

rural livelihoods

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Does community participation exacerbate inequalities?

Development programmes across the world have adopted participatory approaches by involving local communities, particularly in water management, to boost efficiency and equity. Are the benefits of community involvement overstated?

A case study from Tanzania illustrates some of the contradictions in community management of water governance. Many donors and governments see participatory approaches as ways to ensure sustainability. They argue that community involvement and ownership of projects ensures greater success rates and improves the situation of excluded groups such as women and poor people.

Participatory approaches are popular in the water sector and range from consultations to collective management of projects and service delivery by local people.

There are concerns, however, that instead of making basic needs available to all, community participation may exacerbate inequalities. Doubts have also been raised concerning the ability

of communities to manage such projects. A series of papers from the University of Bradford, UK, examine the outcomes of community participation in a village water supply project in Uchira, Tanzania.

Government approaches towards water management in Tanzania have followed international development trends. The Uchira Water User's Association (UWUA), supported by GTZ, the German development agency, is a high-profile example of community participation.

The research brings to light, however, several contradictions in the idea of community ownership and participation:

- Individual participation is influenced by many factors – age, gender, wealth and so on. The poorest may therefore find it difficult to participate.
- Community ownership is hard to define or achieve. In Uchira, it was largely the village elite who controlled the water project.
- Community ownership vs professionalism: the project gradually took on a more professional aspect, focusing on rules that may have reduced the flexibility and suitability of local arrangements.

- Sustainability vs equity: water charges were seen as necessary for sustainability but providing water as a basic need, especially to the poorest people, was not considered.
- Local governance vs external intervention: the development of UWUA was guided in part by GTZ so that those connected with GTZ came to represent the community whilst the democratically elected village government was neglected.

The findings challenge the idea that local institutions are more effective. Even with

rules in place to encourage participation, elite interests can predominate. The success in Uchira was due more to the formal approach and the dominance of certain individuals and external agents.

The authors call for recognition of the limitations of 'bottom-up' approaches

without rejecting their potential to increase participation. The tensions could be addressed by:

- ensuring an adequate legal and policy framework of rights
- ensuring real commitment from implementing agencies to reach poor people
- strengthening legitimate local authorities
- enabling the most marginalised people to negotiate their rights and access
- reassessing the role of the state in ensuring equal access to basic needs and in certain contexts a more active role may be needed
- conducting research on how to achieve equal access, the best options for the poorest people (special protection, for example, through subsidies or participation) and the role of community-based workers as locals and professionals.

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The Evolution of Community Water Governance in Uchira, Tanzania: the Implications for Equality of Access, Sustainability and Effectiveness, Natural Resources Forum, by Frances Cleaver and Anna Toner, 2006

Instead of making basic needs such as water available to all, community participation may exacerbate existing inequalities. Doubts have also been raised concerning the ability of communities to manage such projects



What brings rural migrants to coastal areas of China?

It is a popular notion that China has an unlimited labour supply. Coastal cities, however, suffer labour shortages as rural migrants go elsewhere. The opinions of migrant workers have received less attention than those of employers and local government officials. Why do they leave home? What influences their decisions on where to go?

A pilot study conducted by Cardiff University in the UK sought to answer these questions. Institutional barriers such as the Hukou system still exist, dividing the Chinese into urban and rural residents and discriminating against rural migrants – treating them as second-class citizens.

The study focused on the motivation, experience and planning aspects of rural migrant workers. A survey of over 200 workers in a foreign direct investment company in Shenzhen provided useful information; researchers examined the impact of local demographic and economic factors on labour supply as well as the needs, dynamics and planning of migrant workers.

Migrant workers are scattered all over rural China, particularly in populous, poor and agriculture-dominant inland counties.

Despite the shortage of workers, neither local governments nor private organisations have helped potential rural migrants work in coastal areas.

The research also found that:

- Before migrating to coastal areas, about two thirds of respondents had worked in home towns or cities.
- Curiosity and career progression were listed as primary factors (70 percent and 62 percent respectively) encouraging workers to migrate. This suggests migration to coastal areas is a means to further their careers by gaining new knowledge, experience and skills for better jobs.
- Better wages are seen as being important as current wages are less than expected. Other needs include job security, welfare benefits, social security and so on.
- Almost two-thirds of respondents sought legal assistance to protect their rights, to lobby for the removal of urban barriers to rural migration and to make their voices public. This reflects increasing awareness and political participation amongst rural migrants against urban bias and discrimination.

With help from government and non-government organisations, social networks can help rural migrants achieve their career objectives. But social networks can also limit workers' mobility by

Migrant workers are scattered in rural China and in particular in populous, poor and agriculture dominant counties in inland China. Despite the shortage of workers neither local governments nor private organisations have helped rural migrants work in coastal areas

confining them to a city rather than helping them move across coastal regions. The rural–urban divide is a major barrier for rural and urban development. Implications from this research, which might help to change this, include:

- The shortage of rural migrant workers would be a good opportunity for the Chinese government to remove the outdated Hukou system and urban bias against rural migrants.
- Although rural migration to coastal areas is driven by many factors, career development seems to be a key objective. Increasing workers' pay may not be enough to cope with current shortages of rural migrant workers.
- Rural migrant worker shortages in coastal areas require central and local governments to provide more resources and support for skills training and to guide migration in inland China.

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Shortage of Migratory Labour in China? A pilot study on the 'career development' of migrant workers in an FDI company in Shenzhen, a paper presented at the RGS-IBG Annual Conference, 2005, London, by Bin Wu, Ralph Fevre and Kelly Ke (PDF)
www.soton.ac.uk/~sh1/index_files/IBG/Rural%20Migrants%20Bin%20Wu.pdf

Removing barriers to rural–urban trade

Trade between rural and urban areas in poor countries is important for economic growth and poverty reduction. But several barriers prevent rural–urban market links from working properly. If these barriers are removed, trade will increase and the cost of goods will go down.

Research from the International Food Policy Research Institute, USA, identifies the barriers to trade between rural and urban areas within poor countries and looks at ways to reduce them. The research examines factors that affect the nature and size of transfer costs in Indonesia, Ethiopia, Kenya, Bangladesh and Peru.

People face numerous transfer costs when moving goods from one region to another. These include:

- lack of information, for instance about prices being charged in other markets
- transport and communication costs (such as poor quality rural roads and telephone networks)
- taxes, tariffs on inter-regional trade and other inappropriate government regulations – in Ethiopia, local and regional

taxes on the grain trade constrain to inter-regional trade

- the time cost of doing business
- social barriers such as ethnicity, race, culture and language – ethnic discrimination in Peru reduces indigenous people's access to education, credit and jobs.

A number of initiatives can help reduce transfer costs, however. The researchers find that:

- Supermarkets can help small rural producers overcome information problems and connect them to urban consumers. In Indonesia, new trading relationships governed by supermarkets provide farmers with information on the type and quality of goods urban consumers demand.
- Cooperatives help small producers

Rural-urban links are becoming more important as society changes. For instance, as more people move from rural areas to towns and cities, rural-urban trade is essential for supplying food to urban areas

overcome a range of difficulties and sell to urban markets. In Ethiopia and Kenya, dairy cooperatives help small producers by sharing costs and information, providing a

guaranteed outlet for their milk production and increasing their bargaining power.

- Telephones make communication between rural and urban areas faster, cheaper and easier. In Bangladesh and Peru investment in rural telecommunications has helped break

rural communities' isolation and connect them to urban areas.

Rural–urban links are becoming more important as society changes. For instance, as more people move from rural areas to towns and cities, rural–urban trade is essential for supplying food to urban areas.

The researchers conclude that transfer costs can be reduced and links between rural and urban areas strengthened by:

- reforming market institutions such as the relations between buyers and sellers, and the rules that govern markets
- improving communications, particularly road and telephone connections, both in rural areas and between rural and urban areas
- new types of partnerships – for example between business and non-governmental organisations, and between government and the private sector – which can increase investment in infrastructure.

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Market Institutions: Enhancing the Value of Rural-Urban Links, FCND Discussion Paper 195/ MTID Discussion Paper 89, International Food Policy Research Institute: Washington, by Shyamal Chowdhury, Asfaw Negassa and Maximo Torero, 2005 (PDF)
www.ifpri.org/divs/fcnd/dp/papers/fcndp195.pdf

Valuing rural travellers' time savings

In the economic analysis of transport projects in developed countries, great importance is given to 'value of time' savings, that is, how much travel time is saved. In developing countries, however, the practice is much less common, especially for rural projects. This biases investment decisions in favour of urban and inter-urban projects, particularly those that do consider time savings.

Few studies have tested how applicable conventional approaches are for estimating the value of rural travel time savings in developing countries. This is partly because of the low priority routinely given to rural people's time savings. Two research projects undertaken by IT Transport in Bangladesh, Ghana and Tanzania assessed how far it is possible to determine value of time savings in rural settings.

To test rural time values, the projects applied standard methods used in developed countries. They tested different preference methods, which look at the trade-off that travellers make between time spent travelling and money saved. The 'Revealed Preference' method is based on actual transportation mode choices made by travellers. 'Stated Preference' gives respondents hypothetical transport choices and asks them to state their preference from the given options.

While Revealed Preference is considered

more reliable in developed countries, this was not the case in these studies. This is because the transport options available to rural travellers are very limited and unreliable. Stated Preference, however, produced robust and plausible results in all three countries. The studies showed:

- Rural travellers do not distinguish between the value of 'essential' and social/leisure travel time, because leisure trips can be important for cultivating social capital.
- Valuing children's travel time is important because of the trade-off between children's economic contribution to households and school attendance.
- Women's value of time rates appear lower than men's but this may be because of cultural reasons.
- Average in-vehicle travel time saving values were estimated at 64 percent of the wage rate in Ghana, 49 percent in Tanzania and 51 percent in Bangladesh.

Estimating value of time savings in rural communities in developing countries is a valid exercise that should be included in transport planning appraisals. Ideally, context-specific research should be conducted in every country. However, the study results provide empirical justification for including time saving values in project appraisal in other countries and broad estimates that can be used where local studies are not feasible. In addition:

- The Stated Preference technique to estimate 'willingness to pay' for time savings is applicable across poor rural communities in developing countries.
- To use preference ranking approaches effectively and correctly interpret results, it is essential to develop a thorough understanding of local means of livelihood, the role of transport in the people's



A woman struggles with a load along a rural road in Ethiopia. Women often carry such loads, as other forms of transport are unavailable or unaffordable.
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economic and social lives, the balance of decision-making and financial powers between genders within households and travelling habits.

- Value of time savings studies do not have to be confined to transport projects. They are also important for other infrastructure investments such as markets, post-harvest production facilities and water pumps, where travel and waiting time savings may be a major benefit to users.

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How to Manual: The Valuation of Rural Travel Time Savings in Least Developed Countries, IT Transport Ltd, by Marcus Wattam, Rachel Flanary and Farhad Ahmed (IT Transport Ltd), Kirit Vaidya (Aston Business School, Aston University), and Mark Wardman (Institute for Transport Studies, University of Leeds), July 2005 (PDF)
www.ittransport.co.uk/documents/R8307%20VoT%20Manual%20Final%20July%202005.pdf

Helping to light up Africa

Africa produces seven percent of the world's commercial energy but consumes only three percent. Only 23 percent of people in sub-Saharan Africa have access to electricity. In rural areas 92 percent of the population live without electricity.

A study from Practical Action, UK, asserts that this lack of access to energy is significantly contributing to poverty. It looks at two recent proposals for African development, the New Economic Partnership for Africa (NEPAD) and the Commission for Africa, to review how the energy problem is being treated. It also considers the current and potential role of the European Union in addressing the issue.

Efforts to find appropriate solutions are hindered by lack of attention at national policy levels. It is often difficult and expensive for conventional grid and fuel distribution networks to reach remote areas. In urban areas, few utilities and fuel suppliers will supply to informal, and often illegal, settlements.

International development aid for energy projects is minimal and tends to focus on large-scale electricity supply at national or

regional level, or on the export of energy resources. There is almost no focus on delivering energy services to poor people in rural and urban areas. NEPAD and the Commission for Africa focus on financing large-scale power plants. Energy has accounted for less than five percent of European aid since 1990, most of which has been for large-scale infrastructure.

One new opportunity is the proposed ACP-EU Energy Facility. This would provide 250 million euros for African, Caribbean, and Pacific (APC) countries to focus more on the energy and poverty agenda. The fund will support rural electrification, decentralised energy systems, increased use of renewable energy and enhanced energy efficiency.

In helping to meet needs, however, policymakers and donors must consider:

- **Affordability:** the cost of energy has a significant impact on economic activities, especially at household level.
- **Accessibility:** access to energy and energy services should be improved at both household level and nationally.
- **Availability:** Africa has a wealth of under-exploited energy sources including oil, natural gas, and coal. There is also great potential for renewable energy – geothermal, hydro, wind power, solar.
- **Sustainability:** there is no single solution suitable for all areas and conditions, so there must be a mixture of appropriate

interventions at national, local, and household levels.

African countries need great investment in their energy sectors to meet basic energy needs. While there is a need to invest in large-scale infrastructure across the continent, it is also essential that modern energy is made available to everyone.

Funding to the energy sector must:

- reduce the overall reliance on biomass (plant materials and animal waste) through improved biomass technologies and improved rural access to commercial liquid and gaseous fuels
- promote sustainable forestry as a fuel source to the poorest and most isolated families
- integrate advances in energy with other aspects of rural development
- involve poor people in making decisions about how and where aid money for infrastructure is spent
- consider the contribution energy services can make to poverty reduction.

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Africa – left in the dark? Energising Poverty Reduction in Africa, Practical Action, 2006 (PDF)
www.practicalaction.org/docs/advocacy/africa_left_in_the_dark_screen.pdf

Vietnam's Red River Delta

Different paths to development

Since the 1986 reforms, Vietnam has reduced poverty, mostly by redistributing land to rural people. Further growth will depend on creating new jobs and integrating agriculture into the market economy. The Red River Delta is a successful example.

Despite significant poverty reduction, high population growth and limited availability of land mean that the agricultural sector cannot completely support the country's labour force. The government's Comprehensive Poverty Reduction and Growth Strategy acknowledges that as Vietnam's economic base moves from agriculture into manufacturing and services, links between rural and urban areas need strengthening to balance regional economic growth and poverty reduction.

Vietnam's Red River Delta is being transformed as its economic base moves from subsistence farming to intensive, high-value food production for export and local urban markets, and non-farm employment.

A paper from the International Institute for Environment and Development in the UK, describes the changing livelihoods of two villages in Ha Nam province, near Hanoi, representing two different paths to economic development.

Nhat relies primarily on varied and intensive agriculture and non-farm activities. The latter include handicraft production and seasonal migration or farm-related occupations such as providing agricultural services. Non-farm income is a crucial source of cash for investment in agriculture at the household level.

Ngoc Dong, on the other hand, has moved out of agriculture and is almost exclusively involved in producing handicrafts. Key findings include:

- Economic development in both villages is linked to their access to markets, including proximity to local urban centres and Hanoi, an improved road and transport system and excellent communications system.
- Both villages have developed good links related to their areas of production: rattan and bamboo suppliers support the handicraft industry in Ngoc Dong while agricultural service suppliers support agriculture in Nhat.
- Local authorities play a key role in supporting local economic development by providing infrastructure, training for handicraft production, and supplies for farmers.
- Migration is significant: in Nhat, migration is three times that of Ngoc Dong as many workers have to move away, usually returning seasonally to work in farming. Migrants from Ngoc Dong, not bound by farming seasons, tend to move further away and for longer periods.

The two villages represent different, yet fairly typical pathways to local economic development. The 'agricultural' village,

Nhat, shows how income diversification can strengthen the agricultural sector. Ngoc Dong, on the other hand, has taken advantage of trade liberalisation and access to global markets.

Researchers found that stable long-term economic growth and poverty reduction in the Red River Delta will depend on the government strengthening rural-urban links by:

- adopting regulations on land use allowing farmers to respond better to urban demand for high-value produce
- addressing the needs of handicraft enterprises more clearly in policies for rural industrialisation
- supporting the role of seasonal migration in rural local economic development
- addressing the changing planning and natural resource management needs of urbanising villages
- strengthening the connection between rural producers and urban consumers
- supporting the links between the agricultural and manufacturing sectors, especially food processing and production of agricultural inputs.

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Livelihood Diversification and Rural-Urban Linkages in Vietnam's Red River Delta, Working Paper 11, Rural-Urban Interactions and Livelihood Strategies Series, IIED: London, by Hoang Xuan Thanh, Dang Nguyen Anh and Cecilia Tacoli, 2005 (PDF)

www.iied.org/pubs/pdf/full/9518IIED.pdf

useful websites

CHF – Partners in Rural Development
www.chf-partners.ca/index1.htm

IFPRI – Markets, Trade and Institutions
www.ifpri.org/divs/mtid/mtires.asp

International Institute for Environment and Development
Rural-Urban Linkages
www.iied.org/HS/themes/ru.html

I T Transport Limited
www.ittransport.co.uk

Livelihoods and Poverty Research Group
www.bradford.ac.uk/acad/bcid/research/poverty

Livelihoods Connect
www.livelihoods.org

Overseas Development Institute Rural Policy and Governance
www.odi.org.uk/rpeg

Practical Action
www.practicalaction.org

Sustainable-Livelihoods.Com
<http://sustainable-livelihoods.com>

Transport for rural development
www.animaltraction.com/1_eng_intro.htm

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