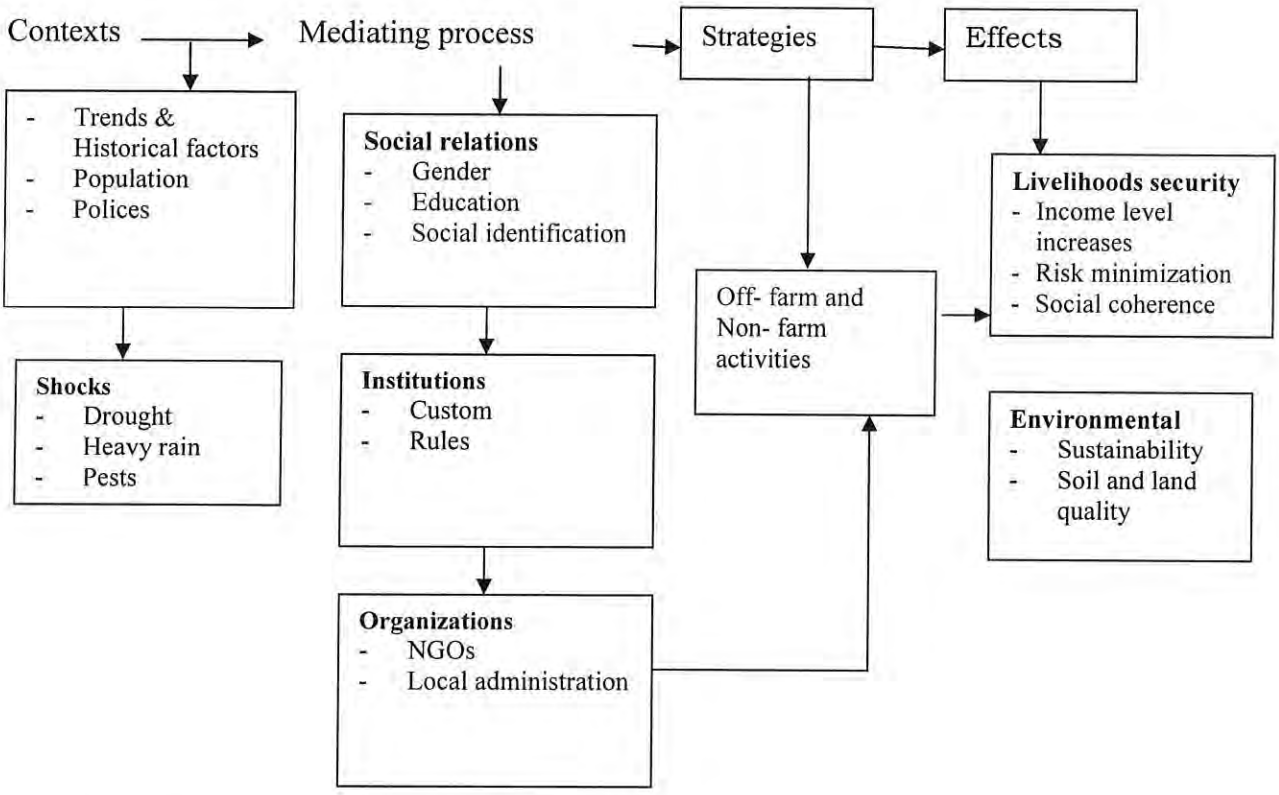
In contrast the sustainable livelihoods approach focuses on micro issues, uncovering local contexts and reducing poverty at local level. It recognizes that all kinds of activities contribute to the security as well as sustainability of rural livelihoods including agriculture. While deagrianization tries to discuss non-and off-farm activities in light of specialization and long term moves, the sustainable livelihoods approach focuses on their contribution to household livelihood security and sustainability. This research tries to follow the sustainable rural livelihoods approach to investigate the subject under study.

2.3 A Framework for Analysis

The sustainable livelihoods approach explains poverty and food insecurity as effects of a set of complex arrangements and historically progressive deprivation that have operated over the years. According to this approach food insecurity is not a result of a particular devastative event or shock. Moreover, this approach has developed an analytic framework, which tries to verify how households construct their livelihoods using various strategies according to their asset status, and changing circumstances they confront (Scoones, 1998; Ellis, 2000; swift and Hamilton, 2001).

The framework used by this approach explains how historical, ecological, economic as well as technological trends serving as push or pull factors result in involvement in survival livelihood strategies whose accesses in turn may be modified by social relations, institutions (rules, customs, laws), organizations and finally settles on resulting effects on household livelihood security and environmental sustainability. Thus the following framework is adopted to show the points of emphasis throughout this thesis.

Figure 2.1: A framework for analysis



Source: Adapted from (Scoones, 1998; Ellis, 2000)

issue, regardless of its degree of prevalence and spatial considerations, does seem to be one crucial point that needs further research and economic analysis. An 'unequalizing effect' can be a challenging issue that places policy makers in choosing between two oppositely influencing policy options, policies to enhance or to reduce inequality or in less harsh terms to act in favor of or against wealth differentiation.

By and large the growing hype is that the rural non-farm sector should be given a place in development strategies or policies. Each of these studies gushed of the actual condition of policy reluctance to assist rural non-and off-farm activities. Neither study is an antithesis of the other. The most common point, which all of the arguments agree on and by which they are linked to one another, is the fact that present policy is reluctant to give emphasis to non-and off- farm activities in rural areas. But each study has at least one element of its own emphasis and finding that makes it different from the other.

Tegegne (1995) gives more emphasis on the production linkages between the farm and non-farm activities. More specifically he recommends the expansion of education and the development of the livestock sector as a means to enhance rural growth linkages. His argument was supported by Mulatu and Teferi's (1996) work, which basically recognized the need for farm and non-farm linkages for bringing about effective development. However, Mulatu and Teferi arrived at a conclusion that off-farm and non-farm activities in North Shoa were mainly survival strategies in an area of declining productivity and recommended the need for reallocation of labor and land toward livestock production and forestry, if farm- non-farm linkage be achieved. Moreover, they also underlined that skill training services would also be important to improve the potential contribution of the non-farm sector.

Carswell's (2000) study was different from the previous two in that it does not reflect a sectoral view at all. While her historical analysis of contexts and trends in Wolyta largely concurs with the quantitative justification of Mulatu and Teferi (1996) that off-farm and non-farm activities are survival strategies, she specifically strikes on the fact that the poor are denied credit services in their moves to fulfill their aspirations unless they could buy fertilizers.

Tasew (2002) is not of a different opinion from the preceding works as far as farm non-farm rural linkages are concerned. But he expresses his concern that non-farm income may also have

an unequalizing impact because some remunerative activities are most likely to be snatched by the rich because of high entry requirements, which the poor could not afford.

This study differs from other studies in two main ways. Firstly, it tries to show that diversification into non- and off-farm activities is done not only to meet economic objectives but also social objectives and maintain ones social identity as well. In other words it tries to show that household livelihood security has also a social dimension. Secondly, it tries to assess institutional problems that have not been fully addressed or touched by other researchers. It focuses on training and organizing non-and off-farm activities need to be demand driven, research supported and participatory.

2.5 Summary

So far an attempt has been done to define the key terms and concepts essential for this study. A review of relevant literature on off-farm and non-farm activities was also made to some degree. Empirical works on off-farm and non-farm activities done by several researchers in different parts of the country were also reviewed. As has been explained in section 2.3 of this chapter this study utilizes the sustainable livelihoods approach to address the issues under investigation. To understand how farmers of the study area are driven into diversification it is important to trace the economic and social trends of the locality under study. This is the focus of the next chapter.

CHAPTER THREE

DESCRIPTION OF THE STUDY WOREDA

This chapter describes location of the study area, the physical, human as well as socio-economic conditions of the study *Woreda*. As such it is meant to present a concise picture of the general background of the study Woreda.

3.1 Location of the Study Area

Gubalfto is one of the eight rural administrative districts (Woredas) in North Wollo, one of the most seriously drought affected zones of Amhara Regional state. It lies between 11^0 36' - 11^0 58' North latitude and 39^0 12'' - 39^0 50'' East longitude. It is bounded by Kobbo district, on the north, by Habru, on the south and southeast, by Gidan, on the Northwest, and by Meket, on the west. The administrative town of this Woreda, Waldeya, is also the administrative town of North Wollo Administrative Zone of Amhara Regional State. It is located 520 Kms away from Addis Ababa, along the main road running from Addis to Mekele. It is also connected to Gonder with an all weather gravel road running from this town to Woreta and then, 55 Kms off the south, to Bahirdar. The *Woreda* is divided in to 31 *kebeles*.

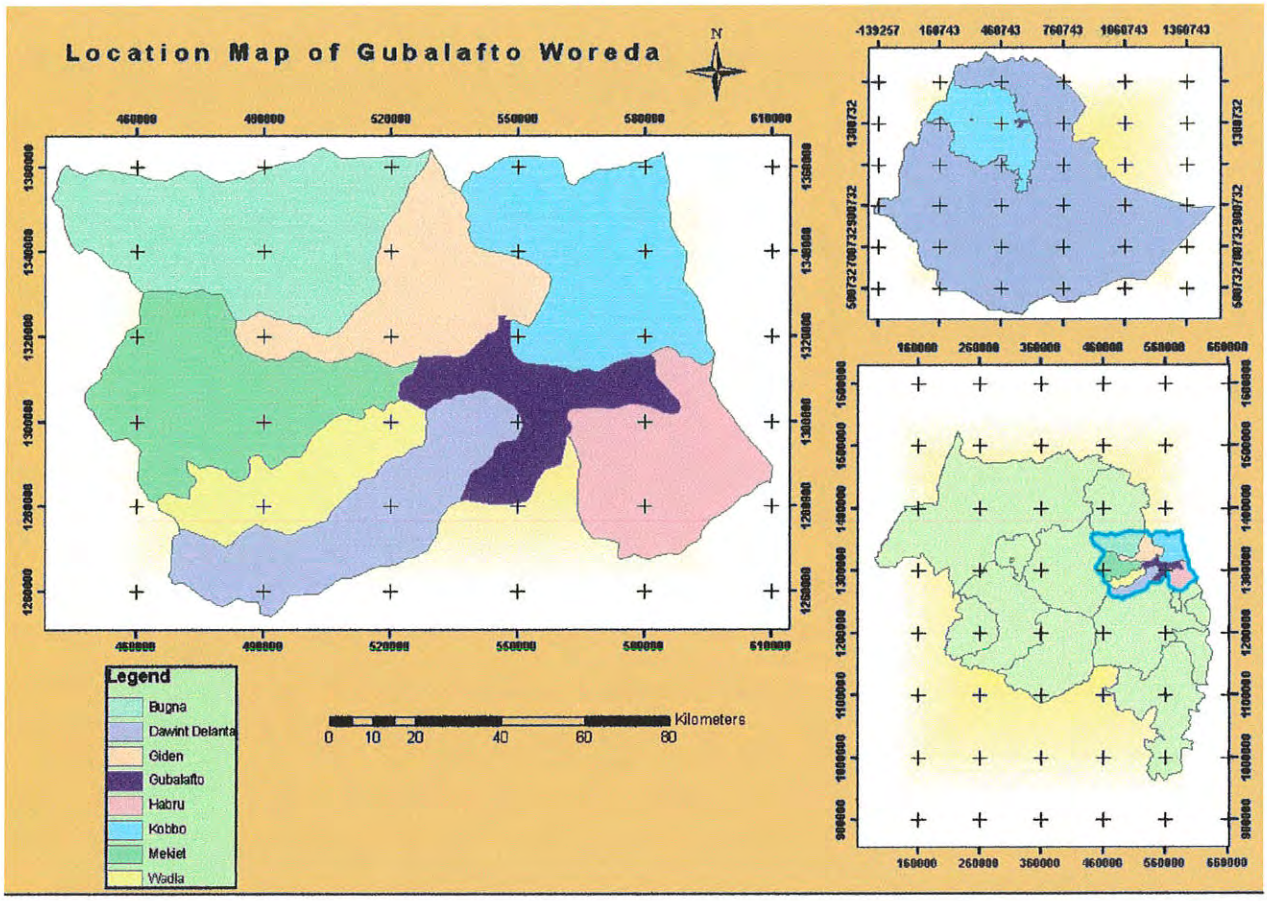


Figure 3.1 Location Map of Gubalafto Woreda

Source: GIS and Remote Sensing Lab, Addis Ababa University, Science Faculty

3.1.1 Bio- Physical Aspects

As its topography is varied, so are its agro-ecological zones, ranging from extremely cold (*daga*) through temperate (*wayna- daga*) to hot lowland (*qolla)* ranging between an elevation of 1,500 to 3,670 meters above sea level. Its land escape is characterized by steep escarpment, chainy mountainous topographic feature in the west, north, and north- west while the eastern and, to a limited degree, southern parts of the *Woreda* represent fairly plain but lowland topographic features. The *Woreda* is largely a hilly terrain, with little lowland plains towards the east.

The total area of the *Woreda* is about 80,000 ha of which 27,056.6 ha is cultivated land, 7,763.5 ha grazing land, 9,292.5 ha forest land, 9,936 ha settlement land and 26,831 ha marginal land.

Table 3.1: Land use system of the Study Woreda (ha)

Land use	Hectare	percentage
Cultivated land	27,056.6	33.45
Grazing land	7,763.5	9.6
Forest land	9,292.5	11.5
Settlement land	9,936	12.26
Marginal land	26,831	33.17
Total	80,879.6	100

Source: Save the Children UK North Wollo Branch Office

Soils are of several types ranging from dark stony clay type soil south of Woldiya, to brown stony clay loam in the Doro Gibir area north of Woldiya to dark clay type in Amya-Mecha. Natural vegetation consists of thorn bushes, acacia and fig (Fekadu, 1990).

According to the information communicated by the Woreda Agriculture and Rural Development Office, when the rains come production is possible twice a year; the main growing season extends from July to September and is locally called *mahar* (summer); and the one lasting from January to march called *belg* (spring). The mean annual rainfall varies from 800mm in lower areas to 1050 mm in higher elevations.

3.2 Socio-Economic Characteristic of the Study Area

3.2.1 Population, Ethnic and Religious Composition

The study area as suggested by some studies is an area of rapid population growth (Beyene, 1992). The former Yajju, which consisted of the present, Habru, Gubalafto, and Woldiya districts, showed an increase of 230 persons per km2 in the years 1966-1989 (Beyene, 1992). According to the estimation of Save the Children UK,the population size of the Woreda reached 159,101 in the year 2007, of which 80,096 are estimated to be males and 79,005 of them females. This is a figure a little over the population size of Yajju just 33 years ago (Beyene, 1992). Family size ranges from 2-12 the average estimated to be a household with 5 members.

The present ethnic condition indicates that almost all people are Amhara. It would be hardly possible to get Oromiffa or Tigriyna speakers unless they were rarely meant to be here due to governmental or non-governmental employment or commercial purposes.

Orthodox Christianity and Islam are the dominant religions practiced in the Woreda. The Protestant faith is slightly growing up in the main urban center Woldiya and the little village towns of Hara and Sanka. The highlanders are to a large extent Christians and the lowlanders Muslims, perhaps witnessing the respective historical movement of people that took place during the expansion of the Christian Highland Kingdom and that of the Oromo people. However it does not mean that there is no mixture of settlements. There is not only mixture of settlements but also a harmonious relationship between Orthodox Christians and Muslims that have existed for ages (ibid). The harmonious and homogenous character of the population has formed almost a mono-cultural society except that Muslims tend to be more polygamous than Christians.

According to sources from each Kebele Adminstration Offices the population size of the study sites is 19,362. Hara has largest population size 7,200 inhabitants followed by Geshober and Amaya-Mecha whose population size is 6,726 and 5,436 respectively. Regarding sex composition, 9,414 of the total population of the three Kebeles are estimated to be women. The number of women is estimated to be 4,017 in Hara, 2,679 in Amya-Mecha and 3,252 in Geshober.

3.2.2 Livelihood Situation

a) Crop Production

According to Save the Children UK North Wollo Branch Office, average land holding of cultivated land of the Woreda is reported to be 0.59 ha per household. The figure gets a bit up when both cultivated and grazing land is put together, which is estimated to amount to 0.75 ha per household. As far as crop production is concerned, cold (*daga*) areas grow barley, wheat, oats, peas, horse beans, and lentils and staples are barley and horse beans; w*oyna- daga* (temperate) areas grow barley, wheat, chick peas, horse beans, Eragrostis *teff*, peas linseed and rough peas (Lathyrus Satiyus) and staple food is *teff*; in the qolla (hot lowland) areas grow *teff*, sorghum, maize, pepper, and some cotton, too, staples are sorghum and *teff*. The predominantly growing crops in the *Woreda* as well as the study sites are barley, sorghum, *teff*, and maize and

the garden crop onion especially in Geshober. Of the two cropping seasons *mahar* production is the most important in terms of annual food crop production especially for farmers living in the mid-highland and low land areas of the *Woreda.* Recently there is an increasing tendency of being dependent on *mahar production* in the highland areas as well because of recurrent failure of the *belg* rains.

According to the Woreda Office of Agriculture and Rural development, Hara is reported to be better in terms of farm size per household compared to others and Gehsober in terms of forest coverage. As shown in Table 3.2, forests respectively cover 11.5%, 5 % and 7% of the land in Geshober, Hara and Amaya-Mecha.

Table 3.2: Estimate of land use system of the study sites (ha)

	Hara	**Amaya-Mecah**	**Geshober**
Area	671	1457	1436
Cultivated land	460	725	790
Land covered by forests	26	102	165

Source: Woreda Agriculture and Rural Development Office and Kebele Administration Offices (March, 2008).

b) Livestock

According to the Woreda Office of Agriculture and Rural Development, livestock is another source of livelihood in the farming sector. Cattle, sheep, goats as well as pack animals are kept both for economic and social values. Although all of the study sites practice mixed farming, people in the lowland (*qolla*) Hara earn more from livestock and livestock products than other *kebeles* due to relatively suitable geographical advantage (availability of better grazing land) over the other two.

c) Non-and Off-farm Activities

Trade in the study area has a long history, Woldiya the capital of the Woreda being a weekly Tuesday market. It served as a center of caravan trade linked to Massawa in the north and Addis Ababa in the south up until the coming of the Italians. Cattle, sheep, goats, horses, mules, donkeys, honey, butter, coffee, *gesho* (leaves of a plant used for local brewing similar to hop), grains, pepper, cotton, hides, skins, salt, *zaha* (a factory processed cotton thread), *shamma*, *barnos* (hooded cloak) and textiles were bought and sold. The beasts of burden, cattle sheep, hides and skins, *shamma*, *barnos* and honey were bought from surrounding districts of Bugna and Delanta; the salt from Tigray; zaha and textiles from Asmara, Masawa and latter Addis Ababa; and the rest came from with in Gubalafto itself and its surroundings (Fekadu, 1990).

Weaving became an important activity especially after some weavers who came from Gonder settled around Woldiya and its vicinities at the beginning of the 20th century. A considerable number of black smiths did also use to produce various metal products ranging from farm and kitchen tools to swords and spears (ibid).

3.2.3 Gubalafto and Famine

Historical records of famine in the study area can be traced back to the second deacde of the 20th century when a less severe famine called '*Zaww Biyya*' hit the locality in 1917/18. '*Zaww Biyya*' was followed by at least four major famines in 64 years time, each becoming more and more severe than its predecessor. In 1927/28 many people faced hunger and while the relatively better off bought grain from distant districts a lot of them hunted for wild plants. A more severe one followed in 1965/66. This time this locality received its share of grain donated from the US government for several districts, which were in a similar situation across the empire (ibid).

Famine gradually built up as if never to be driven away. People were rocked by two major events in the following two decades. In 1972-74 peasants of Gubalafto moved from each geographical cardinal to Woldiya in search of grains. Even though the response was too late, many lives were saved through the assistance of the World Lutheran Federation, Society of International Missionaries, Holland T. Homes and other charitable organizations. The 1984/85 famines, the worst of all, took a heavy toll of human lives in this locality. In an answer to the growing population pressure and recurrent drought the Derg resettled many farmersof the former *Yajju* in

the south and southwestern part of the nation. Then EPRDF came; regionalism blossomed; many came back home (Beyene, 1992).

All those famines were the results of locust and too a large extent of failure of rains which the subsistence peasant economy could do little about them. All through this time petty trade, weaving, blacksmithing and whatever rural non-agricultural activities were of little more than survival value.

According to local informants two major droughts have occurred after the coming of EPRDF and resulted in huge cattle loss, at least. Crops are grown to meet both consumption and cash needs however the majority of the farmers do not meet their annual food needs. A survey conducted by Save the Children UK in 2003 indicated inconsistent cereal price trends from 1995-2003.Moreover; the survey confirmed that 57% of the households in Gubalafto Woreda were unable to meet their annual food needs even in times of good harvest (Save UK, 2003). Drought has become more frequent and cyclical. The frequency of drought is observed once every two to three years because of failure of rain in either of the two rainy seasons.

3.3 Summary of Livelihood Situation of the Study Woreda

Rain -fed agriculture except little irrigation in Geshober, yet subsistence is the main stay of the economy of peasants of the study sites. Sedentary agriculture and livestock rearing remain the typical farming system defining the economy of the study sites, as is the case in many areas the nation over. However, due to recurring drought conditions farmers live in precarious situations. Their ability to regulate their lives as well as natural resources according to their own need and aspirations has constantly been undermined and their livelihood trends threatened since ever.

Successive and cumulative climatic shocks have resulted in economic losses of crop and livestock markets and affected the livelihood system of thousands. Long-term cumulative vulnerabilities have eroded the asset base and resulted in the collapse of major activities and left the food security situation of the area in a precarious situation. The 2003 base- line survey of Save the Children UK showed that 57% of the rural households in the study sites could only meet 8 months consumption. The supply of crops to local markets used to be inconsistent and most often characterized by higher prices compared to neighboring Woredas such as Kobbo and Habru due to lower productivity, declining land size, poor soil fertility and rain failure. In times

of drought farmers incur double losses. They lose their cattle because of death or cattle prices decline because of an increase supply to local markets induced by pasture and water shortage. It is in this context and scenario that non-farm and off-farm activities came to be important for the security of the livelihoods of rural households of the study sites.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

This chapter presents results and discussion regarding the sample households' demographic and socio-economic characteristics, the contribution of non-and off-farm activates in Gubalafto Woreda to livelihoods security. Emphasis is also given to the nature of non-and off-farm activities as well as problems faced by them. It also tries to show why households combine activities and income sources to make secure livelihood.

4.1 Demographic and Socioeconomic Characteristics of Sample Households

4.1.1 Demography, Religious and Marital Status

A) Sex, Religious, and Marital Status Composition of Sample Households

About 77% percent of the respondents were men and 23% of them women. A little over two-third of the total respondents, 67% of them, are followers of Orthodox Christianity and one-third of them (33%) are Muslims. Other religions such as Protestantism and Catholicism were not reported at all. The sample taken in the study site indicates that 80% of the respondents are married and the rest unmarried, divorced, and widows or widowers. Unmarried and one-person household respondents are not present in Hara while they represent 9% and 4% of the respondents of Amaya-Mecha and Geshober respectively.

Table 4.1: Sex, religious and martial status composition of sample households (%)

Sex	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Male	37	82.22	49	70	56	80	142	76.76
Female	8	17.78	21	30	14	20	43	23.24
Total	45	24.32	70	37.84	70	37.84	185	100
Religion								
Ethiopian Orthodox	7	15.56	48	68.57	69	98.57	124	67.08
Islam	38	84.44	22	31.43	1	1.43	61	32.97
Total	45	24.32	70	37.84	70	37.84	185	100
Martial status								
Married	39	86.67	52	74.29	57	81.43	148	80
Unmarried		0	6	8.57	3	4.29	9	4.86
Divorced	2	2.22	8	11.43	6	8.57	15	8.11
Widower	5	11.11	4	5.71	4	5.71	13	7.03
Total	45	24.32	70	37.89	70	37.84	185	100

Source: Own survey, March 2008

B) Age

With regard to the age of respondents, Table 4.2 shows that the mean age of respondents is about 44 years. Of this, 68% of the respondents are grouped between the age group of 31 -50. Less than 1% of the respondents are below 20 and about 18% of them greater than 50. Most of the respondents belong to the productive age group. The corresponding percentage slightly differs among the three study sites. Hara and Geshober have no respondents less than 20 years of age. About 64%, 64% and 74% of the respondents in Hara, Amaya-Mecha and Geshober respectively are somewhere between 31 – 50 years of age.

Table 4.2: Percentage distribution of age of respondents

Age	Hara		Amaya-Mecha		Geshober		Total	
	count	%	count	%	count	%	count	%
Less than 20	-	0	1	1.43	-	0	1	0.54
20 – 30	4	8.89	12	17.14	8	11.43	24	12.97
31 – 40	15	33.33	23	32.86	27	38.57	65	35.14
41 – 50	14	31.11	22	31.43	25	35.71	61	32.97
51 – 60	8	17.78	7	10.00	4	5.71	19	10.27
Above 60	4	8.89	5	7.14	6	8.57	15	8.11
Total	45	100	70	100	70	100	185	100
Mean of age	44.80		43.04		43.74		43.74	

Source: Own survey, March 2008

C) Family Size

Table 4.3, indicates that the mean family size of the respondents is 5. Of the total respondents, 57.3% of them have a family size ranging between 5 – 8 and 38.38% of them from 1 – 4. The highest family size is 11 and it was reported in Hara. This is possibly related to the fact that Muslims tend to be more polygamous than Christians. This is the same as the mean family size at national level (CSA, 1999).

Table 4.3: Percentage distribution of family size for reporting households

Family size	Hara		Amaya- Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
1 – 4	12	26.67	25	35.71	34	48.57	71	38.38
5 - 8	29	64.44	42	60	35	50	106	57.30
Above 8	4	8.89	3	4.29	1	1.43	8	4.32
Total	45	100	70	100	70	100	185	100
Mean family size	5.78		5.33		4.91		5.30	

Source: Own survey, March 2008

D) Educational Status

As shown in Table 4.4, 44.86% of the respondents reported that they were non-literate and 14.59% of them could read and write. As far as formal education is concerned 20.54% of them reported that they attended formal education that lies in the grades grouped 1-6 while 20% reported to have attended beyond grade 7. This indicates that the majority of the people in the study sites did not attend formal education. Geshober appears the least illiterate where 35.71% of the respondents reported to be non-literate followed by Amaya-Mecha and Hara whose corresponding figures are 50% and 51.11% respectively. The highest educational achievement was recorded for Amaya-Mecha where 28.57% of the sample household heads reported to have attended grade 7 and above.

Table 4.4: Percentage distribution of educational status for reporting households

Educational status	Hara		Amaya-Mecha		Geshober		Total	
	count	**%**	**count**	**%**	**count**	**%**	**count**	**%**
Illiterate	23	51.11	35	50	25	35.71	83	44.86
Read and write	7	15.56	5	7.14	15	21.43	27	14.59
Grades 1 – 6	10	22.22	10	14.29	18	25.71	38	20.54
grades 7+	5	11.11	20	28.57	12	17.14	37	20
Total	45	24.32	70	37.84	70	37.84	185	100

Source: Own survey, March 2008

4.1.2 Farming Activities of the Study Area

4.1.2.1 Land Holding and Land Fertility

As is the case with many sedentary agriculture communities the nation over, mixed farming is the main stay of the study sites. However, crop production and animal rearing are being challenged by several factors. Recurrent drought, lack of grazing land, poor soil fertility, declining land size and poor agricultural extension services are the main factors for the decline of agricultural production and productivity.

A) Land Holding

As shown in Table 4.5, average land holding of households in the study sites is 0.53 ha. The farm size of each household is very small, the average holding being 0.79, 0.53 and 0.38 ha for Hara, Amaya-Mecha and Geshober respectively. Of the sample households 5.95% do not have land and 17.3% of them own 0.25 ha and less. The largest farm size reported was in Hara that is 2.3 ha and the smallest is 0.13, reported in Geshober. Households possessing greater than 1 ha of land account only 6% of the sample households. Forty five percent of the households have holdings varying from 0.26 to 0.5 ha. This shows that average landholding is very small and can significantly affect crop production of farming households of the study area. Average land holding of the study sites is less than the holding size of national average 0.95 ha and of Amhara Regional State 0.97 (CSA, 1998).

Table 4.5: Percentage distribution of land size in the study sites

Holding size in ha	Hara		Amaya-Mecha		Geshober		Total	
	count	%	count	%	count	%	count	%
Landless	3	6.67	2	2.86	6	8.57	11	5.95
0.01 – 0.25	6	13.33	8	11.43	18	25.71	32	17.30
0.26 -0.51	10	22.22	35	50	38	54.29	83	44.86
0.52 – 0.77	10	22.22	23	32.86	7	10	40	21.62
0.78 – 1.03	5	11.11	2	2.86	1	1.43	8	4.32
1.04 – 1.29	2	4.44	-	-	-	-	2	1.08
1.3 and above	9	20	-	-	-	-	9	4.86
Total	45	100	70	100	70	100	185	100
Mean holding size in ha	0.79		0.53		0.38		0.53	

Source: Own survey, March 2008

B) Land Fertility

Soil fertility greatly affects agricultural production. Much of the land in the study *Woreda* is said to be degraded because of poor natural vegetation cover, deforestation, and poor agricultural

extension services. The Woreda Agricultural Office does not have any document regarding the soil fertility and soil type of the different localities. However, as shown in Table 4.6, asked whether their land was fertile or not, 67% of the respondents reported that their land was semi-fertile while 18.38% and 8.65% of them reported that their holding was 'fertile' and 'not fertile' respectively. Therefore, more than two -third of the respondents of the study sites responded that they own semi-fertile land. This implies that soil fertility is not so much production affecting as rainfall variability.

Table 4.6: Percentage distribution of farmers' perception about their land condition

Quality type	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Fertile	5	11.11	23	32.8	6	8.57	34	18.38
Semi-fertile	31	68.89	43	61.43	50	71.43	124	67.03
Not fertile	6	13.33	2	2.86	8	11.43	16	8.65
No answer	3	6.67	2	2.86	6	8.57	11	5.95
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

4.1.2.2 Crop Production

Crop production is constrained by several factors. The decline of crop production is attributed to lack of improved seeds, high cost of inputs, land degradation, and rainfall variability. As Table 4.7 indicates 31.89% of the respondents reported that their production is affected largely by erratic rainfall while 18.92% of them attributed it to aging land degradation.

Table 4.7 further shows that the farmers' perception attributes the reason of production decline to factors such as lack of improved seeds (11.48%), high cost of inputs (7.03%), ageing and land degradation (18.92%) as well as rainfall variability (31.89%).

The highest frequency observed is for rainfall variability, which is cited by 31.89% of the sample households. Aging and degradation is also reported to be a major factor affecting crop production in Geshober and Hara where 27.14% and 24.44% of the respondents of the respective study sites believe that the land is ageing and facing degradation. Rainfall variability is considered as the most important factor affecting crop production. About 52.89% and 33.33% of

the respondents in Amya-Mecha and Hara respectively reported that rainfall was a serious problem. About 34% of the total respondents do not attribute the reason to any of these factors, probably attributing it to declining land size.

Generally, rainfall variability is suggested to be the prime factor affecting crop production in the study sites.

Table 4.7: Percentage distribution of farmers' number one reason about decline of production

Major problem	Hara		Amya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Lack of improved seed	3	6.67	3	4.29	8	11.43	14	11.48
High cost of input		0	10	14.29	3	4.29	13	7.03
Ageing and degradation	11	24.44	5	7.14	19	27.14	35	18.92
Rainfall variability	15	33.33	37	52.89	7	10	59	31.89
Other factors	-	-		-	1	1.43	1	0.54
No answer	16	35.56	15	21.43	32	45.71	63	34.05
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

4.1.2.3 Modern Agricultural inputs

A) Utilization of inputs

Table 4.8 shows that the majority of the farmers (60.5% of them) do not utilize modern (non-natural) agricultural inputs.

Table 4.8: Percentage distribution of modern agricultural input utilizers

Behavior	Hara		Amya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Utilizer	-	-	14	20	59	84.29	73	39.45
Non-utilizer	45	100	56	80	11	15.71	112	60.50
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

B) Types of inputs

With regard to types of inputs (see Table 4.9), 68 (57.63%), 28 (23.73%), 15 (12.71%) and 7 (5.93%) of the respondents reported to have used fertilizers (urea or dap), improved seed, pesticide, and cross-bread animal prior to March 2008.The input utilized by most farmers in the study sites is fertilizer which accounts for 57.63 %.

Table 4.9: Percentage distribution of modern inputs used by farmers (multiple responses)

Types of input	Hara		Amya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Fertilizers	-	-	11	45.83	57	60.64	68	57.63
Improve seed	-	-	11	45.83	17	18.09	28	23.73
Pesticides	-	-	1	4.17	14	14.89	15	12.71
Cross breed	-	-	1	4.17	6	6.38	7	5.93
Total responses	0	0	24	100	97	100	118	100

Source: Own survey, March 2008

4.1.2.4 Production Adequacy and consumption conditions

A) Production Adequacy

Table 4.10 shows the response of sample households with regard to sufficiency of annual crop production. Asked about the sufficiency of agricultural production for household consumption, 33.51% of them responded that it is adequate while 66.49% of them said "not adequate". Therefore about two –thirds of the farmers were not satisfied with the annual production they got from the farming activity. About 73.33% respondents in Hara, 72.86% in Amya-Mecha and 55.7% in Geshober responded that annual crop production is not enough for annual consumption. These figures slightly concur with focus group suggestions in each of the sites that stated three out of ten (in Amaya-Mecha), three out of ten (in Hara) and four out of ten farming households (in Geshober) could have a production that would last for a year in time of good harvest. The slightly highest figures that turned out from survey results are largely due to the impact of poorly interspersed *belg* (spring) rainfall in the previous production year that affected production and induced higher number of responses.

Table 4.10: Percentage distribution of farmers' perception about the adequacy of their annual production for household consumption

Production status	Hara		Amaya -Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Adequate	12	26.67	19	27.19	31	44.29	62	33.51
Not adequate	33	73.33	51	72.86	39	55.71	123	66.49
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

B) Consumption conditions

As indicated in Table 4.10, over sixty-six percent of the respondents reported that their production was not enough through out the year. However, in order to give further analysis about insufficiency of production, respondents were asked as to what reasons can be attributed to insufficiency of crop production for consumption- family size, rising expenditure, declining productivity or low price for agricultural products. As table 4.11 shows higher number of farmers attributed the reason of inadequacy of production to small production followed by rising expenditures unable to be met by agricultural production. While 42.52% of the respondents reported that the primary cause of insufficiency was low level of productivity, 25.98% of them reported that it is due to rising household expenditures. Large family size can be an advantage when the majority of family members are able bodied and when working opportunities exist. However, in this locality, even though their perception does not suggest that family size is a problem, compared to their production status family size undoubtedly has a considerable impact on their consumption. Given drought is recurrent and land size is small family size is beyond what agricultural production capacity can carry.

Table 4.11: Percentage distribution of farmers' number one reason about inadequacy of crop production for consumption

Reason of insufficiency	Hara		Amaya Mecha		Geshober		Total	
	count	%	count	%	count	%	count	%
Family size	4	12.12	5	10.00	6	13.64	15	11.81
Small production	16	48.48	15	30.00	23	52.27	54	42.52
Rising expenditure	8	24.24	16	32.00	9	20.45	33	25.98
Low price of agricultural products	1	3.03	3	6.00		0	4	3.15
Other factors	4	12.12	11	22	6	13.64	21	16.53
Total	33	100	50	100	44	100	127	100

Source: Own survey,March 2008

4.1.2.5 Livestock

A) Livestock ownership

Different species of animals exist; cattle, sheep, goats and pack animals are reared for economic as well as social values. However, the cumulative effects of recurrent drought and cattle losses have eroded the asset bases of farmers of the study locality. Focus group discussions revealed that wealth and fame in terms of cattle ownership are gradually losing their importance among the study communities. In the old days livestock in Hara was viewed not only as an important source of income but also as measure of social prestige. Though the poor always existed among communities, in most cases it was unlikely that a household could own less than 2 head of cattle. A cow and an ox could hardly be missing in any peasant household. These were the least assets that the rural dictated to ensure survival, the first imperative of a peasant household. This trend has changed in recent years. People are becoming less interested in cattle rearing for lack of fodder and recurrent drought effects. The case is even worse in Amya-Mecha and Geshober where and community grazing land is almost lacking.

The present livestock ownership status of the peasants of the study sites is expressive of the cumulative effect of past and present circumstances. As shown in Table 4.12, the average livestock ownership of the sample households is 2.82 in Hara, 2.07 in Amya-Mecha and 2.55 TLUs in Geshober respectively. When explained in aggregate terms each peasant household

totally owns 2 head of livestock and when it comes to draft power the average oxen ownership of the study sites is 0.8 TLUs almost an ox (1.14 oxen) per household. The standard conversion factors used to convert into tropical livestock unit are 0.1 for goats and sheep, 0.5 for donkey, 0.8 for mules and horses, 0.7 for cattle and 1.0 for camel (Johnke, 1982). According to the study done by Devereux *et al* (2003), households that cannot afford to maintain a pair of oxen can be called destitute or vulnerable.

Table 4.12: Average livestock ownership of sample households

Livestock type	Hara			Amaya-Mecha			Geshober			Total TLUs
	C	A	TLU	C	A	TLU	C	A	TLU	
Ox	51	1.13	0.79	78	1.1	0.77	83	1.18	0.83	0.8
Cow	39	0.87	0.6	46	0.65	0.46	54	0.77	0.54	0.52
Heifer	52	1.15	0.8	48	0.68	0.48	74	1.05	0.74	0.65
Donkey	-	-	-	27	0.38	0.19	30	0.42	0.21	0.15
Goat	34	0.76	0.08	57	0.81	0.08	62	0.88	0.09	0.08
Sheep	11	0.24	0.02	66	0.94	0.09	100	1.42	0.14	0.09
Camel	24	0.53	0.53	-	-	-	-	-	-	0.12
Total	211	-	2.82	322	-	2.07	403	-	2.55	2.41

Source: Own survey, March 2008

C* denotes count, number of livestock reported by respondents

A* represents average head of livestock owned by households

TLU* represents the average tropical livestock unit value owned by each household

B) Problems of livestock rearing

Focus group informants in all sites unanimously rated that rainfall variability, lack of grazing land, and poor agricultural extension services as the most underpinning factors for the decline of agricultural production in order of their importance. Livestock rearing, one source of livelihood for the study area is constrained by a number of factors. Natural fodder is scarce and forage development technology has not turned out to be a help in all of the study sites. The problem has been exacerbated by local governance land redistribution measures that redistributed a great deal of community grazing land to the landless youth until very recently. This is almost similar to the

survey result. As indicated in Table 4.13, of the total respondents asked what livestock is constrained by 83.78% of the respondents reported that grazing land is a serious problem.

Table 4.13: percentage of farmer reported major problems in rearing livestock

Types of input	Hara		Amya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Shortage of grazing land	34	75.56	60	85.71	61	87.14	155	83.78
Cattle disease	1	2.22		0	3	4.29	4	2.16
Lack of breeds	5	11.11	2	2.86		0	7	3.78
Lack of man power	4	8.89	7	10.	4	5.71	15	8.11
Other factors	1	2.22	1	1.14	2	2.28	4	2.16
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

4.1.2.6 Vulnerability and economic trends of the study area

Focus group informants defined the recent economic condition of the study sites as an economy of the past but under different social and political settings. They communicated that no significant change in agricultural production has been observed in the past 20 or so years; no significant change in supplying or utilizing improved seed or animal varieties. All focus group informants were above 37 years of age. Of the several issues discussed with them, one centered on outlining emerging features of their own respective locality since the 1984/85 famine. What has emerged from each site expresses an almost similar trend. Cattle death, crop failure and torrential rain (especially in one particular year) were mentioned as shocks. Population increase, declining land size, improvement of educational opportunities, and rising expenditure are the major trends, which all groups concurred in. But with regard to livelihood strategies that each locality seemed to be highly interested in, there is variation of responses. While focus group informants at Amya-Mecha rate reliance on public work programs, petty trade and weaving as the most important supplementary activities today in their order of importance, informants of Geshober rated petty trade, public work programmes and tailoring as first, second and third respectively. People of Hara have a different story; for them remittance, petty trade and public

work programmes are rated as first, second and third in their order of importance in the livelihood system of their locality.

Poultry is said to be a sector hardly assisted to develop; traditional free-range chickens have contributed little to the overall income of those farming households. Drought resistant crop varieties are not available. Peasants of the research sites have hardly adopted diversifications into root crops and change in feeding habits. *Teff*, sorghum and maize remain important crops in their order of importance but production is far from being sufficient. Fertilizer utilization is constrained by poor rainfall distribution except irrigation users in the case of Geshober. Farmers in the other two sites have rejected fertilizers for their 'burning' effects. Compost preparation has received little acceptance because it is considered to be a backbreaking task.

The major preoccupation of peasants is to grow crops for home consumption. In spite of population pressure and natural calamites, there has not been any significant change in cropping pattern. The practice of growing garden crops is also limited, mainly confined to irrigation practicing farmers in Geshober. Grazing land is said to be shrinking. Livestock husbandry is carried out mainly on common grazing areas and crop residue. The on-going practices of animal husbandry are not only unproductive but also environmentally damaging for grazing takes place on open and unprotected communal grazing lands and at times on steep slopes. Fallowing has been abandoned long years ago and is non-existent. The size of the cultivated land both during *maher* and *belg* remains a major source of income and livelihood for farmers whose livelihood is placed an economically demanding environment.

On the other hand, as was revealed by focus group discussions, educational expenses for children attending school in the administrative town or expenses for those who are gone to private colleges, the need to secure household consumption, the need to ensure welfare at community level by covering social expenses, and the fact that there is deep attachment to one's locality or disinclination to leave home villages and rivers where people grew up meant additional sources of income have to be sought.

Survival is a battle; drought, declining land size, low agricultural productivity, rising grain prices and cash needs to meet home consumption are demanding economic factors. Development projects that can largely absorb the labour force and benefit the locality are not available. Inter-regional seasonal movements are lacking at best or impeded by ethnic tensions in the worst case.

Intra-regional resettlement programs offer not only poorly developed but environmentally harsh and inhospitable sites. What is more, it is painful to get separated from family members, relatives, acquaintances, built up social fabrics and identities. In such a context, the importance of non- and off-farm activities has become to be of great value for many households to meet the desired social and economic objectives to ensure livelihood security. The livelihood feature of each of the study sites as outlined by focus group informants is summarized in Box 4:1 as follows.

Box 4.1: Livelihood features of the study sites since 1985 as outlined by focus group informants

	Hara	Amya-Mecha	Geshober
Shocks	• Cattle death • Crop failure	• Cattle death • Crop failure	• Cattle death • Crop disease
Trends	• Sporadic drought • Population pressure • Increased awareness on the importance of • Land fragmentation • Rising grain prices • Declining interest in cattle rearing • Improved road transport • *Dua, Kirre, Zaweya*	• Declining soil fertility • Population pressure • Forest clearing • Improvement of educational services • Land redistribution and fragmentation • Rising grain prices • Maintaining *Senbete, Mahiber, Eddir* values	Declining land size • Population pressure • Improvement of educational services • Fertilizer utilization • Sugarcane and onion production • Rising grain prices • Vegetable and fruit production • Maintaining *Senbete, Mahiber, Eddir* values
Forces of transformation	Democratic government- religious freedom, public work program	Religious freedom and public work programs	Religious freedom and public work programs
Livelihood strategies	• Increase in movement of people • Rising petty trade and increase in number of women traders • International migration, increased flow of remittance • Influx of urban traders • Income from safety net • Livestock trading, camel renting	• Carpentry • Petty trade and increase in number of women traders • Reliance on public work programmes • Firewood selling • Tree planting • Seasonal migration	• Petty trading, tailoring • Tree planting • Reliance on public work programs • Seasonal migration • Fruit and vegetable vending

Source: Own survey, March 2008

4.2 Nature of Non- and Off-farm Activities of the study sites

Non-and off-farm activities of the study area include weaving, firewood selling, honey trade, grain trade, fruit vending, public work (direct safety net participation), dung selling, pot making, iron work, camel renting, tree felling, carpentry, priesthood, security service, *Gicha* extraction (a natural spice of good fragrance), etc. Some households have one additional source of income other than farming and others more than one.

Households in the study sites combine farm and non-farm activities. Out-migrating is also an option to several households. Respondents in the study sites identified first their major source of income followed by other activities that they or other members of the family diversify into to increase their earnings in the last 12 months before March 2008. Survey result (see Table 4.14 indicates) that 177 respondents (95.67%) of the total identify farming as their main source of income. Eight of them (4.32%) earn their income solely from non-and off-farm activities.

According to survey results, the most dominant non- and off-farm activities in the study sites are public work/wage labour, 'other types', petty trade, and crafting activities in order of being sources of income. Activities that are clustered as 'other types' in table 4.14 include tree planting, selling natural sisal, boring farm implements, mudding houses, renting pack animals, house renting, selling natural honey, embroidery, hairdressing, mediation/arbitration, dung selling, selling crop residue, pot maintaining, traditional massage, traditional midwifery, traditional eye medication, money lending, tree felling, firewood selling, Islamic teaching services, priesthood, security services, masonry, brewing local drinks, roof thatching, carpentry, quarrying, *gicha* extraction and *Yarebee* (an agreement by which labour surplus households tend the livestock of other people to share kids or calves equally). According to the survey result, the least reported cases were hide work and masonry, 1 respondent each, followed by ironwork, 4 respondents. Brick making, catering services, and land renting were not reported at all. As shown in Table 4.14, the different income sources of the sample households are clustered into ten main categories. The most important activities next to farming are public works (food for work) and wage income, 'other' type of activities and petty trade in order of their importance.

Table 4.14: percentage distribution of the different Income sources for sample households (multiple responses)

Income sources	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Farming	42	93.33	69	98.57	66	94.28	177	95.67
Petty trade	16	35.55	23	32.85	21	30	60	32.43
Pottery	-		4	5.71	2	2.28	6	3.24
Ironwork	-		4	5.71	-		4	2.16
Public work/wage labour	12	26.67	48	68.57	38	54.28	98	52.97
Hide-work	-		-		1	1.4	1	0.05
Weaving and spinning	2	4.44	18	25.71	-		20	10.81
Remittance, pension payments and gifts	14	31.11	13	18.57	8	11.42	35	18.91
Tailoring	-		-		9	12.85	9	4.87
Others	25	55.5	34	48.57	28	40	87	47.02
Total responses	111	-	213	-	173	-	497	-

Source: Own survey, March 2008

With regard to the environmentally unfriendly natural- resource based activities, Table 4.15 shows that few people of the total sample households reported firewood selling and this activity was observed to be highest in Amya-Mecha (5 respondents) followed by Geshober (3 respondents). In Hara such cases were not reported at all. With regard to full time salary employment on annual basis 8 cases were reported, three priests, two mullah, two guards in a road construction site and one 'supervisor' working as 'forest supervisor' in a nursery.

Table 4.15: Percentage distribution of natural resource based activities and full time non-farm employments

Activity type	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Firewood selling	-	-	5	7.14	3	4.28	8	4.32
Fulltime employment								
Mullah	1	2.22	1	1.42	-	-	2	1.08
Guard	-	-	1	1.42	1	1.42	2	1.08
Priest	-	-	-	-	3	4.28	3	1.62
Forest supervisor	-	-	1	1.42	-	-	1	0.54
Total	1	2.22	8	11.42	7	10	16	8.64

Source: Own survey, March 2008

4.2.1 Off-farm Activities of the study Sites

4.2.1.1 Wage labour employment condition of the study sites

According to focus group informants, engagement in non- and off-farm activities is on the whole seasonal and done on part-time basis. The main cropping season *meher* (summer) is largely dominated by agricultural activities on own farm especially in times of good rains. Non- and off-farm engagements are largely practiced during *belg* (spring) season. As indicated in Table 4.14, 53% of the total surveyed households have earnings from wage labour. However, most of the respondents derived their incomes from public work (safety net programmes).

As was communicated by focus group informants in all of the study sites inter- household or inter-kebele labor employment on contractual, daily or annual basis is very low for seven main reasons.

In the first place there is a culturally determined tendency of 'maintaining your pride in your own village'. People consider it a shame to work for labour demanding households in their locality while the labour hiring household may actually be poorer than the labour surplus.

Secondly, the age-old institutional arrangements of *jigae* and *debo* (both arrangements are a kind of joining hands or pooling labour during peak seasons) still hold importance especially in Amya-Mecha and Geshober while these have greatly declined in Hara.

Thirdly, people rely mainly on family labour for both agricultural and non-agricultural activities. Even though the survey shows that 30% of family members of the surveyed households are below the age of 12, focus group informants suggested that they assist their parents after school hours and during Saturdays and Sundays in weeding, harvesting and cattle tending, activities.

Fourthly, poverty has reduced the social status of many farming households and decapacitated them so badly over the years; most are not in a position that they could afford labour contractual payment for months, let alone for a year. As was outlined by focus group discussions it was customary in the good old days that a relatively better- off farmer could employ at least one person for a year to carry out agricultural activities and at times maid servant for domestic activities. But nowadays such a case is rear to find. It is even unlikely that a husband employees a maid servant for his wife when she gives birth, to allow her take rest at least in her first two post-natal months.

Fifth, even when the traditional arrangements of *jigae* and *debo* could not be relied on, land is not beyond the capacity that family labour could handle. Unless the household members are mostly below 14 years of age or the able bodied ones are sick, family size is almost homogenous; labor is not a problem, if not redundant.

Sixth, agricultural intensification can hardly be imagined because of land shortage and the semi-arid nature of this locality, put aside land renting which can be rarely attempted where opportunities for renting in and renting out are not existing. Land has been divided and re-divided to the extent it spares no option in this regard.

Seventh, urban employment opportunities are very few, Amya- Mecha is one and a half hours walk from the administrative town but there is no labour demand as such from which people can benefit.

The information obtained from focus group informants largely concurs with the survey result. As Table 4.16 indicates, surveyed households were all interviewed whether they employed labor or not on a short-term contractual or annual payment basis in the last 12 months. About 90% of

them confirmed they did not. On the other hand asked if they hired out labor to labour demanding households annually or monthly on contractual or fixed payment basis only 2 respondents reported they did. About 90% of the respondents confirmed that they neither gained from hiring out nor did they provide employment for others on short-term contractual or annual fixed payment basis.

Table 4.16: Household labour hiring conditions by percentage

Status	Hara		Amaya- Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Hire in	9	20	2	2.86	7	10	18	9.73
Hire out	-	-	-	-	2	2.86	2	1.08
Neither of two	36	80	68	97.14	61	87.14	165	89.59
Total	**45**	**1**	**70**	**100**	**70**	**100**	**185**	**100**

Source: Own survey, March 2008

However key informants communicated that few people hire daily labour during peak seasons. Even then, such seasonal labour demand is often met by hiring among seasonal immigrants from Meket and Gidan. As communicated by key informants Hara is better in this regard than the other two, many aspects of its activities are being increasingly monetized.

Petty trade, weaving, local brewing, iron-work, firewood selling or otherwise call them micro-enterprises or public work opportunities, all are single man operations done by a single person except that family members help each other in fanning traditional furnace, spinning thread into strands or loading and unloading donkeys.

Now the real picture is that, these are peasants caught in between or among lack of opportunity, cultural strands, poverty, and opportunities. What an opportunity of wage labour? A safe heaven for many is the cash for work public safety net programme during lean season for which a member of a household works five days per month to claim the entitled budget for the entire household. The direct support safety net programme is also an important source of income for households who cannot supply labour to participate in public work programs.

4.2.1.2 Natural Resource Based Activities

Natural resources are one source of off-farm income for poor people of the study sites. This includes selling wooden farm implements, firewood for fuel consumption, charcoal vending and *gicha* extraction. According to local informants the most poor engage in extracting *gicha* (a root of a grass used for fragrance purposes) and selling wooden farm implements. Firewood selling is however done both by the poor as well as rich people who have pack animals. Some camel owners in Hara, for instance are reported to be supplying fuel wood for sell in the town of Hara itself. Even though the survey result in Table 4.15 shows that only 8 people earned income from firewood selling, according to local informants and field observation a considerable number of people in Amya-Mecha are highly engaged in firewood selling.

Governmental and non-governmental bodies claim to have maintained environmental sustainability as best they could. However it does seem that a lot remains to be done with regard to identifying people engaged in forest based activity and addressing the problem through integrating them at least in the direct safety net participation program. Unless local administration properly addresses the problem this might eventually turn out to be environmentally damaging. The following case is suggestive of the move in Amaya -Mecha. "As a poor man I do not have any option other than selling firewood. They did not allow me to participate in the safety net programme last year because I have an ox and cow. I do not know if the verdict is on me to die of hunger after selling my ox. What use forests are? Parks and gardens become needs when you are filled..." (an informant in Amaya- Mecha).

4.2.2 Non-farm Activities

4.2.2.1 Crafting

As was discovered during field observation and in-depth interviews, crafting in the study sites is largely under taken by birth and still remains to be the work of the minority and an untouched sector both socially and technologically. Despite the age-old importance of blacksmiths in producing, sharpening and repairing farm and kitchen tools they earn derogatory terms for their services. Pottery is a similar business but relatively better in terms of income generation than hide work or ironwork. Many rural households and urban dwellers still utilize traditional pots and pans for baking and cooking. *Mitad* [a large pan for baking the Ethiopian flat cake, *injera*] holds better demand and is sold for better prices than any clay product. But neither of these activities has received any form of technological support. The production is still carried out

traditionally and the work remains very tiring. The survey result (Table 4.14) shows that few households reported that they earn supplementary income from crafting. Ironwork and hide-work are the least reported of the crafting activities. With regard to the demand for their products, Table 4.17 shows that 96.29% of the respondents reported their products have 'average' demand while 3.71% of them said it was 'low'.

Table 4.17: Percentage distribution of demand condition of craft products for reporting Households

Demand condition	Hara		Amaya- Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Average	2	100	22	100	2	66.67	26	96.29
low	-	-	-	-	1	33.33	1	3.71
Total	2	100	22	100	3	100	27	100

Source: Own Survey, March 2008

According to focus group and key informants, weaving, a sector subject to modern textile competition is, in relative terms, the best source of income for craft workers of the study area. The traditional dresses *'netala'* (shawl) for women and *kuta* (similar but double shawl) for men have a fairly good demand among the rural and, to a limited degree, the urban dwellers. For the rural people these are integral parts of the dressing style on market, ritual and ceremonial occasions. A large number of urban dwellers, especially women, do also use them for ritual and ceremonial purposes. In contrast the traditional custom wears for women *kemis* (for the married) and *tiftif* (mostly for the unmarried) have gradually lost their importance and are almost vanishing away. This has become more pronounced in the past twenty or so years. Nylon and polyester garments of attractive colours are now flooding local periodic markets. The hearts of the youth, and even adult women, have been taken away and local values eroded. Moreover, their lightness easily washable and dust enduring character of these garments have given them a considerable edge over the bulky and easily stainable custom dresses. Rural women of this locality have therefore switched to buying foreign garments and get them sewn by local tailors the way it suits them. Though weaving like other crafting activities does seem to be torn between two oppositely working forces, there is a fairly good reason that keeps it alive. This suggests that its contribution to household livelihood security is not negligible. As indicated in Table 4.18 the

survey result indicates that people engaged in crafting have on average obtained 343.03 Birr in the last 12 months. The highest craft engagement was observed in Amaya-Mecha where 26 respondents reported earrings from crafts.

Table 4.18: Total and mean annual income from crafting for reporting households (in Birr)

kebele	Valid N	Sum	Mean
Hara	2	1000.00	500.00
Amaya-Mecha	26	8204.00	315.54
Geshober	3	1430.00	476.67
All sites	31	10634.00	343.00

Source: Own survey, March 2008

Turning to the nature of production of these activities almost all craft workers except few weavers, still use primitive technology to produce their products. All types of activities are single man/woman operations except that a family member assists in spinning cotton into strands to be woven in the case of weaving, and fanning the fire in the furnace in the case of ironwork or supplying water during clay mixing and moulding during pot-making. No employment providing cases or opportunities for relatives or other people were reported at all.

4.2.2.2 Petty Trade

Petty trading is one important source of income for the rural households in the study sites. Focus group informants communicated that there appeared a growing trend of involvement in petty trade especially since 1985 and more significantly after 1991. They attribute it largely to an increase in cost of living in those years and the free movement opportunities after the downfall of *Derg*. Recurrent drought and economic decline have forced people to concede to new trends. In the past, men could hardly allow their wives to be engaged in trading activity. But now both women and men undertake petty trade. The only difference is that cattle trade is totally dominated by men because of the long journey and the tending task it entails. Grain, slat, butter and some factory products such as candy and matches can be traded by both sexes. However, most often women are the ones who generate income from these activities. Few use donkeys many carry on their backs. The past saying, *'engideh chew shicha?'*,[Shall I trade salt here after?], an expression to explain scorns to petty trading activity, does seem to be no more applicable today. There is a growing tendency of combining agriculture and petty trade activities

though this is largely regulated by seasonal opportunities. Petty trade involves people of different background. Some are farmers pushed into it because of declining agriculture. Others are demobilized soldiers or returnees from resettlement programmes.

Key informants suggested that petty trade is not a well-remunerated activity because of the increasing number of participants from time to time. While this seems to be true with Amaya – Mecha, the survey result shows that the other two sites have a relatively good income from petty trade. Table 4.19 indicates that the mean income of Petty traders was 412.5, 296.52, and 629.52 for Hara, Amaya-Mecha, and Geshober respectively.

Table 4.19: Total and mean annual income from petty trade for reporting households (in Birr)

kebele	Valid N	Sum	Mean
Hara	16	6600.00	412.50
Amaya-Mecha	23	6820.00	296.52
Geshober	21	13220.00	629.52
All sites	60	26640.00	444.00

Source: Own survey, March 2008

4.2.2.3 Labour Migration, Remittance and other Income Transfers

Inter- household or intra-district labour hiring condition of the study sites is very low as discussed in section 4.2.1.1 above. When we look at labour migration aspects of the study sites, as shown in Table 4.20, 10.27% of the surveyed households reported that they had a migrant member or two working somewhere in the country while 8.64% of them reported that migrant members were abroad.

Table 4.20: Percentage distribution of migrant member for sample households in the last 12 months

Migration type	Hara		Amya- melha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
In-country	0	0	11	15.71	8	11.42	19	10.27
International	14	31.11	2	2.85	0	0	16	8.64
No migrant member	31	68.89	57	81.43	62	88.57	150	81.08
Total	45	100	70	100	70	100	185	100

Source: Own Survey, March 2008

Interviews with key informants and focus group discussions reveal that it is less likely that rural districts around the study area can have sufficient job opportunities for rural labour during lean seasons except Kobbo and Mersa to a limited degree where land holding is better and where most of the time people from Meket and Gidan work during harvest seasons. It was suggested that very few people, from Gehsober do migrate to Kobbo during peak seasons. But participation in wage employment opportunities in state farm or some other distant areas are said to be almost lacking.

The survey result indicates that peasants of Hara are more attracted in migration than peasants of the other two sites. As Table 4.21 shows, about 88.56% of the respondents reported that the majority of the migrants left home for economic reasons. The reason for migration, measured by the perception of households who experienced it is attributed to food shortage, lack of land and the need for better life, production decline and land shortage being the two most important driving forces.

Table 4.21: Reasons for migration of family members for reporting households

Reasons for migration	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Food shortage	5	35.71	8	61.53	6	75	19	54.28
Lack of land	6	42.85	5	38.46	1	12.5	12	34.28
For better life	3	21.44			1	12.5	4	11.42
Total	14	100	13	100	8	100	35	100

Source: Own survey, March 2008

Remittance and other income transfers are important non-farm income sources of the study area. Rural-rural or urban- rural- transfers (transfers from civil servants, skilled workers and relatives), remittance from non- literate labourers living abroad, gifts, and pension payments was significant in amount. Table 4.22 shows that the highest record for remittance, gift and pension payments is for Hara; on average each recipient household received Birr 6444.85 in the last 12 months. This figure appeared very high because of high amount of international remittance received by some households from migrants living in Saudi Arabia. The corresponding figures were Birr 200.00 and 300.00 for Amaya- Mecha and Geshober respectively.

Table 4.22: Total and mean annual income from remittance, gift, and pension payments, for reporting households in the last 12 months.

kebele	Valid N	Sum	Mean
Hara	14	90200.00	6442.85
Amaya-Mecha	15	3000.00	200.00
Geshober	2	600.00	300.00
All sites	31	93800.00	3025.81

Source: Own survey, March 2008

4.3 Why do Farmers Engage in Non-and Off-farm Activities?

Theoretical issues suggest that diversification into non- and off-farm activities is done to meet economic as well as social objectives (Barrett *et al*, 2001). However, most often one may not be easy to be distinguished from the other.

4.3.1 Economic Objectives

Economic security determines the sustainability of rural household livelihoods. When agriculture fails to feed a family sufficiently, the shortfall has to be met somewhere and somehow. Grain deficit households have to seek a means to compensate the deficit. The most important derive behind engagements in non- and off-farm activities are mainly the need to supplement agricultural income and fulfill home consumption. Table 4.23 indicates that 95.67% of the total respondents spent their additional incomes on food stuffs. About 65% of the respondents suggested additional incomes were also important to cover social expenses; 2% of them reported that they were diversifying for profit and saving while 4% of the respondents reported non-and off-farm incomes were their primary means of living.

Table 4.23: Farmers response on what additional incomes were spent on (multiple responses)

Reasons	Hara		Amya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Spent on food stuff	42	93.33	68	97.15	67	95.14	177	95.67
Cover social expenses	39	86.67	51	72.86	30	42.85	120	64.84
Cover medical and educational expenses	37	82.22	43	61.43	62	88.57	142	76.76
Saving and profit	3	6.67	1	1.43	-		4	2.16
Primary means of livelihood	3	6.67	1	1.43	4	5.71	8	4.32
Total responses	124	100	164	100	163	100	451	100

Source: Own survey, March 2008

4.3.2 Social objectives

Deagrarianization assumes that non-and off-farm engagements have a dissolving effect on the cooperation of decision making at household level as well as on the social cohesion at community level. Focus group discussions and in-depth interviews with key informants clearly suggest that rural households of this study area still strongly adhere to and identify themselves with their local religious and social values. *Maheber, iddir/kirre, senebete, zaweya, dabo* and *jigae* are still important religious and social organizations that organize the social, religious and economic affairs of the communities of the study area. They bring households together to cooperate in carrying out agricultural and social duties. Intra- household co- operations and ties are strong except that men are forced by economic stress and are coming away from the age-old belief that women should remain housewives. Moreover,zar, dua, chale, ziker, remain to be important local religious and social cults of every peasant household depending on one's preference of Patron Saint or religious cult. Household expenditures are guided accordingly, according to economic and social demands.

According to community key informants social expenses are numerous ranging from expenses for *iddr, ,maheber* and *,ziker* through expenses for visiting women upon delivery to expenses for

marriage ceremonies. These are integral parts of the livelihood system to build up a desired social/relational network or social or relational or perhaps psychological strength.

Diversification into non-and off-farm activities can therefore be done to maintain one's social and economic viability or to maintain what authorities on 'sustainable livelihoods' or on 'diversification (Barrett *et al*, 2001; Warren, 2002) would like to call it social identification. The case of Melaku Tefera in Amaya- Mecha supports this argument:

> We are a family of five .We always wanted to live in the village where we grew up. But when the farming failed to sustain my family I was employed by Mersa Agricultural College for Birr 277.00. My family size grew up to five in 2007; my salary grew up to Birr 325.00 in the same year but urban living cost rose beyond our capability in the same year as well. Surprisingly, we were informed that our land was to be given away to a landless youth. We came back to our village, I took up farming and my wife began trading in grain to supplement our agriculture income.

When judged in light of this, the Derg's 'villagization' programme was counter productive, perhaps because people do not want to loose their social fabrics in which they have lived and for which they have paid prices. By the same token they do their best to maintain their identity by diversifying into additional sources of income when the farming fails.

As the survey result indicates in Table 4.23, 64% of the respondents did also respond that incomes from additional activities were important to cover social expenditures to build social and relational capitals.

4.4 Institutional support and non-and off-farm activities

The survey (see Table 4.24) assessment indicates that governmental institutions have done little to assist rural non-and off-farm activities except implementing the public safety net programme.

Labour information and opportunity assessment services are not yet established or assisted to develop. Skill training services lack proper identification of the right target groups. According to key informants of both governmental and non-governmental institutions of the study Woreda, the Woreda Small and Micro Enterprise Development Office, supposed to follow up and assist non-

and off-farm activities is poorly staffed. Woreda Offices in general have more places for appointees than for professionals. Moreover, redundancy of responsibilities and poor horizontal and vertical coordination of activities among institutions, inefficient needs assessment, and excessive political intervention suggest assistance to non-and off-farm activities is done in an awkward and haphazard manner.

If we were to rely on survey results, about 4% of the total sample households reported that they had received assistance from the Woreda Office; while about 11% reported *iqquib* was helpful in providing money when needed.

Table 4.24: Percentage distribution of sample households who reported institutional assistance in undertaking non-and off-farm activities

Supporting institution	**Hara**		**Amya- mecha**		**Ceshober**		**Total**	
	Count	%	Count	%	Count	%	Count	%
Iquibb	2	4.44	11	15.71	8	11.42	21	11.35
Cooperatives	-	-	3	-	-	-	3	1.62
NGOs	-	-	3	4.28	-	-	3	1.62
Woreda office	8	17.17	-	-	-	-	8	4.32
Total	10	22.22	17	24	11	15.71	35	18.19

Source: Own survey, March 2008

However, according to key informants, the Woreda Micro and Small Scale Enterprise Office and Save the Children UK are trying to provide skill training, organizing people on cooperative basis. A case in point is the training given to weavers in 2007. Thirty people were organized to form an association and were given a 45 days training. Looms were bought and distributed to each of them. Even then it was not done with adequate assessment and in away to address the need of target groups and ensure sustainable outcomes.

The training is a good beginning when judged from the point of view of rural technological promotion and assisting a forgotten sector. However, the recruitment, selection and training processes were far from being transparent and participatory. Moreover, the newly bought looms were not bought based on needs and technical assessment. As a result they proofed incompatible with the customary raw materials used for production.

Moreover, as was revealed by focus group discussions and key informants being a member of the ruling party was an advantage to have access to the training. The saddest part of the whole thing however was that the new looms bought for them to carry out their tasks turned out to perform slower than the traditional mechanical ones. The looms do not also take the usual raw materials used by weavers nor are suitable to produce local products, *netela* and *kuta,* which are highly demanded by the people around. Instead they are designed to produce shorts and shirts and to take silk and some other better quality threads whose prices are costly but whose finished products are not as marketable as the traditional ones.

The key insight provided by focus group discussions and community key informants do also suggest that cultural and religious attitudes such as the cast and observance of Saints' Days do also prohibit many people from undertaking non-or off-farm activities.

4.5 Challenges of Non- and Off-Farm Activities

The challenges associated with off-farm and non-farm activities are as diverse as the activities themselves. However, emphasis can be given to one or two major problems.

Lack of credit has been suggested by several researches as a major problem constraining the rural non-farm sector (Carswell, 2000; Yeheys, 2004; Wendeye, 2005). It is undeniable that regional credit services were meant primarily to assist people in increasing agriculture production, the main stay of the economy. As they were organized along the political objective of executing the Agriculture Led Development Industrialization policy it was rarely possible to get credit services from such institutions unless people could buy fertilizers. However, according to key informants this has recently changed and credit and saving associations are made open to other purposes as well. Moreover, the credit package of Federal Safety Net Programme and credit services by some non-governmental organizations such as the World Bank have made options available to people who are interested in debt. In contrast it was suggested that many had consumed the credit they took and failed to repay even a year after the given time frame for repayment.

The challenges of rural non- and off-farm activities identified in this study can be classified into internal and external (exogenous). While the internal challenges have all to do with the nature of

operation, competitions and demands within the activities themselves, the external ones can be attributed to institution and governance as explained in section 4.4.

Key informants suggest that some activities are totally on the verge of extinction for lack of demand. A typical example in this regard is hide-work whose demand has totally declined because farm implements such as the whip are easily made by each peasant household from synthetic fibers of old sacks or from cheaper raw materials such as sisal. Synthetic sacks that are largely adopted with donations have substituted *Akimada,* another leather product, which traditionally was used as sack. Every farmer easily makes leather yoke-pads for oxen and once they are prepared they last for more than ten years. Leather belts have greatly been substituted by much cheaper canvas ones, which many youth are interested in. Sheaths are not so much demanded products; time has disarmed the rural. Little place exists for rural hide work.

Other activities, such as local brewing and weaving, are facing serious problem of price rise of raw materials (inputs) for production. This is mainly true with weaving. Weaver informants of Amya-Mecha were too worried about the recent price increase of *Zaha* (a factory processed cotton thread), the main input for their products. Survey results, as indicated in Table 4.25 do also show that 80% of the respondents reported that price escalation of raw materials is the most serious problem they are faced with.

Table 4.25: Problems of weaving for reporting households

Problems	**Hara**		**Amya - Mecha**		**Total**	
	Count	%	Count	%	Count	%
Price increase of raw materials	2	100	14	77.78	16	80
Low demand	-	-	2	16.11	2	10
Lack of credit	-	-	2	11.11	2	10
Total	2	100	18	100	20	100

Source: Own survey, March 2008

The case with petty trading is a bit different. This activity involves several people ranging from unregistered rural itinerant tradesmen/women who sell a medley of goods in their temporary stalls of village periodic markets to unregistered tax-evading and registered tax paying better-off urban merchants who invade rural markets to maximize their profit as best as they could.

As Table 4.26 shows, one serious problem faced by rural petty traders of the study sites (cited by 53.33% of the respondents) is competition from urban traders. About 21% of the respondents do suggest that cultural attitudes are also impeding factors of involvement in non-and –off-farm activities. Focus group discussions regarding cultural attitudes toward trade revealed a mixed result. On the one hand they agreed that some Muslim families are strict in abiding by the Islamic principle of avoid 'paying and receiving interests'. On the other hand it was also suggested that there is a growing trend of exploitative informal money lending among the Muslims themselves.

Another problem faced by petty traders according to key informants is that local officials prohibit them from operating unless they register and pay taxes are prohibiting them. On every market day, licensed traders inform security men to get rid of unlicensed petty traders complaining that as tax payers they should get the benefits of the activities they are registered for.

Table 4.26: Major problems faced by petty traders for reporting households (%)

Major problems	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
High interests	3	18.75	1	4.35	3	14.9	7	11.67
Urban competition	9	56.25	12	52.17	11	52.38	32	53.33
Cultural attitudes	3	18.75	5	21.74	5	23.1	13	21.67
Others	1	6.25	5	21.74	2	9.52	8	13.33
Total	16	100	23	100	21	100	60	100

Source: Own survey, March 2008

Turning to linkages with other sectors, when judged by their job opportunities, rural non-and off-farm activities are single person operations at times depending on family labour during

production as in the case of pot-making or weaving. Labour cost is not an input. In terms of output, their production is seasonal, satisfying seasonal demands. The biggest purchase that can be made by these activities is perhaps *Zhaa.* Other inputs such as the ones used by tailors are foreign that are bought from wholesaler agents in regional cities such as Dessie. Local inputs used from farms are very minimal.

Natural resource extraction involving activities such as *gicha* collection do not use farm products as inputs. Such an activity is done locally and caters to local users and at times to urban inhabitants who burn it at home to enjoy it instead of incense. Activities like pot making that relies on local clay soils hardly make purchase of agricultural inputs. They do not utilize foreign or domestic factory products either.

Labour is not an operation cost to any of these activities. The same holds true with rent. The premises and the land on which these activities are carried out are private rural roof thatched houses or open workshops near one's house and temporary stalls in periodic markets or in the main town which actors visit them once in a week. No significant capital flows exist between these activities and another body that provides land or premises. Carpet making from woolen products and engagements in butchery and meat roasting were not reported at all. Large proportions of non-and off-farm activities are mainly survival oriented and are hardly expressive of skill progress and development of entrepreneurial skills. Non- and off-farm activities of these study sites are also far from being sufficient means of livelihood for a household to entirely rely on.

The production, consumption and exchange patterns are all seasonal. All individuals identify themselves with farming and they involve in additional activities to supplement their farm income. Entrepreneurial skills are very rare. The aroma of money and the need to increase ones incomes are felt everywhere but the way going about it and the working environment has not yet touched the study area.

Though the concept of 'planning and the future' can hardly be discussed in rural contexts, the time dimension of the rural of this study locality as is elsewhere demands planning but focuses on how to work the land and do non-and off-farm activities without antagonizing oneself with the spirits or religious authorities of one's favour. Observances of Martyrs' and Saints' Days have an impact on work habits. Orthodox Christianity has made many faithful to abstaining from

work up to for over 10 days a month especially in Geshober and Amaya -Mecha. On Saturdays and Sundays no body attempts, even the Muslims.

4.6 Income and Household Livelihoods Security

4.6.1 Income and sources

A) Total Annual Income

Total annual income of the sample households was calculated by summing income obtained from all sources. First cash income of average crop, livestock and livestock products, income from off-farm and non-farm sources were computed for each of the study sites as well as for all of the three sites. Secondly average prices for each livestock and each crop type were derived by dividing the value of each marketed crop and livestock in each of the sites (for the last 12 months before March 2008) by the corresponding quantity for reporting households and then the monetary value of all crop and livestock was summed to obtain the total annual agricultural income of the household without double counting. Table 4.27 shows that the total annual income of the surveyed households was Birr 706, 511- Birr 224,505.00, for Hara, Birr 208,895.8 for Amya-Mecha, and Birr 273,111.00 for Gehsober. Of the total, the contribution of non- and off-farm activities ranges from 2.35% to 45.6%. The highest contribution of off-farm and non-farm activities to the total household income is recorded for Hara. The per capital income of each site as well as all sites combined together was also calculated and found out to be below the national average per capita income.

Table 4.27: the contribution of off-farm and non-farm activities to total household income by site in Birr and percentage

Income sources	Hara		Amaya-Mecha		Geshober		Total	
	Actual Annual income	%	Actual Annual income	%	Actual Annual income	%	Actual Annual Income	%
Crop income	99,045.00	44.12	138,182.50	66.15	174,117.00	63.75	441,344.5	58.22
Livestock income	17,800.00	7.93	21,176.3	10.14	55,362.00	20.27	94,338.3	13.35
Non-farm income	102,390.00	45.61	28,126.00	13.46	20,077.00	7.35	150,593.00	21.32
Off-farm income	5,270.00	2.35	21411.00	10.25	23555.00	8.62	50236.00	7.11
Total income	224,505.00	100.00	208,895.00	100	273,111.00	100	706,511	100.00
*Per capita income	863.48		560.04		793.93		723.14	

*The per capita income was calculated by dividing the total annual income by the total family size for each site and all sites combined together as well.

Of the four different sources of livelihood, gross income from crop production remains the most important source of livelihood for Amaya-Mecha and Gehsober but for Hara non-farm income is the most important one. When combined together crop income remains to be the most important source of livelihood for all study sites. The contribution of crop income is 66.15% in Amya-Mecha, 63.75% in Gehsober and 44.12% in Hara. The next important source of income in the study sites is non-farm income, which accounts for 45.16% of the total income in Hara and 13.46% and 7.35% in Amya-Mecha and Gehsober respectively.

Annual Cash Income of the study Sites

As shown in table 4.27. of the total annual income of all study sites. non-farm income accounts for 21.32%. However, when it comes to total cash income the contribution of non-farm and off-farm activities increases.

Figure 4.1 indicates the percentage distribution of annual cash income in the study area. The total annual cash income of the study sites is Birr 366,148.72. The total annual cash income by source type shows that Birr 82,741.42 (22.60%), 94,338.30 (25.77%), 150,593.00 (41.13%) was accounted by crop, livestock and non-farm sources (petty trade, remittance and other activities) respectively. Off-farm sources account for 38,476.00 (10.50%) of the total annual cash income, of which 9.51% is from public work programme and 1.01% from natural resource based activities. Agricultural cash income accounts 48.37% whilst remittance, gifts and pension payments account for 25.62%. 'Other' types of non-farm activities account 8.23% of the total cash income.

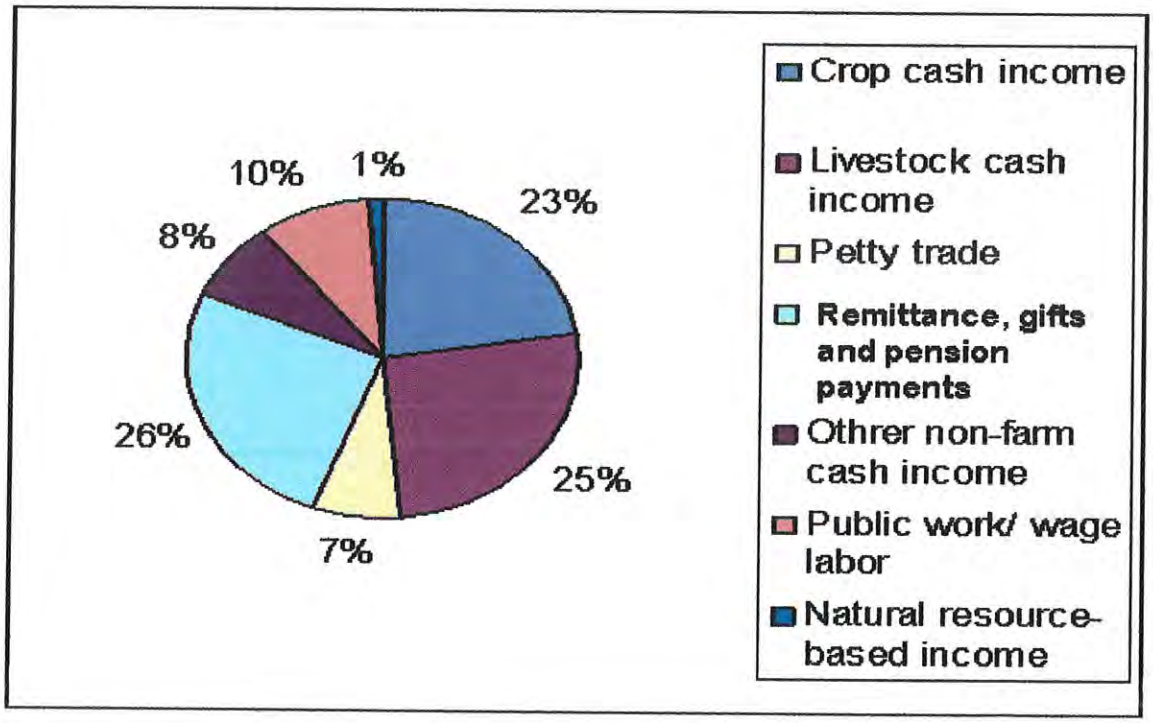


Fig. 4.1: Percentage of total annual cash income of the study sites by source type

Source: Own survey, March 2008

Average Annual Income

Figure 4.2 indicates the percentage and the contribution of mean annual income per household for reporting households. The mean annual income is calculated by dividing the total annual income by the total number of respondents in the study sites. The total mean annual income of each site is Birr 4,989.00 for Hara, 2,984.23 for Amay-Mecha and 3,901.59 for Geshober. The total mean annual income of the study area is Birr 3,818.98 per household. Crop income has the highest contribution, followed by non-farm and livestock incomes, which account 58.22%, 21.32% and 13.85% respectively. In Hara non-farm income has the highest contribution to the total mean annual income followed by crop income, each accounting 2,275.33 (45.61%) and 2,201.00 (44.11%) respectively. However, in Amya-Mecha and Gehsober crop mean annual income contributes the highest, which accounts 1,974.04 (66.15%) and 2,487.39 (63.77) for each respective study site. Table 4.28 shows that in the study sites people derive their annual income mostly from crop production, non-farm activities, and livestock production in order of their importance. Off-farm has the least contribution to the total mean annual income of the study sites compared to others.

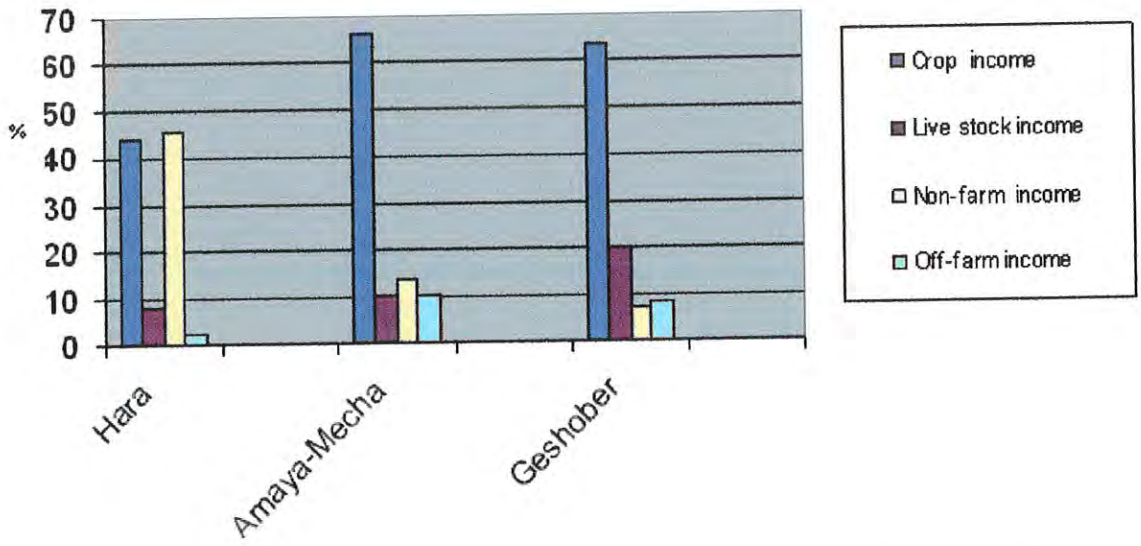


Fig. 4.2: Percentage of average annual income of the study sites by source type

Source: Own survey, March 2008

D) Average Annual Cash Income per Household

The mean annual cash income for reporting households is calculated by dividing the total annual cash income by the total number of respondents for each site as well as all combined together. As shown in Table 4.28 Hara has the highest total mean annual cash income followed by Gehsober and Amya Mehca. The average annual cash income per household of each site is Birr 3,188.81 for Hara, 1,886.20 for Gehsober and 1,294.54 for Amya Mecha. Non-farm cash income has the highest contribution accounting for 71.35%, 31.0% and 15.2 % of each household's income in Hara, Amya-Mecha and Geshober respectively. Next to non-farm cash in come, the second cluster of sources of cash income is livestock, which accounts for 25.77% of the total cash income for all households in the study sites. Crop and off-farm sources contribute 22.60% and 10.50% of the total household mean annual cash income in the study sites.

Table 4.28: Average annual cash income per household by income source

Cash Income sources	Hara		Amaya-Mecha		Geshober		Total	
	Average income	%	Average income	%	Average income	%	Average income	%
Crop	428.22	13.43	355.96	27.50	550.77	29.20	447.25	22.60
Livestock	395.56	12.41	302.52	23.37	790.89	41.93	509.94	25.77
Non-farm	2275.33	71.35	401.80	31.03	286.81	15.21	814.02	41.14
Off-farm	89.70	2.81	234.27	18.10	257.73	13.66	207.98	10.50
Total	3188.81	100	1294.54	100	1886.20	100	1979.18	100

Source: Own survey, March 2008

4.6.2 Wealth and Outcome Trends

4.6.2.1 Years of involvement

Putting aside food aid in kind and seasonality or continuity of involvements, sample households were asked how long they have been practicing their important secondary economic activity next to farming. As Table 4.29 shows the responses range from less than 1 year to 35years. About 30% of the respondents reported that they have practiced them for more than 10 years of which, 11% of them have been practicing for over 15 years. About 31% have been undertaking their secondary activity from 1-5 years while 9% of them reported that it is just below 1 year since they have begun undertaking additional activity other than farming. Forty- eight percent of the respondents reported that they have been practicing for 5 – 15 years.

Table 4.29: Years of involvement for reporting households (%)

Years of involvement	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Less than one year	4	8.8	6	8.57	11	15.7	17	9.18
1 – 5 years	11	24.44	25	35.71	18	25.72	58	31.35
5 – 10 years	10	22.23	21	30	24	34.28	55	29.73
10-15 years	8	17.78	12	17.14	14	20	34	18.38
15 years and above	12	26.67	6	8.6	3	4.28	21	11.36
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

Years of involvement by some of the major secondary activity types are indicated in Table 4:30. According to the responses of the surveyed households major activities which households have been engaged in were clustered into seven major activities.

Table 4.30 Years of involvement for reporting households by major secondary activity type (multiple responses)

Activity type	Less 1 year	1-5years	5-10years	10-15 years	15 years and above	Total
Petty trade	6	6	18	22	8	60
Pottery	-	1	2	1	2	6
Iron-work	-	-	3	1	-	4
Public wage labour	14	47	37	-	-	98
Hide work	-	-	-	-	1	1
Weaving and spinning	-	-	3	10	7	20
Tailoring	1	1	-	4	3	9
Total	21	55	63	38	21	198

Source: Own survey March, 2008

4.6.2.2 Savings

With regard to savings it was also attempted to asses how much saved amount of money each household has. Table 4.31 indicates that only 10.81% of the respondents said they have saved some amount while 89.19% of them said 'no savings'.

Table 4.31: Savings conditions of sample households

Amount saved	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
1000-5000	3	6.67	6	8.57	5	7.14	14	7.57
5000-10000	4	8.89	-		-		4	2.16
10,000-15,000	-		-		1	2.23	1	0.54
15,000 and above	1	2.23	-		-		1	0.54
No savings	37	82.22	64	91.43	64	91.43	165	89.19
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

4.6.2.3 Outcomes and Trends

The contribution made by non- and off-farm activities to household livelihoods cannot be measured in terms of savings conditions. According to focus group discussions, these are localities facing recurrent drought and repeated seasonal income shortfalls. Moreover these are localities where annual production is not sufficient and where households are forced to consume almost all of their annual crop production and cash income. This is almost similar to the survey result regarding households' livestock possession, expenditures, savings and 'livelihood conditions'.

Sample households were asked to make a comparison between years of involvement and years before involvement in non- and off-farm activities. Views about their status since and after involvement reveal that they have benefited from involvement in additional activities. Table 4.32 shows that about 39% of the total respondents reported that their life has 'improved', 43.78% of them it is 'the same', that is to mean no upward improvement has been observed and the rest 17.29% reported that their living condition has 'declined'.

Table 4.32: Perceptions about since and before involvement in non-farm and off-farm activities for reporting households

Livelihood condition	Hara		Amaya-Mecha		Geshober		Total	
	Count	%	Count	%	Count	%	Count	%
Improved	29	64.44	16	22.86	27	38.58	72	38.91
The same	12	26.67	37	52.86	32	45.71	81	43.29
Declined	4	8.88	17	24.29	11	15.71	32	17.29
Total	45	100	70	100	70	100	185	100

Source: Own survey, March 2008

4.6. 3 Non- and Off-farm Incomes and Household Livelihoods Security

A large proportion of the non- and off-farm activities practiced in the study sites are mainly survival oriented. Moreover, they are also far from being sufficient means of livelihood for a household to entirely rely on. As the survey result indicates there is no significant wealth accumulation in the form of cattle or savings. However, the importance of non-and-off-farm activities in the subsistence rural economy of the study area can better be understood in the entire system of ensuring the household's livelihood security in light of social and economic expenditures. As a result, even though the socio-economic impact of non-and off-farm incomes may not be easy to explain, an attempt was made to assess the overall impact of non- and off-farm activities in light of the expenditure of the surveyed households in the last 12 months. As shown in Table 4.33 sample households spent their income on a wide variety of expenditure demands. As an area of food insecurity, one serious problem of people in Gubalafto is seasonal food shortage which most of the time takes place from July to October in time when the b*elg* rains fail and from December to March when the *maher* rains fail. During such occasion incomes from non-and off-farm activities help offset seasonal shortfalls, protect asset depletion and help secure livelihood stability. Even in times of good rains, more than half of the farmers do not produce sufficient enough for annual consumption. Moreover, expenditures on relational and social capitals, health and education as well as payments for agricultural labourers during peak seasons all put together enhance the economic and social viability of rural livelihoods.

As shown in Table 4.33 the sample households' total expenditure was summarized into five major categories-education and health, social (expenditures on *Ziker*, *Maheber, Iddir,* gifts to friends, relations, etc), agricultural (expenditures on seed, fodder, replacing draft power etc), food stuff and 'other' types of expenditures. Of the total expenditures in the last 12 months the expenditure on food and food items, accounted for 32.32%, followed by educational and health 24.12% and agricultural expenditure 21.46% respectively. Social life expenses amounted to 18.2% and 'other' expenditures 3.9%. When compared to other expenditures social life expenses may not be too much but their gains and contribution to household livelihood security are by far greater than others. As explained in the forgone discussion, non - and off-farm activities generated 51.63% of the total annual cash income of the study sites. Therefore, if all households consumed all of their total cash income so would they consume all of the income from non-and off-farm activities.

Table 4.33: Annual expenditures of sample households by site and type of expenditure in the last 12 months in birr and percentage

Type of expenditure	Hara		Amaya-Mecha		Geshober		Total	
	actual	%	actual	%	actual	%	actual	%
Social expenditure	35156.61	25	13320.75	15	16821.15	13	65298.50	18.2
Health and educational expenditure	28125.28	20	22201.25	25	36230.16	28	86556.69	24.12
Agricultural expenditure	35156.6	25	15984.90	18	25878.69	20	77020.19	21.46
Food and food related expenditure	35156.6	25	35522.00	40	45287.70	35	115966.30	32.32
Others	7031.32	5	17776.10	2	5175.74	4	13983.16	3.9
Total	140626.4	100	88805.01	100	129393.43	100	358824.84	100

Source: Own survey, March 2008

Agriculture is the most important activity for peasants of the study sites. However, rural non- and off-farm activities play an important role in providing additional income to rural households. They enhance the security of rural household livelihoods by offsetting critical cash and food deficits. Households facing critical shortage of grain use such income to purchase grain. For the relatively better-off ones, it may be important to spend on clothes, to replace draft power or accumulate wealth in the form of cattle. This is even more important in drought prone areas. Such an income is also important to cover social and religious expenditures meant to strengthen social or relational capitals to maintain ones social identity. Put it differently the subsistence life

of the peasantry is a make up of two absolutely different life aspects that count more or less equal in the questions of household livelihoods security. One aspect of it includes social needs, aspirations motivations and satisfaction that may be clustered as 'social'. Another aspect of their life comprises of nutrition, clothing, asset and whatever that expresses in material forms that in turn may be clustered as 'material'. Therefore the contribution of non- and off- farm activities must be seen in light of ensuring the economic and social viability of rural households.

CHAPTER FIVE

SUMMARY, CONCULSIONS AND RECOMENDATIONS

5.1 Summary

The main objective of this thesis is to describe the character and level of operation as well as the contribution of non-and off-farm activities to household livelihood security in Gubalafto *Woreda.* The subjects of the study were households engaged in additional activities. Primary and secondary data were collected for the purpose of the study using structured and semi-structured survey questionnaires, focus group discussions, key informant in-depth interviews, personal observations and base-line survey of a non-governmental organization. The findings are summarized as follows

Agricultural production in the study sites is mainly rain-fed and subsistence. It depends on traditional varieties of crops and farm technologies. The existing economic pattern have not worked to the betterment of the local economy to enable it withstand bad times. Last year, about 73% of surveyed farmers of Amya-Mecha and of Hara and about 56% of farmers of Geshober did not have adequate production for annual consumption. Until very recently land has been redistributed by local administration to youth heads and has been cleared off and opened up for cultivation. Population pressure, deforestation, and natural disasters have put farming in a precarious situation. Grazing and farming land size is very small in all of the study sites. The average livestock owned by households of the study sites is 2.82 TLUs, 2.07 TLUs and 2.55 TLUs in Hara, Amaya- Mecha and Geshober respectively. The average land holding of the respective sites is 0.79, 0.59, and 0.53 ha.

The Agricultural condition of the study sites suggests that the production system moved to no better position than it had been thousands of years ago. Traditional cattle grazing and raring still define the rural economy of the study area. The plough and the yoke have continued to be farm implements to be relied on without any thing of them being modified. Parental and relational obligations of sharing resources were assisted by polices that affirmed and reaffirmed public ownership of land. Parents continued to share land with their children. When declining land size, recurrent drought, low level of crop and cattle productivity, and rising food and educational expenditures threatened the livelihood system of the study area additional sources of income became important.

Rural non- and off-farm activities of these research sites involve a wide variety of engagements ranging from rustic and traditional mode of production by a single person in the crafting sector, through itinerant traders who carry goods on their back to and from one periodic market to another, to cattle traders engaged in driving cattle on foot for longer range of distance. There are also activities what people would like to call them 'unutterable livelihoods' which include contraband (illegal) movement of fire arms, prostitution, and sorcery etc. The entry requirements range from traditional family based knowledge such as in the case of rendering cultural medical services to an average of 25000.00 Ethiopian Birr, a single case reported by an owner of a flourmill.

When the rural became less and less self-reliant, values of reciprocity showed up from early educated children in the form of urban-rural or rural – rural income transfers to help offset consumption shortfalls. People who lack such opportunity have to resort to selling their labor to labor demanding households by moving out from their beloved localities to compensate seasonal income shortage or else they have to undertake some other additional activities other than farming. It is in this context that rural non- and off-farm activities gained importance with in the age-old livelihood systems of rural populations that greatly identify themselves with agriculture in economic and social terms.

Petty trade in rural areas is largely an unspecialized transaction channel by which farmers are brought into exchanging part of their subsistence product for another or a channel that brings salt, spices, clothes, kerosene and the like goods to their locality, offering little commission for subsistence for the agent that carries it. The actors are people who failed to harvest sufficient means of survival in the farming or at times in the non-farm sector itself, for instance people facing deteriorating urban living conditions.

Higher urban incomes for unskilled workers are not visible in the form of attracting people or did not express themselves in the form of rural-urban transfers from migrants as the survey results of this thesis indicate. Rather few civil servants and uneducated migrants abroad sent relatively large amount of money to their parents. Reciprocity stretched its hands back to the rural.

Crafting is still practiced by people who are entitled by birth. Hide- work is to a large extent on the decline. Weavers and potters still have relatively better demand for their products. Both men and women equally participate in petty trade, public safety net programmes (food- for- work),

firewood selling, merchandise retailing, etc. However, activities that require longer distance of travel such as livestock trading remain in the hands of men. The transaction process in petty trade is highly regulated by seasonal opportunities and periodic markets that come once in a week at one point, or every three days, between two *kebeles* or the main source and destination points.

Turning to the major problems of non-farm activities, high cost of inputs, and slow production process are the major ones in the case of weaving and pot making. Labor employment opportunities are not sufficiently available on a sustainable basis. Firewood sellers complain tight forest protection system but as was seen from field observation it does not appear as much a problem as informants stated it. Forest destruction is attempted to be controlled through the intervention of NGOs and local governance but is still massively carried out especially in the relatively poorer Amaya- Mecha. Almost all types of activities are by and large seasonal supplementary activities. Levels of output in craft production are very low. For instance, two *mitad* (a large clay pan for baking *injera)* by a potter and two *kuta* (shawls) by a weaver are produced in a week. A livestock trader may drive two head of oxen or sheep on average from one periodic market to another or from one periodic market to the main town market in a week. A tailor daily produces at least a dress for a woman or a pair of trousers for a man. All types of non-and off-farm activities are largely seasonal undertakings for two main reasons. For one thing, many people are engaged in farming during the main cropping season and undertake non- and off- farm activities during off-cropping. For another, the demand for textile products of crafting, tailoring, demand for agricultural products and for any other types of products is high in the lean season because it is associated with agricultural income from crop sales and with religious festivals as well as play time such as *timiket* (epiphany) and *ganna* (a cultural play some what similar to a hockey) that come up with demand for new clothing and shoes among the peasantry. Therefore, these are activities characterized by low production; low-income generating capacity and low employment opportunities on a full time basis. Their potential for district wide level of employment is not as such that can be overemphasized

Rural non- and off-farm activities of these research sites are not well directed, assisted and promoted in an integrated and well organized technological dissemination or skill development training system, cooperative based employment creation moves are being attempted by the

Woreda Micro and Small Enterprise Development Office but it is not done based on needs assessment or proper identification of target groups or based on proper investigation of possible opportunities.

Social capitals of the study area are of great value for carrying out agricultural activities during peak seasons especially in Geshober and Amaya –Mecha. The survey result did also show that *iquibb* was some help in helping engagements in non-farm and off-farm activities. There appeared a strong cohesion among communities of the study area, opposed to the deagrarianization theory, which associates diversification with declining social cohesion among household members and among communities.

There is a recent move from governmental and non-governmental organizations to help non-and off-farm activities. However it is not well planned and coordinated. Moreover, at times it involves political mission

5.2 Conclusion

The fact that rural non-and off-farm activities are characterized by low entry requirements meant that a household head can get involved in three or more activities within a month or a year as situations allow. The fact that non- and off-farm activities generate low income, an average of Birr 1085.56 for a household in a year indicates that they are largely supplementary activities rather than accumulation strategies. These are activities being undertaken by people rotating in search of sufficient means of sustainable livelihoods both in economic and /or social terms.

Theoretical issues that associate non-farm and off-farm activities with accumulation or pull factors have not been observed congruent with actual situations on the ground. Non-and off-farm activities of the study area are not positive outcomes of agricultural growth or productivity. Some are age-old practices on the verge of extinction. Some of them, though age old, still make important supplementary income sources. Their local linkages with other sectors is not however something that can be overemphasized. No catering services were reported in the study sites. Local brewing activities are very few mainly because Hara is predominantly Muslim and the other two sites maintain strong community cohesion adhered by the social organizations such as *maheber, senbate,* and *Zikir* where members enjoy local drinks brewing turn by turn and strengthen their social /relational capitals. Few cases of international remittance seem to appear

lucrative especially in Hara however its temporal nature because of high rate of deportation from Saudi Arabia puts its sustainability under question. The age old nature of the activities, their out put and productivity, as well as the poverty status of the agents implies that these are survival strategies more than any thing else.

However, in spite of their low level of operation, their contribution to household livelihood security remains uncontestable and invaluable. Of the total annual cash income of the study sites, 51.63% was derived from non-and –off-farm activities. As survival strategies non- and off-farm activities have enabled peasants to secure their economical and social viability the way they saw it right. Non-and off-farm incomes have helped to offset consumption shortfalls. 'Social identification' a big makeup of the peasantry is also maintained and stability achieved. Covering educational expenses and spending on social networks have a profound impact on the security of rural livelihoods. The average per capita income of the surveyed households is Birr 723.14. Were it not for non- and off-farm incomes, the figures would amount to only Birr 517.59. Thus the role of non- and off- farm activities is not negligible at all.

5.3 Recommendations

Promoting the development of non-and-off-farm activities in rural areas can be of great value to ensure the economic and social viability of rural households on a continuous basis. If this is to be achieved, a number of interrelated policy measures and strategies can be recommended.

- Professional expertise, planning, and organization should be given attention and favorable institutional framework established. The present institutional structure at *Woreda* level should create opportunities for professional assistance to non-and off-farm activities. Promoting non-and off-farm activities need to be guided by long and short-term planning rather than spontaneous political decisions and interventions that eventually end up in being more a failure than a success. Assisting labour movement requires greater effort. Labor market information units at regional and *Woreda* level can help maximize benefits from wage labour. Peace, security, medical, water and shelter facilities in destination areas are also important. However, labour utilization in an integrated and productive manner at national, regional and local level requires much

beyond this. Expanding mechanized agriculture and large and medium scale irrigation projects can provide a considerable job opportunity.

- Identifying target beneficiaries in training and other services should be done on participatory basis and should be directed toward addressing the economically marginalized group such as the landless demobilized soldiers and returnees from resettlement areas. This in turn must be supported by need assessments and has to be received by the beneficiaries if it is intended to bring about a sustainable impact on the livelihoods of the local people.

- Independent cooperative establishment should be encouraged. Cooperative and marketing groups established without adequate assessment and technical support cannot be effective at all. A case-in-point is the recent weavers association in Amaya- Mecha which is now crumbling as members are slightly withdrawing before it is fully established. The right stakeholders should participate in conducting feasibility study. Independent cooperatives can help secure the availability of raw materials at cheaper price and the marketability of products at reasonable price.

- Existing niches to stimulate non-and off-farm activities must be utilized to the fullest. Tourist attraction natural hot-spring and holy water sites which attract relatively large number of people should be made accessible as well as developed into small scale business centers. For instance, local informants suggest that about 7,000 people come to Gala- Gyorgis in two to three weeks times for water healing and make from 3 – 21 days stay. In spite of such an opportunity, however, no catering services are practiced around. Moreover, the site lacks transportation facilities and well constructed road.

- Market assessment and locally compatible technological dissemination need to be given due attention.

- Promoting non-and-off-farm activities assists the continuity of resilience, saves people from falling into complete destitution, and lessens extreme dependence on mixed farming, which is less productive in drought prone localities.

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Appendix- IA

Addis Ababa University, School of Graduate Studies, Department of Regional and Local Development studies

A Survey Questionnaire to gather data on Non-and Off-farm Activities

The purpose of this questionnaire is to gather data for a research for a Master of Arts Degree in Regional and Local Development studies (RLDS). The information you shall provide will be treated as confidential and will be passed on to a third party. Therefore, be as frank as possible in your responses.

I. Socio- economic Situation.

1. Name of household head/respondent _____
2. Age_____
3. Sex A. male B. Female
4. Kebele of Household _____
5. Religion of respondent _____

   A. Orthodox Christianity B. Islam C. Catholicism

   D. Protestantism E. Other
6. Marital status of respondent

   A. Married B. unmarried C. Widow/er

   D. Divorcee/ed E. other, specify
7. Number of household members A. M _____ B. F _____
8. How many are household members below the age of 12?

   A. M _____ B. F _____
9. Which of the following activities were/are you or any member of the household engaged in, in the last 12 months?

   A. petty trade B. wage employment C. blacksmithing

D. pottery E. firewood selling F. oxen renting

G. wood work H. hide work I. charcoal vending

J. other, specify----------

10. How long have you or any member of the household practiced the second most important source of income for the household?

A. below one year B. 1-5 years C. 5-10 years D. 15- 20 years

E. more than 20 years

11. Which of the following organizations or institutions were of some help for you in undertaking additional activities other than farming? (More than one answer is possible.)

A. iddir _____ B. *senbate* _____ C. *iquib* _____

D.cooperatives_____ E. NGOs_____ F. Credit association _____

G. Other, specify _____

12. How helpful the above organizations have been to you in doing off-/non-farm activities?

A. provided low interest credit B. gave interest free money

C. supplied market information

D. others, specify clearly _____

13 What are the major problems you face in carrying out additional activities?

A. lack of credit B. cultural outlook C. lack of manpower

D. other, specify_____

14. Do you or the household have any amount of saved money?

A. Yes B. No

15. If '**Yes**', how much?

A. less than 1000 B. 5000-10,000 C.10, 000-15000

D. if greater than 15,000, specify_____

16. What were incomes obtained from these activities important for? (Multiple answers are possible)

A. Saving B. Covering health and education expenses

C. Supplementing food consumption

D. for reinvestment in agriculture E. cover social expenses

F. other, specify_____

17. Did you hire labour on short term contractual or fixed annual payment basis in the last 12 months?

A. Yes B. No

18. If '**Yes**' to question number '**16**', what for?

A. agricultural activities B. for domestic work

C. for craft production D. other, specify _____

19. If the respondent's answer to question '**17**'is '**Yes**' ,what is the nature of the employment?

A. in kind B. in cash C. other, arrangements, specify _____

20. What does the condition of your livelihood looks like since you have been engaged in undertaking secondary activities?

A. improved B. the same C. declined

II. Agriculture and agricultural Income Related Questions

1. Does the household own land?

A. Yes B. No

2. If '**No**', to question' number '**1**' what is the main source of income for the household?

A. food for work/wage employment B. crafting

C. petty trade D. firewood selling E. other, specify --------

3. If the answer for question number '**1**' is '**Yes**', what is the size of the farm land?

A. in hectare _____ B. or in *timad* _____

4. What is the pattern of the farm location?

A. located in one site B. two plots c. three plots

D. more than three plots

5. Could you tell the fertility nature of your land, please?

A .fertile B. Semi-fertile C. infertile

6. Does the household rare livestock?

A. Yes B. No

7. How much was your agricultural income last year?

A. Income obtained from livestock in the last 12 months

No	Description	Owned by household in number	Sold in number	Income obtained from sales	
				Birr	Cents
1	Oxen				
2	Cows				
3	Heifers				
4	Calves				
5	Sheep				
6	Goats				
7	Pack animals				
8	Chicken				
9	Others				
	Total				

B. Income obtained from crop production last year

Crop type produced in quintal			**Marketed quantity and amount of money obtained**					
			Market ed quantity in quintals		**Money obtained**			
					mahar		***belg***	
	mah ar	***belg***	***mahar***	***belg***	**birr**	**cents**	**birr**	**cents**
teff								
Sorghum								
Maize								
Barely								
Sugar cane								
Chat								
Gesho								
Oil seeds								
Vegetables								
Others								

8. Is the agricultural income enough for the household?

A. Yes B. No

9. If **'No'** to question number **'8'** what are the reasons for its insufficiency? (Multiple answers are possible).

A. Large family size

B. Declining productivity

C. Rising expenditure needs

D. Low price of agricultural products

E. Other, specify

10. What are the main factors for the unproductivity of your land? (Multiple answers are possible).

A. Lack of improved seeds and species

B. High input costs

C. Ageing and Land degradation

D. Rainfall variability

E. Other, specify_____

11. Do you use modern inputs (urea, dap, improved seed, pest side crossbred heifer, etc)?

A. Yes B .No

12. If **'Yes'** to question number **'10',** which of the following inputs did you utilize (multiple answers are possible)?

A. Fertilizers B. pest sides C. crossbred animals D. improved seeds

E. others, specify_____

13. What are the major factors that affect your livestock rearing?

A. lack of grazing land B. Cattle disease C .Lack of improved animal breeds

D. Lack of manpower E. Other factors_____

III. Migration and Remittance Related Questions

1. Did the household have any member living outside the country in the last 12 months?

A. Yes B. No

2. If '**Yes**' to question number '**1**', how many?

i) male----- ii) female---- iii) mention the education level of the migrants--

3. Has the household received any money or good from migrant household member/s in the last 12 months?

A. Yes B. No

4. If **'Yes'** to question number **'3'**, how much money was received (give estimate cash value of goods received in kind)? _____

5. What kind of channel you use for receiving money/ goods sent from abroad?

A. banks B. friends/relations free of charge

C. Informal institutions D. other, specify _____

6. Did the household have any migrant member living in some part of the country in the last 12 months?

A. Yes B. No

7. If the answer to question number **'6'** is **'Yes',** how many?

i) male----- ii) female---- iii) mention the education level of the migrants—

8. Has the household received any money or good from migrant household member/s in the last 12 months?

A. Yes B. No

9. If **'Yes'** to question number **'8'** how much money was received (give estimate cash value of goods received in kind)? _____

IV. Donation, gift, bequest, compensation related questions

1. Has the household obtained income from donation, bequest, compensation, and gift from friends or relatives in the last 12 months?

A. Yes B. No

2. If **'Yes'** to question number **'1',** how much was obtained from any of these (specify the amount)?_____

V. Handicraft Enterprise /Activity and Income Related Questions

1. Did any member of the household involve in any of the following handicraft activities in the last 12 months (weaving, blacksmithing, carpentry, pottery, basketry, embroidery, mat making, hide work, etc)?

a. Yes b. No

2. If **'Yes'** to question number **'1',** what is this activity primarily done for?

A. for profit/surplus and surplus B. for supplementing agricultural income

C. It is the only means of livelihood for the household

D. Other, specify _____

3. Where are your products sold? (Multiple answers are possible)

A. village periodic markets B. In the *Woreda* town

C. on the road side for passengers

D. to retailers who take to some other localities

E. other, specify _____

4. How much did you obtain from the sell of handicraft products in the last 12 months? (Fill out the following table please)

Type of activity	Earnings in birr per month												
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Ap	May	Jun	Jul	Aug	Total
Weaving													
Hide work													
Blacksmithing													
Pottery													
Basketry													
Embroidery													
Mat making													
Carpentry													
Shoe making													
Carpet making													
Others													

5. What is the demand level for your / the household's product or service?

A. Seasonal B. consistent throughout the year

C. Occasional D. Very low

6. What are the primary problems that you face in your engagement (multiple answers are possible)?

A. lack of raw materials

B. low demand

C. poor technology

D. lack of credit

E .lack of manpower

F. social barriers

G. other, specify

7. Which of the following bodies have been of some help to you in your engagements (multiple answers are possible)?

A. NGO B. local institutions C. governmental institutions

D. other, specify _____

8. What kind of help you have been provided from the above institutions?

A. training B. supply of inputs C. marketing products

D. technical or (material) assistance E. others, specify _____

9. How did you acquire your skill to undertake this activity?

A. from family B. from governmental institutions

C. from NGOs D other, specify _____

10. How long have you/any household member been involved in this activity?

A. less than 1 year B. greater than 5 years C. greater than 10 years

D. greater than 15 years

E.1-5 years

VI. Off-farm activity related questions

1. Which of the following activities were you or any member of the household engaged in the last 12 months?

A. firewood selling B. selling wooden farm implements

C. Charcoal vending D. direct safety net participation

E. other, specify-

2. Did you any member of the household work on other's farm /home on a daily basis last year?

a. Yes b. No

3. If '**Yes**' to question number **'2'**, where?

   A. In the same village B. in the same Woreda but another village

   C. outside the Woreda D. daily labour in the Woreda town

   E. others specify _____

4. How much did you get from the following activities in the last 12 months (fill out the following table, please)?

Type of activity	Monthly earnings in birr												
	Sept	Oct.	Nov	Dec	Jan	Feb	March	Apr	May	June	July	August	Total
Direct safety net participation													
Day laboring on agriculture activities													
Charcoal vending													
Firewood selling													
Selling farm implements made of wood													
Quarrying													
Other, specify													

5. How long have you/any household member been involved in this activity?

   A. less than 1 year B. greater than 5 years C. greater than 10 years

   D. greater than 15 years

   E.1-5 years

C. Local institutions (churches, *iddir*, etc)

D. Credit associations/cooperatives E. other, specify _____

8. What kind of support you have received from non governmental or governmental organizations?

A. Training B. credit C. interest free loan

D. market information E. other, specify _____

9. What kind of problem you primarily face in undertaking these activities.

A. financial/credit B. low demand C. tax D. competition from urban traders

E. other, specify clearly _____

10. Could you please indicate the most serious problem you face in undertaking your activities?

A. lack of credit _____ B. low demand_____

C. high input price _____ D. social problem _____

E. lack of labor due to small family size_____ F. tax _____

G. competition from large-scale traders _____

11. How much did you earn from your business/activity in the last 12 months? (Please, fill out the following table).

Type of activity	Months												
	Sept	Oct.	Nov	Dec	Jan	Feb	March	Apr	May	June	July	August	Total
Fruit vending													
Food and local drink vending													
Merchandise retailing													
Flour mils													
Tea service													
Cart service													
Brick-making													
Other													

VIII. Expenditure

Please fill out the following table regarding your Expenditures in the Last 12 months.

Expenditure Type	Expenditure amount	
	Birr	Cents
For medication		
For Education		
For agriculture (seed, fertilizer, draft power, etc)		
Food stuff and related		
Clothing and shoes		
Land use charge		
Transport		
Kerosene		
For social issues (*maheber,ziker,iddir,senbate,zawyya, etc*)		
Others		
Total		

Thank you!

Appendix- I B

Check List of issues for Initiating Focus Group Discussion

1. What are the major problems of farming activities in your locality?
2. What major activities are people doing during off-cropping
3. How much time do people allocate to non-and off-farm activities?
4. What are the problems associated with non- and off-farm activities?
5. Are these activities only local based or do they involve seasonal migration to some other localities? If yes, where? If no why?
6. What are incomes obtained important for?
7. Do these activities embody gender differentiation?
8. How do you explain wealth differentiation in your village or locality?
9. Are labour employment opportunities available in your locality, in the Woreda town, or neighboring Woredas?
10. What kid of institutional support people engaged in additional activities get both from formal and informal institutions?
11. What are the major problems that people face in undertaking additional activities?
12. Do you see any socio-economic differences between households engaged in farming alone and households involved in multiple activities?
13. What social and local institutional influences affect crafting activities?
14. What are the major changes that you have observed in your locality since 1985 (discuss with regard to farm and non-farm activities)?
15. Which of the non- or off-farm activities are better in supplementing agriculture in your locality?
16. Is there a positive way out of poverty through involvements in non-and off-farm activities?
17. What are the major challenges of credit administration? How do credit institutions reach out the community?

Thank you!

Appendix- I C

Key Informant In-depth Interview Guide Questions

1. What activities do prevail in the study area?
2. What are the challenges of non-and off-farm activities?
3. Do governmental and non-governmental organizations support non-and off-farm activities?
4. Which activities are most remunerative?
5. What cultural attitudes do affect operations of non-0and off-farm activities?
6. What kind of support do governmental institutions give to stimulate or assist the non-farm and off-farm activities?
7. What are the major challenges of credit administration? How do credit institutions reach out the community?
8. What are the major challenges of crafting, petty trade, wage labour employments in the study area?
9. Is there a positive way out of poverty through involvements in non-and off-farm activities?

Thank you!

List of Key Informants

Ato Achenef Sisay -	an elderly person in Geshober with over 20 years of experience in petty trade
Woizero Alem- Tsehay Molla -	Expert working for Woreda Agriculture and Rural Development Office
Ato Ali Mohammed -	A retired soldier in Hara
Woizeret Aregash Tekle-	DA in Amaya –Mecha kebele
Ato Assaye Legesse	Kebele Administrator Amaya-Mecha
Woizero Bayuish Teferae	A crafts woman in Amaya-Mecha
Ato Belay Tefere	A masoner in Geshober
Ato Bihon Ayalew	Kebele Administrator Geshober
Ato Demile Zele-	DA in Amaya –Mecha kebele
Ato Mohammed Gafew	A notable community member and petty trader in Hara
Ato Mohammed Kebede	Expert Working for Save the Childr UK North Wollo Branch Office
Ato Tekuare Adem -	A notable Community member and petty trader in Hara
Ato Teshome Aragaw	General Manager the town of Hara
Ato Tewodros Addisu-	Expert working for Woreda Administration
Ato Tilahun Molla-	Head of Woreda Micro and Small Scale Entrprise Development Office

Declaration

This thesis is my original work and has not been presented for a degree in any other university and that all sources of materials used for this thesis have been duly acknowledged.

Gessese Kune Shiferaw

This thesis is submitted for examination with my approval as an advisor of the candidate.

21/07/08

Ignatious Mberengwa (Ph. D)