

**NRI Report No: 2661**

**Rural Non-Farm Economy**

**Access to Rural Non-farm Livelihoods:  
Report on Household Interviews in  
Rakai and Kumi Districts, Uganda**

by

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*The views expressed in this document are solely those of the author  
and not necessarily those of DFID or the World Bank*



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## EXECUTIVE SUMMARY

Following an initial phase of qualitative work on the nature and role of, and constraints to the local Rural Non-Farm Economy (RNFE) at the village and household level in two study districts, Rakai and Kumi, it was felt that there was a need for further, more quantitative work to increase the breadth of understanding. Therefore, under the direction of the author, locally based research assistants in two study villages in each district undertook programmes of household level semi-structured interviews in December 2000 and January 2001. Eighty-two interviews were completed.

Most, but not all, of the households sampled were headed by men, with a higher incidence of female headed households encountered in Rakai than in Kumi (36 vs. 15% of the sample). Almost all (98%) of the households sampled engaged in agriculture, either on their own land, or for others, and most (69%) grew crops for sale as well as for home consumption. Overall, 55% of the households sampled also undertook non-farm (non-primary production) Income Generating Activities (IGAs), although participation rates varied widely amongst the four study villages (from 17 to 88% of the sample). The types of non-farm IGAs, their profitability, and the types of households which undertook them also varied by site.

Byakabanda Village in Rakai District is characterised by its profitable farming system (coffee and bananas), proximity to Rakai Town, the seat of the District Administration, good road access, and relatively high level of NGO activity. It is primarily an agricultural village, but at a fork in the main road, there are about 25 shops and businesses. Most households are Baganda, and most consider the village “home”, but a quarter had relocated there in recent years for business purposes – such households tend to be younger, and better educated than the mean. The sample of households was diverse, and complex. At the lower end of the socio-economic spectrum are individuals and households without land, or under stress, who depend on paid farm labour or other low paying waged work, such as bar work. Just above them are a group which typically undertakes relatively low barrier non-farm IGAs, such as basket and mat weaving, fish trading, or pork butchery, as well as growing crops for consumption and sale, although a third of these depend entirely on the sale of crops. Above them is a larger group, which is split evenly between those who depend entirely on farm incomes, including those from animal production, and those who depend on typically “medium” barrier non-farm IGAs, such as large scale brewing, or hairdressing, as well as the sale of crops – the latter group includes many female headed households. Finally, above them, and quite distinct, is a group which depends on higher barrier, but also much higher profit non-farm IGAs, such as shopkeeping, large scale second-hand clothes trading, building and carpentry, and salaried work as government employees. These households sometimes undertake more than one of these, but also generate relatively high incomes from farming – within this income band, it is also possible to specialise in farming, although this is less common.

Kitambuza Village in Rakai District is characterised by a moderately profitable farming system (annual crops), relative distance from the District Headquarters, but close proximity to a relatively large trading centre, and lack of direct road access, or NGO activity. It is primarily an agricultural village, with people relying primarily on the many shops and business in the nearby trading centre. The majority of households are Banyankole, although there is an important Baganda minority, and most have moved to the village from elsewhere, most commonly in search of land for farming, but also, for women, for personal reasons (in some cases to marry, in others to escape from unsatisfactory marriages). As in Byakabanda,

at the lower end of the socio-economic spectrum are individuals and households without land, who depend on paid farm labour, or with land to grow crops for consumption, but without the ability to generate more than a token income, for example, due to old age. Above them are households which earn some, but relatively little income from farming, but do not undertake any non-farm IGAs, in contrast to their analogues in Byakabanda, who, in a much more lucrative agricultural system, are able to generate more from farming, but in a generally more prosperous local environment (better markets/higher purchasing power) are also able to generate even more, even from relatively low barrier, low profit non-farm IGAs, by selling goods and services locally. Above these is a middle group of households which *all* undertake non-farm IGAs, as well as generating income from farming, in contrast to Byakabanda, where households in the middle group were evenly divided between those who did and did not engage in non-farm IGAs. These households' incomes from farming are typically in excess of those of the group below them, but their incomes from non-farm sources are typically several times that. However, the non-farm IGAs which are undertaken by this middle income group tend to be much less profitable in this more rural environment, than in Byakabanda, and it was clear that *combining more than one* is important in generating this level of income, for example, by selling cooked snack foods and running a very small shop/kiosk, particularly to female headed households. Finally, above them are a small number of households which are much more well-off, and for whom the main sources of income are profitable farm enterprises, including livestock – from this, one has diversified into shopkeeping in the nearby trading centre, but the main interest is typically still in farming.

Ariet Village in Kumi District is characterised by the continued threat of cattle raiding, particularly low and unreliable rainfall, leading to food security problems, lack of direct road access and public transport, distance from a relatively large trading centre, and the role of fishing in livelihoods and survival strategies. It is primarily an agricultural village, with more emphasis on animal production than in Rakai – overall, incomes from the sale of crops are less than in Rakai, but when incomes from animal production are included, total farm incomes fall between those recorded in Kitambuza and Byakabanda. For households near the lake, fishing is also important, either as the owner of a net who employs others, or as a hired worker, or, for the elderly, particularly widows, by catching small fish in the shallows with baskets. Over the past three to four years a small number of businesses have started up, forming a “mini” trading centre at the boundary with the next village, and there are plans to restart the weekly market, which was abandoned during the period of insecurity in the region. The majority of households are Iteso, and most consider the village “home” – the few recent arrivals have come in search of land, or to open a business in an open market. The sample of households was diverse and complex. At the lower end of the socio-economic spectrum are the households of the elderly – in some cases, they are able to grow a little food for consumption, but in others, even this is not possible, and none are able to undertake paid farm labour. They survive from day to day on the income generated from the sale of poultry products, or collecting small fish, or a range of very low barrier, but very low profit non-farm IGAs such as braiding sisal ropes, mending fishing nets, or blacksmithing – activities which typically pay less than labouring, and are often undertaken on an *ad hoc* basis. Above them is a group which was not well sampled, but is known to comprise of households which grow their own crops for consumption, but who labour for others for income. Above them is a diverse group of households which typically grow their own crops for consumption, with a small amount for sale, often using labourers – at the upper end of the range, they may also have a milk cow, which generates income daily. This group typically does not include fishermen, but farm incomes are often supplemented by brewing, or other medium barrier,

medium profit activities, such as carpentry, or large scale provision of spirits, with the relative contribution of farm and non-farm incomes varying considerably. Between this group and the next are a small number of households with relatively high incomes, which place them above this lower group, but without the assets, specifically cattle, which would place them securely in the upper group. These households farm, and perhaps raise poultry, but on no larger a scale than the rest of the group below them, but unlike the group below them, they also undertake fishing, or a profitable non-farm IGA, such as fish trading, or running a restaurant – in many cases it is the wife who has diversified into these activities. Finally, above them are households with assets, i.e., cattle. They typically generate only a relatively small amount of income from the sale of crops, but, earn substantial amounts, daily, from the sale of milk – half also receive a daily income from fishing, which is, again, substantial, and half also undertake a non-farm IGA, such as manufacturing bricks, or providing traditional medical services, which are highly profitable, but which require considerable capital investment and/or specialised training. However, half do not undertake non-farm IGAs, or limit them to small scale brewing by the wife, retaining a focus on primary production activities.

Oladot Village in Kumi District is characterised by relative security (in the regional context), somewhat more reliable rainfall (again, in the regional context), good road access and public transport, and proximity to a relatively large trading centre. It is primarily an agricultural village, although, again, with more emphasis on animal production than in Rakai, although fewer households than in Ariet had been able to acquire cattle since the period of insurgency in the region, and farm incomes are generally low. Over the past two years a small number of business have started up, forming a “mini” trading centre at the boundary with the next village, but people still rely primarily on the many shops and businesses in the nearby trading centre. All of households sampled are Iteso, and all considered the village “home”. As elsewhere, at the lower end of the socio-economic spectrum are the households of those who are unable even to grow their own food, the old, and the landless, who labour for others if they are able, or survive through begging. Above them, is a relatively large group which farm their own land for crops for consumption, but are unable to grow crops for sale, either because of lack of sufficient land, or because of lack of oxen to plough, or because of lack of money for inputs, and so who, for the most part, generate a little cash income from labouring. Above them is another relatively large group which is able to generate at least a little income from the sale of crops, and who thus do not need to labour for others – however, in this sample, none used paid farm labour. Of this group, half undertake another IGA as well as farming, either non-farm, such as brewing (most commonly), or selling second hand clothes, or running a restaurant, or, in one case, rearing pigs. As incomes from the sale of crops are small, these other sources of income are typically larger, but none of the households involved appeared to be well-off, or to own assets such as cattle. In contrast to the other study sites, this sample did not include any households from a “well-off” group, although there are a small number present. Differences between Oladot and Ariet were hypothesised to result, at least in part, from the opportunity to earn income quickly from fishing in Ariet, allowing for greater ease in recovering from shocks such as cattle raiding or crop failure, as well as more opportunities to undertake non-farm IGAs in a (slightly) more buoyant market.

Access to profitable non-farm IGAs was seen to depend on the buoyancy of local markets, as almost all goods and services are sold locally. Many of the more profitable IGAs also require specialist training, either formal, or semi-formal through apprenticeships and on the job experience, while the skills required for less profitable activities were typically learned from relatives and friends. Non-farm businesses tended most commonly to be started with the

proceeds from farming, but gifts or loans from relatives or others, or short term credits from suppliers were also important in some cases, as was fishing in Ariet. Income from one non-farm IGA tended not to be used to start another, particularly when different household members were involved. Problems cited included lack of capital and poor markets – often both were cited, revealing an interesting contradiction. In Ariet transport is also a problem, and in some cases older people saw hard physical work as a problem, or a potential future problem. Despite these problems, however, almost all involved in non-farm IGAs were positive about them, and many planned to expand them in the future, although interestingly, in Byakabanda where non-farm IGAs tended to be most developed, there was more interest in investing elsewhere, for example in construction, or the education of children (or grandchildren), the latter being a priority in all four sites. In Ariet in particular, but also in Oladot, investment in livestock, particularly (ultimately) cattle, was also a priority. In Byakabanda, where farming can be relatively profitable, and in Ariet where combined incomes from crop sales, milk sales, and fishing can be high, many of those who did not currently undertake a non-farm IGA did *not* plan to in the future, preferring to invest in their current primary production activities. Interestingly, in Kitambuza and Oladot, where many of those who did not undertake non-farm IGAs were amongst the poorest in their communities, many *also* expressed a preference in concentrating on farm activities, particularly in Oladot, where food security is a problem. For those who were interested in starting a non-farm IGA, barriers cited included hard work, and a lack of skills or experience which limited people's options, as well as lack of capital, or other priorities for it.

Overall, there was seen to be a great diversity amongst households, not only between, but also within, study sites in terms of a wide range of features. However, all of the individuals and households interviewed were observed to be making decisions based on their assets, and their perceptions of them, and how these could be used to *improve their standards of living*. These decisions included investing time and material and non-material resources in both farm and non-farm activities, amongst others, but although cultural and personal values and associations influence the decisions made, overall it was seen that both farm and non-farm IGAs are ultimately viewed as a *means to an end* – improved standards of living – and *not* as ends in and of themselves. Different farm and non-farm IGAs were thus perceived to have a role to play in an individual or household's well-being, but at different points in time and in some multi-dimensional asset "space". Non-farm IGAs in particular were often not expected to last indefinitely, and respondents were able to describe the conditions under which they might end. This could be a positive move, in which one IGA was replaced with another, which was in some way a step up – more profitable, or more secure, or more prestigious, or it could be a negative move, in terms of investment in the IGA, although this need not necessarily be a negative move in terms of well-being – for example, a shop could be shut down and the financial capital used for secondary school fees, or to pay for a new roof, something the household involved deemed to be of greater importance to their overall, long-term well-being. Thus the most important policies in support of the RNFE are those which support rural people generally, and allow them to improve their asset bases – improvements in access to healthcare, education, etc. – if rural households are able to divert more of their resources away from these priority areas (without compromising the quality of the services they receive), they would then be able to invest more in economic enterprises, both farm and non-farm.

## CONTENTS

EXECUTIVE SUMMARY .....	i
ABBREVIATIONS .....	vi
ACKNOWLEDGEMENTS .....	vii
1 INTRODUCTION .....	1
1.1 The Rural Non-Farm Economy Policy Development Programme .....	1
1.2 Background to the study districts.....	2
2 METHODS .....	4
2.1 Household interviews.....	4
2.2 Constraints .....	5
3 STUDY SITES .....	7
3.1 Byakabanda.....	7
3.2 Kitambuza .....	8
3.3 Ariet .....	10
3.4 Oladot.....	12
4 RESULTS .....	15
4.1 Household composition.....	15
4.2 Household economies: farm and non-farm livelihoods .....	18
4.2.1 Byakabanda.....	18
4.2.2 Kitambuza .....	23
4.2.3 Ariet .....	26
4.2.4 Oladot.....	32
4.3 Access and barriers .....	34
4.3.1 Byakabanda.....	34
4.3.2 Kitambuza .....	36
4.3.3 Ariet .....	37
4.3.4 Oladot.....	38
5 CONCLUSIONS.....	40
6 REFERENCES .....	45
APPENDIX 1 RESEARCH TEAM.....	46
APPENDIX 2 QUESTIONNAIRE.....	47

## FIGURES

Figure 1 Key features of Rakai and Kumi Districts.....	2
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## TABLES

Table 1 Number of household interviews completed .....	4
Table 2 Household size .....	15
Table 3 Gender of household heads.....	15
Table 4 Age and educational level of household heads .....	17
Table 5 Income categories of non-farm IGAs in Byakabanda Village.....	20
Table 6 Income categories of non-farm IGAs in Kitambuza Village .....	23
Table 7 Income categories of non-farm IGAs in Ariet Village .....	28
Table 8 Income categories of non-farm IGAs in Oladot Village.....	33

## ABBREVIATIONS

/=	shilling, Uganda
CBMIS	Community Based Management Information System
CBO	Community Based Organisation
Danida	Danish International Development Agency
DfID	Department for International Development (UK)
DRT	Development Research and Training
ICR	International Care & Relief
IGA	Income Generating Activity
LCI – LCV	Local Council I – V (village, parish, sub-county, county, district)
LWF	Lutheran World Foundation
MFPED	Ministry of Finance, Planning and Economic Development
NGO	Non-Governmental Organisation
NRI	Natural Resources Institute (UK)
PAP	Poverty Alleviation Programme
PMA	Programme for the Modernisation of Agriculture
PMU	Poverty Monitoring and Analysis Unit
RNFE	Rural Non-Farm Economy
ROSCA	Rotating Savings & Credit Association
TBA	Traditional Birth Attendant
UBoS	Uganda Bureau of Statistics
UPPAP	Uganda Participatory Poverty Assessment Process
UWFCT	Uganda Women’s Finance & Credit Trust

US \$ 1 is equivalent to 1,800/= (approximate mean during the fieldwork period)

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# 1 INTRODUCTION

## 1.1 The Rural Non-Farm Economy Policy Development Programme

This report is part of a programme of research intended to improve understanding of the Rural Non-Farm Economy (RNFE) and to assist with the development of appropriate policies. The research is being undertaken by the Natural Resources Institute (NRI) of the UK, in collaboration with local and British partners. It is funded through the British Government's Department for International Development (DfID) under a collaborative agreement with the World Bank. Interest in the RNFE stems from a growing realisation of its importance to rural livelihoods, and its potential contribution to poverty reduction.

The NRI research has three main components: the first focuses on the factors that determine household or individual access to or capacity to engage in the RNFE; the second focuses on the influence of local governance on the development of the RNFE; and the third is concerned with the characteristics and dynamics of the RNFE in Central and Eastern Europe. The first two involve research in Uganda, Malawi, and India, with fieldwork in Uganda starting in 2000. The research is phased over the three-year period, 2000 – 2003.

The purpose of the research on access to the RNFE is to inform and assist governments, DfID, and the World Bank in formulating pro-poor RNFE policies in the study countries and elsewhere. The main outputs are intended to be:

- improved understanding of the factors that affect access to the RNFE by the poor in the study countries; and
- mechanisms for integrating these research results into relevant policy processes.

The definition of non-farm used here excludes primary production: agriculture (crops and livestock); fisheries; and forestry, but includes trade and processing of primary products, as well as other less ambiguous sources of non-farm income.

For Uganda, analyses of national survey data collected over the past decade have identified the important role that diverse sources of non-farm income play in the economies of rural households. However, little is known about what non-farm activities are actually undertaken, which of these are potentially both profitable and sustainable, how rural people become engaged in them, who is able to gain access to them and who is not, and what are the actual and perceived constraints and enabling factors.

The research in Uganda is an initial attempt to understand some of these issues within the specific agro-ecological and historical contexts of two study districts: Rakai District in the Central Region; and Kumi District in the East. In each, a variety of qualitative methods was used to investigate physical, social, and financial service provision at the district level. Then, within each, two communities were chosen for further, more detailed research on the nature and role of and constraints to the local RNFE at the village and household level<sup>1</sup>.

Part of the rationale of this initial phase of the research programme was to appraise the methods used<sup>2</sup>. An early result of this appraisal process was the realisation that while the

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<sup>1</sup> For details, see separate reports on the approach and methods used (Meadows, 2001), results from Rakai (Zwick & Smith, 2001), results from Kumi (Smith & Zwick, 2001), and conclusions from both districts (Gordon *et al.*, 2001).

<sup>2</sup> See Meadows, 2001.

initial fieldwork yielded detailed information from a small number of semi-structured interviews and case studies, there was also a need for more breadth. Hence it was decided to commission further, somewhat more quantitative work in the four study villages, and it is the results of this which are presented here.

This report is thus a part of the main body of research on the RNFE and access to it in Uganda, and it should be read in conjunction with the other relevant reports<sup>3</sup>. It is intended that, in collaboration with key Ugandan stakeholders, the evolving findings are integrated into appropriate policy and planning mechanisms to enhance the capacity of poor people in Uganda to access sustainable rural livelihoods.

## 1.2 Background to the study districts

Background material on each of the study districts is presented in the relevant district reports<sup>4</sup>, and the reader is referred to them for details. Figure 1 summarises the key features.

**Figure 1 Key features of Rakai and Kumi Districts**

	<b>Rakai</b>	<b>Kumi</b>
Physical environment	<ul style="list-style-type: none"> <li>• Low lying wetlands in the south and east, productive and extensively cultivated rolling hills in the centre, and drier and more hilly savannahs to the west and north.</li> <li>• Bimodal rainfall in south and centre (two growing seasons). Low rainfall in the north.</li> </ul>	<ul style="list-style-type: none"> <li>• Flat fertile plains</li> <li>• Bimodal rainfall, but short rains unreliable (second growing season prone to failure)</li> </ul>
Main production systems	<ul style="list-style-type: none"> <li>• Coffee and bananas in the centre, mixed annual crops to the west, with some coffee and bananas in wetter areas, and traditional pastoralism in the north.</li> <li>• Large and small scale fishing on Lake Victoria, small scale fishing on other lakes.</li> </ul>	<ul style="list-style-type: none"> <li>• Traditional agro-pastoralism – mixed annual crops and cattle mutually reinforcing one another. Oxen used for ploughing, allowing large areas of crops to be grown in good seasons. Stored food and wealth “banked” in cattle used to survive irregular but not infrequent periods of poor or no harvest. Cotton formerly widespread, but no longer popular due to low prices.</li> <li>• Small scale fishing.</li> </ul>
Population and demography	<ul style="list-style-type: none"> <li>• 442,000 (1999 estimate), growth rate less than 2% per annum.</li> <li>• 99 people per km<sup>2</sup>, 96% rural.</li> <li>• Main group is Baganda, but in-migration of Banyankole cultivators and pastoralists, and Rwandans</li> </ul>	<ul style="list-style-type: none"> <li>• 237,000 (1991 census), growth rate between 1980 and 1991 negative as a result of insecurity.</li> <li>• 96 people per km<sup>2</sup>, majority rural.</li> <li>• Main group is Iteso (98%).</li> </ul>
Administration	<ul style="list-style-type: none"> <li>• Decentralised in 1993.</li> <li>• Support from Danida to the District Administration since 1992.</li> <li>• Most capacity building at LCV level</li> </ul>	<ul style="list-style-type: none"> <li>• Decentralised in 1995</li> <li>• Support from Ireland Aid since 1997 to specific sectoral projects within the District Development Plan.</li> <li>• Much capacity building at LCIII level.</li> </ul>

<sup>3</sup> Meadows, 2001, Zwick & Smith, 2001, Smith & Zwick, 2001, and Gordon *et al.*, 2001.

<sup>4</sup> Zwick & Smith, 2001, and Smith & Zwick, 2001.

<p>Infrastructure and services</p>	<ul style="list-style-type: none"> <li>• Main national trunk road to the west, much improved feeder roads generally in good condition.</li> <li>• Mains electricity in main towns and trading centres along the main trunk roads, but service intermittent.</li> <li>• Minimal fixed line phone service, but good cellular coverage.</li> <li>• Piped water in Rakai Town. Roof catchment, surface water, and boreholes elsewhere. Much ground water un-potable.</li> <li>• Extensive rehabilitation of roads, health units, and schools by government and donors. Limited formal vocational training, mostly on a fee paying basis.</li> <li>• Two loan funds established by Danida, and central government (Entandikwa, PAP) and NGO micro-credit schemes, but limited outreach, and much unmet demand.</li> <li>• Many NGOs, many with external support. Some CBOs and local groups</li> </ul>	<ul style="list-style-type: none"> <li>• Main national trunk road to the north, feeder roads generally in good condition, helped by the general flatness of the area. Rail services between Kenya and the north suspended indefinitely.</li> <li>• Mains electricity in Kumi Town and trading centres along the main trunk road, as well as along some feeder roads, but service intermittent, especially along feeder roads.</li> <li>• Fixed line phone service in Kumi Town, but poor service. Good cellular coverage.</li> <li>• Piped water in Kumi Town, boreholes and, to a lesser extent, surface water elsewhere.</li> <li>• Rehabilitation of health units and building of schools by government and donors. Limited formal vocational training, mostly on a fee paying basis.</li> <li>• UWFCT and central government (Entandikwa, PAP) and NGO micro-credit schemes, but limited outreach, and much unmet demand.</li> <li>• Many CBOs and local groups. Some NGOs, some with external support.</li> </ul>
<p>Recent history</p>	<ul style="list-style-type: none"> <li>• Destruction of infrastructure during the 1978/9 invasion/liberation. Spread of HIV/AIDS in early 1980s, with much loss of life, particularly from the most productive age groups and sectors of society. However, impact now declining.</li> <li>• Increased NGO and donor presence through the 1990s.</li> </ul>	<ul style="list-style-type: none"> <li>• Widespread insecurity resulting from insurgency and cattle raiding from the mid-1980s to the mid-1990s, resulting in loss of life and loss of almost all livestock. Collapse of the traditional agro-pastoral production system, and loss of assets leading to changes in livelihoods/survival strategies.</li> <li>• Increased NGO and donor presence since the mid-1990s</li> </ul>

## 2 METHODS

### 2.1 Household interviews

During the first phase of the fieldwork in October 2000 two villages were selected in each of the study districts – Byakabanda and Kitambuza in Rakai, and Ariet and Oladot in Kumi<sup>5</sup>. During this first phase, two to three days were spent in each village, and a range of primarily qualitative tools (including a small number of household level semi-structured interviews) was used to investigate the types of Income Generating Activities (IGAs) undertaken, the barriers and constraints people face in starting or continuing with these IGAs, or others that they would like to start, and ways of overcoming or working within these constraints, as well as general backgrounds and contexts to this information<sup>6</sup>. Expatriate consultants worked with local assistants<sup>7</sup> to collect information, and to refine the methods used. Preliminary analysis revealed a need for more breadth and more quantitative information, and thus a subset of these local assistants<sup>8</sup> was commissioned to undertake further interview work, specifically more household level semi-structured interviews.

The questionnaire drafted for the first phase was reviewed and streamlined after the initial field trials, although alterations were more practical (for example, making wording more specific, or the layout easier to follow) than relating to content<sup>9</sup>. This was then carefully reviewed with each of the four local assistants, and trialled again with the consultant. When each local assistant was competent and confident, he was given 25 blank questionnaires, and left to arrange his own work programme according to his personal and the community's schedule over about a week. The consultant visited at the end of first day to monitor progress and discuss queries, and then again at least once more before the work was completed, and a debriefing was held.

Fieldwork took place in December 2000 in Rakai and in January 2001 in Kumi. Table 1 shows the number of interviews completed<sup>10</sup>.

**Table 1 Number of household interviews completed**

	Rakai			Kumi			Total
	Byakabanda	Kitambuza	Total	Ariet	Oladot	Total	
Oct 2000	13	17	30	13	8	21	51
Dec 2000/ Jan 2001	25	17	42	17	23	40	82
<b>Total</b>	38	34	72	30	31	61	133

<sup>5</sup> For site descriptions, see section 3.

<sup>6</sup> For details of the methods used, see Meadows, 2001. For results, see Zwick & Smith, 2001, and Smith & Zwick, 2001.

<sup>7</sup> The local assistants were initially identified through contacts made at the district headquarters, with others met opportunistically as the fieldwork progressed. Formal requirements were only good written and spoken English, and a knowledge of the study communities – those with the greatest interest selected themselves, and were, without exception, also the most apt. In Rakai, the local assistants were primarily extension workers from the Department of Agriculture, but also included an educated farmer and a school teacher. In Kumi they were primarily local leaders, both political and civil servants at the village and parish (LCI and LCII) level, but also included school teachers.

<sup>8</sup> For list, see APPENDIX 1.

<sup>9</sup> For questionnaire, see APPENDIX 2.

<sup>10</sup> The 51 household interviews conducted in October 2000 are reported on in Smith and Zwick, 2001 (covering Kumi district) and Zwick and Smith, 2001 (covering Rakai district).

## 2.2 Constraints

Overall, the local assistants worked hard and well, and the quality of the data is good. Constraints or difficulties experienced universally were the unavailability or unwillingness of some individuals to be interviewed<sup>11</sup>, or in a few cases, the suspicion that they were deliberately modifying their responses for some reason<sup>12</sup>. The first affected attempts to sample systematically (which were already proving to be difficult in the village environment), but was not perceived to have introduced a systematic bias<sup>13</sup>. The second was discussed during the debriefing sessions, and questionable responses noted for consideration in later analysis. Constraints experienced in Rakai specifically included heavy rains during the fieldwork period, which made working conditions difficult.

Comparisons between the four sites are influenced not only by local conditions, but by personal differences amongst the different interviewers. Differences in local conditions required the interviewers to use the standard questionnaire flexibly and intelligently to ask meaningful questions in the contexts in which they found themselves. Differences in the types of responses given were most noticeable for questions concerning opinions, such as the perception of the relative economic position of the respondent's household, or his or her plans for the future, as opposed to more straightforward factual questions – such differences may have arisen in part as a result of differences in translation of complex ideas from English, into different local languages<sup>14</sup>, and then back into English again, as well being a reflection of cultural differences in perceptions and understandings of abstract concepts<sup>15</sup>.

In the initial production and field trialling of the questionnaire, it was acknowledged that there is an inevitable tension in producing a standard questionnaire which is both specific enough to minimise ambiguity, and yet general enough to be used in a variety of situations, including both diverse households within a community, and diverse communities, while at the same time, limiting complexity and length, and maximising ease of use. Within these constraints, the questionnaire proved to be an acceptable compromise, albeit perhaps slightly too long<sup>16</sup>.

Differences in position and personality of the individual interviewers also played a role in the nature of the data that each one collected. The interviewer in Byakabanda was extremely

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<sup>11</sup> Or the inability or unwillingness of respondents to answer every question, for example, respondents were not always able or willing to give details about IGAs undertaken by other household members, and in particular to discuss the activities of the household head in his absence, and well-off households tended to be less forthcoming with financial details, perhaps out of reluctance to boast, or a fear of jealousy, or superstition.

<sup>12</sup> For example, exaggerating hardship or poverty, in the hope that material aid might be forthcoming, or, in other cases, downplaying it, out of shame, or failing to disclose or discuss un- or under-taxed assets or sources of income, in the fear that they might be taxed more (all aspects of the “interviewer effect”).

<sup>13</sup> The in-depth knowledge of the communities of the local assistants was invaluable in evaluating this.

<sup>14</sup> In this case three: Luganda, Kinyankole, and Ateso, from two different linguistic families.

<sup>15</sup> For example, the Luganda word *bulamu* means both *wellbeing* in a general sense, including economic, and, more specifically, *health*, and it is difficult to extricate these two concepts from one another.

<sup>16</sup> It was found to be long in field trialling where it was used by pairs of expatriate consultants and local assistants, with each question being stated in English, and then translated into the local language, and then each response translated back into English. However, it was not shortened much, as it was hoped that when used by the local assistants alone, without the need for translation, the interviews would go more quickly. The local assistants nonetheless took almost the same amount of time on their own, primarily because they adhered more rigidly and diligently to the questionnaire format than had the consultants in field trialling, and, conscious that the data were to be used by another, concentrated on the clarity of the written responses and their penmanship. Fatigue may have been less when the expatriate consultants were present as a result of curiosity, or hope of some external benefit, or out of politeness to an outsider.

enthusiastic and collected very detailed information. The interviewer in Kitambuza is a young man, a school teacher, who is particularly polite and self-effacing – in a culture in which age is an important determinant of the respect to which an individual is entitled, it appears that he had slightly more difficulty than the other interviewers (all older and/or in positions of more authority) in getting more successful older men to give him thorough responses, but at the same time he was also the most successful in getting women, particularly female household heads, to discuss their personal circumstances openly with him. The interviewer in Ariet is the Chairman of the LCI, a forward-looking, dynamic leader, highly concerned with community development – responses to him featured ideas of improvements in living standards, community development, and employment generation much more frequently than those given to the other interviewers elsewhere.

The interviewer in Oladot is the Parish Chief, who became very busy in the run up to the Presidential elections in early March, and was thus forced to delegate much of his interview work. This caused some problems in terms of interpretation and emphasis, as although he was able to spend some time training his delegates, his own training had not been designed as a training of trainers, and some points were not transmitted in their entirety. Unfortunately, as the initial interviewer was so busy, it was not until the end of the second day that these problems were detected – in the meantime, his delegates had already undertaken a substantial amount of work. The main problem was that the new interviewers, who had not had the benefit of several days of close work with one of the expatriate consultants during the October fieldwork, had focussed on the more “interesting” or “important” non-farm Income Generating Activities (IGAs) at the expense of those perceived to be less “important”, such as brewing, and farm IGAs. However, because of their in-depth knowledge of their community, in a debriefing session they were later able to add to the completed questionnaires information on whether any of these less “important” IGAs were undertaken by members of the relevant households – this information is presumed to be relatively accurate as, fortunately, the interviews had been conducted by a team of at least two, who were generally able to come to a consensus. However, details of the history, etc. of these IGAs, the constraints faced, and estimates of income remain lacking, as it was felt to be inappropriate and/or impractical to return to the respondent households a second time. Despite these problems, however, the work is of value, in particular because it contains more information on the respondents’ aspirations – the IGAs of the more “important” kind, which they would like to undertake – and the constraints they face, which are preventing them from undertaking them, which was collected less frequently in the other locations.

## 3 STUDY SITES

### 3.1 Byakabanda

Byakabanda Village is located in Byakabanda Parish in Byakabanda Sub-County in Kooki County, (about 3 km south of Rakai Town at a fork in the road. To the south-west the good Class 1 murrum (all-weather) road from Rakai continues on to Kibaale Trading Centre, while to the south-east a smaller road leads to Katerero Village. There is also a rutted but motorable track to the east to Sserinnya Village.

Along the course of the main road from Rakai and to the west of the village are low-lying valleys, extensions of arms of Lake Kijanebalola, while to the east and south the land rises up into dry hills. Rains have generally been poor since the El Nino floods of 1997.

The 1991 census enumerated 4,519 people in Byakabanda Parish, and LCI councillors estimate that there are currently about 100 households in the village. Data show that the majority of the population are Baganda, but that there are also small numbers of other groups such as Basoga, and Banyurwanda.

The Sub-County Headquarters are located within the village. However, there is no school – children walk to the primary and secondary schools in Katerero and Sserinnya. Being close to Rakai Town the village is home to a number of local government employees, many of whom are among its most prosperous residents. Various NGOs are/have been active, including the Vi Agro-forestry Project, World Vision, and International Care & Relief (ICR).

The village sheikh recalls that when he was a boy in the 1930s the village was just four houses in the middle of the bush. However, the population grew and people came from other places to live there and cleared the bush to farm, although during Obote's second regime, many people in the sub-county were killed. In recent times many people have come to the village to work for the district administration or the various NGOs – in his view, things are improving.

It is primarily an agricultural village, but around the fork in the road a small trading centre has developed with about 25 shops and business premises. However, there is no market – people travel to the weekly market at Kibaale, where there are also many more shops and businesses, or to the smaller market in Rakai, or even to Kyotera.

Byakabanda was selected primarily with respect to strong extension worker presence, but also to investigate the effects of a potentially very profitable farming system, proximity to the district headquarters, distance to a relatively large trading centre, direct road access, and NGO activity, among other factors.

At the initial community meeting in October thirteen IGAs were listed. These included:

- primary production, such as growing and selling crops and rearing and selling animals;
- trading activities, such as in trade in crops, or fish;
- processing of agricultural or forest products, such as the manufacture and sale of local beers, barkcloth, and charcoal;
- other crafts, such as carpentry, brickmaking, building, construction of cement water tanks, and handicrafts, such as pottery, basket and mat weaving, crochet and knitting, and making brooms; and

- provision on services, such as mechanics/repairmen.

Other IGAs not listed at the meeting, but recorded at other times included:

- raising and selling forestry products, including both eucalyptus seedlings and mature trees for construction and/or fuelwood;
- trade in household goods and commodities (shopkeeping), second-hand clothes, and petrol;
- crafts, such as baking, and tailoring;
- provision of services such as the production and sale of cooked snack foods, running a bar, running a private drug shop, or carrying water; and
- waged or salaried work, either as a daily paid farm labourer, or as a salaried employee, either in the village, for example, as a teacher, or a government or NGO extension officer, or at the district headquarters in Rakai.

The IGAs listed at the community meeting were ranked for importance by men and women. By far the most important for both was the growing and selling of crops, and for both this was closely followed by the rearing and selling of animals. However, men also ranked trading in crops as an equal second, while women gave a very slightly higher percentage of their vote to the production and sale of handicrafts. These were followed much more distantly by construction of cement water tanks and production and sale of local beer by women, and brickmaking and production and sale of local beer by men<sup>17</sup>. This pattern of the predominance of crop production, followed by livestock production was supported by data from other research methods as well.

### **3.2 Kitambuza**

Kitambuza Village is located in Kimuli Parish in Kagamba Sub-County in Kochi County, north-west of Rakai Town. It is about 1 km north-east of Lwentulege Trading Centre, which is on the main Class 1 murram Kyakasolo-Lyantonde road, about 15 km from its junction with the Kyotera-Rakai road at Kyakasolo. Various tracks which are motorable in dry weather lead to the neighbouring villages of Kituntu A and B and Kyaluyimuka.

Most of the settlement lies in a broad saddle between the road to the south-west and swamps to the north-east which are an extension of an arm of Lake Kijanebalola. To the south-east and east the village is separated from Dwaniro Sub-County by a steep ridge which runs in a north-easterly direction for several kilometres, while to the north-west is the smaller hill of Kyaluyimuka. Rains have generally been poor since the El Nino floods of 1997, when the road south to Rakai and Kyotera became impassable.

The 1991 census enumerated 6,518 people in Kimuli Parish, and information from the community indicate that there about 90 households in Kitambuza Village. Data indicate that the dominant ethnic group are the Banyankole, with numerous Baganda, as well as smaller numbers of other groups, such as Bakiga. Over the past 20 years many people have come to the area from more densely settled areas, such as Ankole, in search of land.

There is little community infrastructure within the village. The LCI meets at the home of one of the councillors, and there is no school – children walk to the Kimuli Primary School on the main road. There is also little NGO presence, although the Lutheran World Foundation

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<sup>17</sup> For details, see Zwick & Smith, 2001.



(LWF) has a contact person in the village, and ICR has assisted with protection of water sources.

Settlement began when Mzee Dungu Eldad moved to the area from Kimuli in 1964 and cleared the bush to farm. Initially he grew beans and maize for sale, and kept goats – since the mid-1980s a market for *matooke* has also developed, and he now sells that as well. Others followed him to what is now Kitambuza, and although some have now left for other places, many more are still coming. In the past there were few non-farm IGAs – Mzee Dungu used to make barkcloth for sale, but most people just concentrated on farming. However, as markets for agricultural produce improved, people began to have a bit more money, so some started to manufacture products like beer or bricks for sale, instead of just for home consumption. The trading centre at Lwentulege developed informally in the early 1980s, which helped the people of Kitambuza by allowing them to buy household items and medicines locally instead of travelling to Buyamba. Transport has improved dramatically in recent times, and people in the village now own a total of three motorcycles and one car, as well as “so many” bicycles. The village was not much disturbed by war, although they were sometimes able to hear fighting in the distance, but AIDS is a terrible problem, with many people becoming ill and dying, leaving many orphans. Although in the past they used to hunt wild animals and fish in small local ponds and there was plenty of firewood, and now one has to pay for meat and fish and wood, in general, in his view, things are much better now, particularly with respect to food security.

It is an agricultural village with just a few shops and kiosks clustered at a junction of tracks and footpaths, with people mostly relying on the many shops and business in Lwentulege, as well as its weekly market.

Kitambuza was selected primarily with respect to strong extension worker presence, but also to investigate the effects of a moderately profitable farming system, distance from the district headquarters, proximity to a relatively large trading centre, and lack of direct road access and NGO activity, among other factors.

At the initial community meeting in October eight IGAs were listed. These included:

- primary production, such as rearing and selling both small livestock and cattle;
- trading activities, such as trade in household goods and commodities (shopkeeping), crops, or fish;
- processing of agricultural products, such as the manufacture and sale of local beers and spirits; and
- other crafts, such as carpentry, and handicrafts, such as pottery, basket and mat weaving, and crochet, knitting, and embroidery.

Other IGAs not listed at the meeting, but recorded at other times included:

- growing and selling crops<sup>18</sup>;
- crafts, such as building;
- provision of services, such as midwifery, running a bar, or the sale of cooked food (pork); and

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<sup>18</sup> Not included in the initial list as the groups was focussing on non-farm (i.e., non crop-producing) IGAs.

- waged or salaried work, either as a daily paid farm labourer, or as a permanently employed cowherd, or as a gardener in Kampala.

Some also have rental properties in Lwentulege which generate regular income without the need for activity.

The IGAs listed at the community meeting were ranked for importance by men and women. The results for the two groups were quite different, with women ranking handicrafts first, followed by rearing and selling small livestock, and then shopkeeping and the manufacture and sale of local beers and spirits, and men ranking trade in crops and rearing and selling cattle, followed by carpentry, and then rearing and selling small livestock<sup>19</sup>. In subsequent case study interviews women were recorded more often actually undertaking these activities than men, who may, at the meeting, have been discussing their aspirations as much as their current activities.

At a separate meeting a different group of people defined wealth/wellbeing groups, and ranked the importance of the IGAs originally listed at the community meeting to each wealth/wellbeing group by gender. Four wealth/wellbeing groups were defined: the very poor, the poor, those in the middle (“average”), and the well-off (“rich”). The “very poor”, a small group (6% of households), were described as undertaking none of the IGAs listed, while the “poor”, the largest group (63%) were described as depending on paid farm labour, with men also ranking trade in fish, and women also ranking handicrafts as important. Households in the “average” group (23%) were described as undertaking all of the IGAs listed, except paid farm labouring and handicrafts, with trade in crops, and the rearing and selling of cattle and small livestock ranked most highly overall. Households in the “rich” group were described as undertaking trade in crops, shopkeeping, and rearing and selling cattle<sup>20</sup>.

### 3.3 Ariet

Ariet Village is located in Morukakise Parish in Mukura Sub-County in Kumi County, north-west of Kumi Town. It is about 5 km north-east of Mukura Trading Centre, which is on the main Mbale-Kumi-Soroti highway, about 15 km from Kumi Town. It is reached by a motorable track, which crosses the railway line, and extends to the shore of Lake Bisina.

The village is spread out on a flat plain bordering Lake Bisina to the north, with swamps to the east and west. It is in the rain shadow of Mount Elgon, and receives less rain than other parts of the district.

The Chairman LCI estimates the population to be about 1,850 in about 150 households, yielding an average household size of 12.3. The majority of the population are Iteso.

There is little community infrastructure within the village – the LCI meets under a mango tree in the centre of the village. However, the parish primary school is located within the village at the boundary with Morukakise Village. The nearest secondary school is in Mukura Trading Centre. There is no NGO presence in the village, but a small number of very well-off residents are often able to assist their neighbours in times of need.

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<sup>19</sup> For details, see Zwick & Smith, 2001.

<sup>20</sup> For details, see Zwick & Smith, 2001.

The events of most importance in the recent history of the village are the various shocks which have affected the entire region. From the mid-1980s Karamajong cattle raids led to the loss of cattle and oxen<sup>21</sup>, as well as razing of homes, granaries, and fields, and deaths. This coincided with the period of armed insurgency, and many residents fled to Mukura for security. However, once there, they were put into camps under terrible conditions, and many died. With the coming of peace in the early to mid-1990s people were able to return to their homes. However, the loss of oxen and cattle, which were both an important part of crop production and a store of wealth, was devastating, particularly in this area of low and unreliable rainfall, and food security remains a problem in times of poor harvest. Unable to cultivate enough land to grow crops for sale, and without assets to sell, many resort to paid farm labour, and/or have turned to low profit, low barrier IGAs (such as collecting firewood for sale, or braiding sisal ropes) as part of their survival strategies, but both depend on a market, which is limited in times of hardship. However, for a few, the shocks and the improved national economy have resulted in new opportunities – as a result of the insecurity many people travelled more widely than they might have otherwise, and were exposed to new people and ideas, which had a particular impact on perceptions of non-farm IGAs. Although many adhere to traditional aspirations of owning livestock<sup>22</sup>, others see a future in more secure productive assets, such as a permanent shop in a trading centre, particularly as the threat of cattle raiding remains in very dry periods when the lake recedes.

It is primarily an agricultural village, with the vast majority of households dependent on crop farming for subsistence, as well as for sale in good years, and/or paid farm labour. However, since the mid-1990s a number of the more prosperous households have been able to acquire a few cows, and for them, milk sales are also an important source of income. For households near the lake fishing is also important, although in the past three to four years increasing weed has been a major problem. However, over the past two years a small number of businesses (including a grinding mill, a general shop, a private drug shop, a restaurant, a traditional bar, and carpentry and bicycle repair businesses) have opened, forming a local trading centre at the boundary of Morukakise Village. There are also plans to restart the weekly market, abandoned during the insurgency – currently people travel to the one at Mukura.

Ariet was selected primarily because of strong contacts with local leaders resulting from the Uganda Participatory Poverty Assessment Programme (UPPAP), but also to investigate the effects of the continued threat of cattle raiding, particularly low and unreliable rainfall, lack of direct road access and public transport, distance from a relatively large trading centre, and the role of fishing in livelihoods and survival strategies, among other factors.

At the initial community meeting in October twelve IGAs were listed. These included:

- primary production, such as the growing and selling of crops, rearing and selling of animals, fishing, and the collection and sale of forest products, such as firewood;
- processing of agricultural or forest products, such as the manufacture and sale of local beers and spirits, or sisal ropes;
- other crafts, such as carpentry, brickmaking, and blacksmithing; and
- daily paid farm labouring.

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<sup>21</sup> The cattle population of the district was estimated to be about 300,000 in 1985. By 1991 it had been reduced to 5,000 or fewer, a loss valued at almost \$40,000,000 in today's terms (Kumi District Planning Unit, 2000).

<sup>22</sup> The cattle population of the district was estimated to be about 90,000 in 1999, 30% of its 1985 size (Kumi District Planning Unit, 2000).

Other IGAs not listed at the meeting, but recorded at other times included:

- trading activities, such as trade in household goods and commodities (shopkeeping), or fish;
- processing of agricultural products, such as milling, or the curing of animal hides and skins;
- provision of services, such as the production and sale of cooked snack foods, running a restaurant or bar, running a private drug shop, or as a bicycle repairer; and
- other daily paid labour, such as latrine digging.

The IGAs listed at the community meeting were ranked for importance by men and women. Overall the most important was paid farm labouring, which was a clear first for men, ranked distantly by crafts (carpentry, brickmaking, and blacksmithing), rearing and selling animals (specifically cattle), growing crops for sale, and fishing. Women, however, ranked rearing and selling animals (specifically goats) just ahead of paid farm labouring, with other activities of minor importance<sup>23</sup>.

At a separate meeting a different group of people defined wealth/wellbeing groups, and ranked the importance of the IGAs originally listed at the community meeting to each wealth/wellbeing group by gender. Four wealth/wellbeing groups were defined: the very poor, the poor, those in the middle, and the rich. The “very poor”, a small group (8% of households), were described as undertaking none of the IGAs listed, while the “poor”, the largest group (70%) were described as depending on paid farm labour, with men also ranking other low barrier IGAs such as making sisal ropes for sale. Households in the “middle” group (20%) were described as being able to generate income from the sale of crops, as well as, to a lesser extent, small livestock such as goats, especially by men. Households in the “rich” (2%) group were described almost unanimously as generating income through rearing and selling cattle<sup>24</sup>.

### **3.4 Oladot**

Oladot Village is located in Mukongoro Parish in Mukongoro Sub-County in Kumi County, about 3 km south-west of Mukongoro Trading Centre, and 25 km south-west of Kumi Town on the main Class I murrum road to Palissa.

The village is spread out on a flat plain, and is bordered by swamps to the south, along the boundary of Palissa District.

In 1998 the UPPAP team was told that the estimated population of the village was approximately 4,600 in about 270 households (yielding an average household size of 17.2). However, this is unlikely to be correct, and it is more likely to be around 1,800<sup>25</sup>. The majority of the population are Iteso

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<sup>23</sup> For details, see Smith & Zwick, 2001.

<sup>24</sup> For details, see Smith & Zwick, 2001. For the “rich” is possible that there was some confounding of the ways in which income is generated and the general characteristics of the group – other data suggest that ownership of cattle is strongly associated with wealth, but that cattle are viewed primarily as an asset, a way of storing wealth generated in other ways, as opposed to an IGA in and of themselves (despite the fact that incomes from the sale of milk can be substantial).

<sup>25</sup> Figures from the CBMIS from 1999 cited in the Mukongoro Sub-County Three Year Plan show the average population of villages in the sub-county to be 1,827. Data collected in October and during this fieldwork

Although it does not have any local government infrastructure, Oladot does have a primary school, and a weekly market with several pole and thatch stalls and shades. The nearest secondary school is in Mukongoro. There is no NGO presence, but there are a number of locally organised cash clubs and rotating savings and credit associations.

Although located at the edge of Teso, Oladot was not spared the ravages of the late 1980s and early 1990s<sup>26</sup>, and Mukongoro was the site of one of the more infamous camps. It is only since 1997 that people have felt that the peace is for real, and where able, have started to invest in livestock and other productive assets again – in contrast to other areas nearer to Karamoja there is little fear of further cattle raiding. For most though, as in the rest of the area, without oxen, cultivation of enough land to grow crops for sale is difficult, and food security remains a problem, with many resorting to paid farm labour, and/or a variety of low profit, low barrier IGAs (such as collecting thatching grass, or making papyrus mats). As elsewhere, however, for a few, the shocks and the improved national economy have resulted in new opportunities, and while many adhere to traditional aspirations of owning livestock, others see a future in more secure productive assets, such as a permanent shop in a trading centre.

It is primarily an agricultural village, with the vast majority of households dependent on crop farming for subsistence, as well as for sale in good years, and/or paid farm labour. However, since the mid-1990s a small number (about seventeen) of the more prosperous households have been able to acquire cattle and oxen again, primarily from proceeds of crop sales. In addition, over the past two years a small number of businesses (including a grinding mill, a general shop, a private drug shop, restaurants, traditional bars, and butchers) have opened, forming a local trading centre around the market area at the boundary with Morukakise Village.

Oladot was selected primarily because of strong contacts with local leaders resulting from the UPPAP, but also to investigate the effects of relative security, somewhat more reliable rainfall, good road access and public transport, and proximity to a relatively large trading centre, among other factors.

At the initial community meeting in October 22 IGAs were listed. These included:

- primary production, such as the growing and selling of crops, rearing and selling of animals, fishing, apiculture, and the collection and sale of forest products, such as firewood, thatching grass, binding fibre, and even wild birds (for meat);
- processing of agricultural or forest/wetland products, such as the manufacture and sale of local beers and spirits, charcoal, or papyrus mats;
- other crafts, such as brickmaking, and specialities within construction such as thatching, plastering with mud, or building granaries;
- provision of services, such as running a restaurant, babysitting, or as a bicycle repairer; and
- daily paid labouring, either in farming, or other areas, such as latrine digging or road maintenance

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indicate that there are approximately 220 households in the village, with an average of approximately eight members, yielding a total in the region of 1,760.

<sup>26</sup> See section 3.3.

In addition, begging was identified as a way of generating income for those unable to undertake any other IGA.

Other IGAs not listed at the meeting, but recorded at other times included:

- trading activities, such as trade in household goods and commodities (shopkeeping);
- processing of agricultural products, such as milling, or butchery;
- provision of services, such as running a restaurant or bar, or running a private drug shop;  
and
- waged work, such as a cowherd.

The IGAs listed at the community meeting were ranked for importance by men and women. Overall the most important were growing and selling crops and paid farm labouring, with women also ranking brewing local beer as important<sup>27</sup>.

At a separate meeting a different group of people defined wealth/wellbeing groups, and ranked the importance of the IGAs originally listed at the community meeting to each wealth/wellbeing group by gender. Four wealth/wellbeing groups were defined: the very poor, the poor, the rich, and the very rich. The “very poor” (25% of households) were described as depending on begging primarily, as well as, to a lesser extent, on paid farm labour, while the “poor”, the largest group (45%) were described as depending on paid farm labour, with women also ranking brewing and men also ranking brickmaking. Households in the “rich” group (25%) were described as being able to generate income from the sale of crops, as well, to a lesser extent, small livestock such as pigs. Households in the “very rich” (5%) group were described almost unanimously as generating income through rearing and selling livestock, again primarily pigs<sup>28</sup>.

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<sup>27</sup> For details, see Smith & Zwick, 2001.

<sup>28</sup> For details, see Smith & Zwick, 2001.

## 4 RESULTS

### 4.1 Household composition

Data on the size of the households sampled are presented in Table 2.

**Table 2 Household size**

	Rakai			Kumi			Total
	Byakabanda	Kitambuza	Total	Ariet	Oladot	Total	
Mean (n)	5.2 (25)	4.7 (17)	5.0 (42)	5.8 (17)	8.7 (23)	7.5 (40)	6.2 (82)
Range	1 – 14	1 – 12	1 – 14	1 – 11	2 – 23	1 – 23	1 – 23

In Byakabanda the smallest households sampled were made up of single women (unmarried, separated, or widowed), either on their own, or with one or two children or grandchildren, but also included a young couple without children, a household of two older men, and a household of three women, one of whom had come only recently, as a result of misfortune, and who planned to set up on her own again in the near future. The largest households were polygynous<sup>29</sup> (one, with two wives and their children), or multigenerational, or included other relatives (cousins, etc.). The pattern was similar in Kitambuza, where the smallest were made up of an old widow living alone, and single women with their children, one of whom had only recently arrived, fleeing domestic violence, but also two young brothers who had come to area in search of work, and a young couple with their first baby. The largest was that of a couple with ten children, aged between two months and seventeen years.

In Ariet all of the small households were made up of older people – widows on their own, or with dependent children, or older couples, including one of a man in his late fifties, his wife, and his mother, who is in her seventies. The largest households were those of couples with many children (for example, nine), or polygynous (one, with two wives and their children). Similarly, in Oladot the smallest households were made up of older couples, or in one case, two co-widows, formerly co-wives of the same late husband, while the largest were multigenerational or polygynous (three with three wives and their children).

The higher average household size in Kumi in comparison to Rakai reflects in part the Iteso tradition of multigenerational patrilocal families, with adult sons historically typically setting up their own homes around those of their fathers, as well the tradition that in the event of the death of a man's brother, the surviving brother takes into his household and cares for his sister(s)-in-law and nephews and nieces. However, although considered important, in practice, these traditions are weakening with time.

Most, but not all, of the households sampled were headed by men, as illustrated in Table 3.

**Table 3 Gender of household heads**

	Rakai			Kumi			Total
	Byakabanda	Kitambuza	Total	Ariet	Oladot	Total	
% headed by males (n)	64 (25)	65 (17)	64 (42)	88 (17)	83 (23)	85 (40)	74 (82)

In Byakabanda the female headed households sampled were most commonly (56%) made up of women in their thirties and forties who had separated from their husbands, but also included an unmarried woman living alone, a group of three female friends living together in

<sup>29</sup> i.e., households where the man has more than one wife of reproductive age

a time of stress, and two households headed by widows, one of which included some of her adult children and their children, the other of which included only dependent grandchildren. Likewise, in Kitambuza, most (67%) were made up of separated women and their children, with one comprising a young widow in her mid-twenties and her two young children, and another made up an old widow in her sixties living alone.

In Ariet the only female headed households sampled were of widows in their sixties, one of whom lives alone, the other of whom lives with two dependent children, one of whom is still young, the other of whom is disabled. In Oladot too, the only female headed households sampled were of widows, one, of a widow in her thirties and her children, but also three made up of a pair of widows and their children, in two cases, pairs of co-widows, one pair in their fifties and sixties, and another, younger in their thirties, and one case of two more distantly related widows<sup>30</sup>, also in their fifties, and their children.

No female household heads were married – households including married women were universally defined by respondents as being headed by the husband<sup>31</sup>. Of male household heads, almost all (97%) were married, with one household in Byakabanda made up two older men living together, and one in Kitambuza made up of two young brothers who had come to the area in search of work. Most (85%) married men have only one wife, although polygyny was recorded in all four villages, notably in Oladot, where 26% of the households sampled comprised a man and more than one woman<sup>32</sup>.

Overall, only about one third (38%) of households comprised couples and their children, with the rest made up of diverse kin, or even unrelated individuals, as illustrated, in part, above.

The higher prevalence of female headed households in Rakai in comparison to Kumi is in part a reflection of the Iteso traditions described above, with widows being taken into the households of the brothers of their late husbands where possible, but is also a reflection of changing cultural norms and economic conditions in Rakai, where it is slowly becoming more acceptable, as well as viable for women to leave unsatisfactory relationships with men, and to care for their children on their own, or with other women, either relatives or friends. Differences between Rakai and Kumi which could contribute to this (slow) change include greater reliance on perennial crops and less dependence on cattle, making agricultural livelihoods in the absence of male labour more feasible, and improved opportunities for non-farm income as a result of general improvements in the local economy. Furthermore, a longer period of stability and greater NGO presence (the latter partly related to the early onset of AIDS in Rakai) have allowed for somewhat greater permeation of new ideas relating to the

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<sup>30</sup> Translation proved difficult in this complex case – the two women are related to one another through marriage, but were not co-wives of the same man. The most likely explanation, although this could not be confirmed, is that they were each the wife of one of two brothers – when one brother died, he took in his brother's widow (his sister-in-law) and her children, and when he died, the two widows continued to live together.

<sup>31</sup> Even, for example, in the case of a household in Oladot where the husband is described as doing “nothing”, and as “hopeless” (in this case, meaning not only having given up hope, but also disabled or otherwise unable to work), and his two co-wives and their children grow crops for subsistence and labour for others for income to support themselves and him, he is still universally considered to be the head of the household.

<sup>32</sup> However, there were particular problems in Oladot where the terms “woman” and “wife” were used interchangeably. Some cases were clarified during debriefing sessions, but others remained obscure, and it is possible that in some of the households which include two or more women, that the women are not, in fact all co-wives of the same man, but are related in other ways, most likely as the widows of brothers of the male household head with whom they now reside.



rights of women and their empowerment. Nonetheless, life for single mothers remains difficult, and marriage remains the norm, and the aspiration of most.

Data on the ages and levels of formal education of the heads of the households sampled are presented in Table 4.

**Table 4 Age and educational level of household heads**

	Rakai			Kumi			Total
	Byakabanda	Kitambuza	Total	Ariet	Oladot	Total	
Age Mean (n)	42.8 (24)	40.3 (16)	41.8 (40)	50.2 (17)	45.5 (22)	47.5 (39)	44.6 (79)
Age Range	25 – 72	25 – 62	25 – 72	24 – 70	22 – 76	22 – 76	22 – 76
Education (no of years) Mean (n)	6.4 (25)	4.3 (17)	5.6 (42)	5.7 (17)	4.0 (22)	4.7 (39)	5.2 (81)
Education (no of years) Range	1 – 11	0 – 11	0 – 11	0 – 13	0 – 11	0 – 13	0 – 13

In Byakabanda and Kitambuza there was little difference in the average age of male and female household heads, while in Ariet and Oladot, the nature of the small number of female headed households, i.e., households headed by widows, yielded higher average ages for female household heads than for male household heads. The slightly higher average age of household heads in Kumi again reflects Iteso traditions of patrilocality, with young men more likely to remain within their fathers' households after marriage.

Overall, women had less formal education than men, although most primary school aged children of both sexes in all four study sites are currently in school. In all four sites the data on educational levels of household heads are very evenly spread across the categories<sup>33</sup>, making it difficult to detect any patterns from the relatively small samples collected. In Byakabanda, where the average level of education recorded was highest, and no household heads were recorded to have no education at all, female household heads trailed their male counterparts by just one year of education on average (5.6 to 6.6). In Kitambuza, the average was lowered by a large fraction (29%) with no formal education. More of these were female than male, and all were older people, but as the sample also included two younger female household heads in their twenties and thirties who had completed S4 (eleven years of schooling), and no male household heads who had attained this level, the averages for male and female household heads are similar. In Ariet, the two female household heads recorded were both older widows with no formal education, while every male household head had at least some schooling. In Oladot, as in Kitambuza, a large fraction (27%) of household heads sampled had no formal education. Of the female household heads (widows), one younger woman in her thirties had completed primary school, but the others had little or no formal education, while for male household heads, educational level ranged from no formal education to completion of S4. Unusually, however, in Oladot many of the less educated male household heads were young men in their twenties or early thirties.

Data on household histories and residence in the study villages show marked differences amongst the four sites. In Byakabanda, all of the household heads sampled were Baganda,

<sup>33</sup> I.e., in each study site there were typically a small and relatively even number of respondents in each of the categories of 0, 1, 2, etc. years of schooling (mean respondents per category per study site = 1.6, overall median = 1).

and for most (75%), Byakabanda was considered their home village. However an important minority had moved to Byakabanda from elsewhere, many (67%) in the previous six months, and all within the past four years, all for business purposes, coming from both smaller villages nearby, such as Sserinnya and Katerero, and from larger business centres, such as Kyotera, Masaka, and even Kampala. They were both male and female, and typically younger (average age = 32.6) and better educated (average level of formal education = 7.7 years, with two S4 leavers among them) than average, and their households were small (average size = 3.7). In Kitambuza, in contrast, 59% of the household heads sampled were Banyankole, while 35% were Baganda<sup>34</sup>, and for very few<sup>35</sup> was it considered their home village. Length of residence for these immigrants ranged from almost thirty years to less than six months – the reasons for moving cited were most commonly (50%) lack of land in their home area, but also, for women, marriage, in some cases, and escape from domestic violence in others. The sample also included younger men who had come looking for work as labourers, and a single woman, educated to S4 and trained as a nurse, who came looking for an opportunity to set up a health care business. Those looking for land came from all over the south-western part of the country – Mbarara, Busheyini, Rukungiri, and Masaka Districts.

In Ariet, most (82%) of the households sampled were Iteso, and for most of them (79%) Ariet was described as their home village. However the sample also included Bakenyi and Kumam<sup>36</sup>, as well as other Iteso who had come to the area to marry, or in search of land and/or the opportunity to fish, or in one case, to set up a business as a traditional healer in an open market. The female household heads who had come to marry and were now widows in their sixties had come long long ago as young girls, and the aspiring fisherman had come in the 1960s, while those looking for land had come in the 1990s. In Oladot, 100% of the sample described themselves as Iteso, from Oladot<sup>37</sup>.

These data show some of the different perceptions of the four study sites held by both long-term residents and recent immigrants to them – Byakabanda, although only a small trading centre, is more often perceived as a place for business, while the reason many of Kitambuza's residents are there is for land for farming, and in Ariet, the opportunity to fish in addition to farming is an important factor. It is also interesting to note the strong attachment of the people of Ariet and Oladot to their home areas, given the chronic insecurity and widespread dislocation experienced in the region between the mid-1980s and mid-1990s.

## **4.2 Household economies: farm and non-farm livelihoods**

### **4.2.1 Byakabanda**

Of the households sampled, almost all (92%) are involved in growing crops<sup>38</sup> – those that were not at the time of the interview were very recent arrivals<sup>39</sup>, who had come to the area

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<sup>34</sup> There was also an older Rwandan widow among the sample, a refugee of political violence in her home country – for details on the history of Rakai district and the presence of Rwandan economic and political migrants and refugees, see Zwick & Smith, 2001.

<sup>35</sup> Only one 34 year old male household head indicated that Kitambuza was his home village. Data are inconclusive for two other households where the respondents were young men in their late teens who were born in Kitambuza, but information on their fathers, the heads of their respective households, is lacking.

<sup>36</sup> Smaller Nilotic ethnic groups related to the Iteso, from the areas around Lake Kyoga in Soroti District.

<sup>37</sup> Concerns that there may have been translation/interpretation problems were allayed by comparison with the eight case studies undertaken by the consultant during the October fieldwork, where 100% of respondents also described themselves as Iteso, from Oladot.

<sup>38</sup> Data on animal production for Byakabanda are incomplete, as this was considered to be of only minor importance overall.

<sup>39</sup> One had arrived four months earlier, one just the previous month.

too late in the current season, but who intended to start the following season. The majority of households (68%) grow crops not only for consumption, but also for sale. A smaller group (20%) grows only (or primarily) for home consumption, generating income from other activities, while one household of two older men without land labours for others. Estimates of the annual incomes<sup>40 41</sup> generated from the sale of crops ranged from 100,000/= to over 1,000,000/=, with an overall average of 375,000/=.

For 40% of the sample, sale of farm produce was the only source of income, but the remaining 60% also generated income from a range of non-farm activities. These included:

- trading activities, such as in trade in fruit and vegetables, fish, second-hand clothes, and household goods and commodities (shopkeeping);
- processing of agricultural products, such as butchery (specifically pork), and the manufacture and sale of local beers;
- other crafts, such as carpentry, brickmaking, building, tailoring, and handicrafts, such as basket and mat weaving;
- provision of services, such as running a restaurant, or the production and sale of cooked snack foods, hairdressing, or providing technical training; and
- waged or salaried work, such as as a barmaid in a traditional bar, or as a salaried employee, such as a teacher, or government extension worker.

Data collected on the levels of income that these different activities generate allow them to be categorised as “low”, “middle”, and “high” income generating activities, in the local context<sup>42</sup>, as shown in Table 5<sup>43</sup>. Where available, data on the farm incomes of households involved in these activities are also shown for comparison.

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<sup>40</sup> These figures should be considered primarily for comparison purposes, as opposed to as absolutes. Actual incomes from crop sales vary from year to year as a result of differences in both production and pricing. Furthermore, the ways in which respondents conceived of their incomes were numerous, in some cases quoting just one figure, in others a range, using different time scales (year, season, month), offering estimates or even hopes for the current crop in some cases, and actual figures from the past in others. During the debriefing sessions the local assistants discussed the data recorded with the consultant to arrive at annual totals for each household, which are presumed to be of the correct order of magnitude, at least.

<sup>41</sup> In this context, farm income is used to mean the monetary value of crops sold, and does not include the value of crops consumed by the household, which can be substantial, particularly for large households.

<sup>42</sup> These figures too should be considered primarily for comparison purposes, as above. Most sources of non-farm income fluctuate with farm incomes, as this is the primary source of income for the consumers of the various non-farm goods and services on offer, as well as with other factors. Furthermore, these data too were derived from a variety of types of responses, particularly as the types of activity were so numerous and diverse – it was found to be particularly disruptive and confusing to try to discuss annual totals for non-farm incomes during the interviews when, in many cases, the respondent did not conceive of the income this way. Thus, as above, during the debriefing sessions the local assistants discussed with the consultant to arrive at annual totals for each IGA, which are presumed to be of the correct order of magnitude, at least.

<sup>43</sup> The total number of households interviewed in Byakabanda in Dec. 2000/ Jan. 2001 was 25. Table 5 only shows data on some activities and some households, since not all interviews yielded responses to all questions.

**Table 5 Income categories of non-farm IGAs in Byakabanda Village**

	<b>Low</b>	<b>Middle</b>	<b>High</b>
Activities	Basket & mat weaving, bar work, fish trading, pork butchery	Fruit, vegetable, & second-hand clothes trading, tailoring & training, hairdressing, brewing, running a restaurant	Shopkeeping, second-hand clothes trading, building & carpentry, selling cooked snack foods, salaried employment
Income Mean (n)	153,000/= (5)	340,000/= (5)	823,000/= (7)
Income Range	40,000 – 240,000/=	300,000 – 416,000/=	600,000 – 1,080,000/=
Farm income Mean (n)	105,000/= (4)	175,000/= (2)	333,000/= (3)
Farm income Range (n)	0 – 200,000/=	150,000 – 200,000/=	200,000 – 400,000/=

Income figures are all per annum – see footnotes 40 and 42.

The IGAs in the first group are low barrier, and, particularly at the bottom end, are undertaken by individuals or households under stress, for example, a woman who works as a barmaid was, until the previous month, a charcoal trader in Kyotera, but had all of her working capital stolen, forcing her to undertake this work as a short-term survival strategy while she regroups and makes plans for the future. At the higher end, activities such as fish trading and pork butchery tend to be undertaken by younger men in their twenties and early thirties, typically with below average educational levels, with young families to support. Although the incomes generated by this group of activities are relatively low, households engaged in them also tend to have low farm incomes, and thus, on average, for these households incomes from non-farm activities are greater than incomes from farming, and their importance should not be overlooked.

The IGAs in the second group require either more capital investment, or more training, or both. In Byakabanda, many (80%) are undertaken by women, particularly single women with families. Some fall into this middle category only because a single business in fact has more than one component which have been developed over time, for example, a tailor, who has more than doubled her income by expanding into training others for a fee, and a fruit and vegetable seller who has been able to increase her profits by slowly introducing a small selection of second-hand clothes alongside the fruit and vegetables. The effects of scale are important, for example, brewing is often undertaken on a relatively small scale<sup>44</sup> – it yields a good return on an investment (typically a 50% profit on the cost of the ingredients), which need not be very large, but is time consuming, so often impracticable beyond a certain volume. Many small scale brewers use equipment which they already have around the home, or borrow from neighbours, and brew only one batch at a time, waiting for the working capital from the first batch to be freed up again to purchase the ingredients for the next. However, there are some with the necessary time/labour resources who undertake it on a larger scale, usually with a number of batches in different stages of production (and consumption) at a time. This requires more (stepped) investment in equipment (a set of dedicated, durable equipment is required for each batch in production), as well as continuous investment of working capital, but yields the same high profit margins on the costs of the ingredients. Larger scale brewers also often supply bars as opposed to selling their products themselves from their homes, which saves on time and labour, and provides a guaranteed

<sup>44</sup> See Zwick & Smith, 2001, and Smith & Zwick, 2001.

market. Data on farm incomes for this group are relatively few<sup>45</sup>, but for this group also, they show that incomes from non-farm sources are larger than those from farming, by a factor of about two.

The IGAs in the third group generally require even higher levels of capital investment and/or training, including secondary education as a prerequisite for the most lucrative – salaried employment as a government extension worker or teacher – although one, selling chapatis, provides a contrast. Again, surprisingly, many (57%) are undertaken by women, both single and married, and there is further evidence of a single business comprising more than one component – a builder/carpenter who worked as a waged labourer in construction until he could afford his own tools, to which he later added woodworking tools. There is also further evidence of the importance of scale, with a dedicated second-hand clothes seller, with a stock many times that of the women who is just starting out (see above), and a bicycle, who travels to various local markets throughout the week who not only makes more profit in total on his larger investment, but also has higher turnover as a result of his marketing efforts<sup>46</sup>. Finally, of households undertaking IGAs in this group, 40% are engaged in more than one. Households undertaking IGAs in this group also have higher average incomes from farming (although again, these are less than those from the non-farm IGAs), indicating strong positive links between profitable farm and non-farm enterprises, as well as between different profitable non-farm IGAs within a household.

Two other types of data substantiate the groupings above. One is observational data on indicators of the relative wealth of the household being interviewed, noted informally by the interviewer (such as the type, size, and condition of the home and household infrastructure (outbuildings, etc.), and/or the presence of consumer assets such a radio, or bicycle<sup>47</sup>), and the other is a comment by the respondent on his or her perception of the relative wealth of the household. Of households undertaking IGAs in the first two groups, only one in ten was observed to own a bicycle (a fishmonger, who needed it for his work), and only one resided in a permanent cement block house, although this was not her own (i.e., it was rented). Of those undertaking IGAs in the first group, all described themselves as “poor”, elaborating most commonly on themes of low income, but also on lack of assets, and on having to work for others. Of those undertaking IGAs in the second group, most (80%) described themselves as being “average” in terms of wealth in comparison to those around them, elaborating most commonly on themes of being *able* to undertake an IGA (other than farming), or having income which was enough to meet many (though not all) of their basic needs. In contrast, of households undertaking IGAs in the third group (in some cases more than one), most (80%) were observed to own a radio, or a bicycle, or both. However, these households also described themselves as “average” in terms of relative wealth<sup>48</sup>, citing similar themes as the households in the group below them, such as having a business, and being able to meet essential needs – one of these respondents (in fact, the one with the highest total income in the entire sample), explained that he did not consider his household to be well-off, because although their income was high by local standards, they had no savings.

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<sup>45</sup> Perhaps, in part, because farm incomes are thought of as less important or interesting than the non-farm incomes. The majority (60%) of households in this group indicated that they did grow crops for sale, and one household, recently arrived, which was not at the time of the interview, plans to do so in the near future.

<sup>46</sup> In the case of second-hand clothes in particular, a larger stock is likely to have higher turnover than a smaller one as customers are attracted to vendors with a wide selection, as each item is unique. Faster turnover not only yields faster profits, but also reduces loss to soiling, etc.

<sup>47</sup> Although these were not inventoried formally.

<sup>48</sup> In no case in any of the four study sites did a household describe itself as well-off, or rich.

Amongst the 40% of households not involved in non-farm IGAs, a further three groups were identified. The first was represented by only one household, but is nonetheless important – in this case it was a household of two older men, neither of whom owns land, and so who cannot grow their own food. The younger of the two, who is in his late fifties, labours for others for income, although this pays little. Their home was described as a “poor, old shelter”, and they have no major assets, such as a bicycle.

A second group is much larger and comprises households with annual incomes from the sale of farm produce<sup>49</sup> ranging from about 200,000 to about 500,000/=, with an average of 363,000/=, which places them between the lower and middle groups of households with non-farm IGAs in terms of their average total income. In contrast to the two lower groups with non-farm IGAs, however, there was more evidence of investment of material assets – 25% had permanent cement block homes, and many (63%) were observed to own a radio, a bicycle, or both. Half of this group described themselves as “poor”, commenting on themes such as lack of savings, as well as low income and difficulties in meeting essential needs, while the other half described themselves as “average”, citing (variously) the ability to grow their own food, to get income, and to be able to meet their essential needs, as well as being able to work for oneself. Interestingly, both the average and the range of incomes for the “poor” sub-group were slightly higher than those of the “average” sub-group<sup>50</sup>, reflecting the difficulties in matching subjective perceptions to quantitative indicators, which may, in any case, be difficult to determine accurately.

A third group is again only represented by a single household, but is also important – in this case a large household headed by an older retired man with two wives and eight children and grandchildren between the ages of eight and 23. The head of the household is educated to S4, and all of the older children are also in, or have finished secondary school. They farm and keep animals, including zero grazed cattle, and the household head also receives a government pension, bringing their total income to over 1,500,000/=. However, the household is still described as “average”, with the household head saying that although he has “some income”, he also has “some expenditure”, particularly on school fees.

In terms of total annual income, the household in this last “group” falls in the upper middle of the third group of households with non-farm IGAs. This relatively small sample of Byakabanda households is thus seen to be diverse, and complex, especially when considered with respect to participation in non-farm IGAs. At the lower end of the socio-economic spectrum are individuals and households without land, or under stress, who depend on paid farm labour or other low paying waged work. Just above them are a group which typically undertakes relatively low barrier non-farm IGAs, as well as growing crops for consumption and sale, although some (33%) depend entirely on the sale of crops. Above them is a larger group, which is split evenly between those who depend entirely on farm incomes, and those who depend on typically “medium” barrier non-farm IGAs as well as the sale of crops. Finally, above them, and quite distinct, is a group which depends on higher barrier, but also higher profit non-farm IGAs (sometimes more than one per household), but also generates relatively high incomes from farming – within this income band, it is also possible to specialise in farming, although this is less common (17%). These basic groupings appear to

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<sup>49</sup> Here including, in a few cases, income from poultry and other animal products.

<sup>50</sup> Although the sample is small, the two sub-groups are very similar in size, and gender, age, and education of household head, etc.

be relatively robust even when incomes are adjusted for household size<sup>51</sup>, with only those at the extremes moving majorly<sup>52</sup>.

#### 4.2.2 Kitambuza

Of the households sampled, all are involved in growing crops, with some (29%) also involved in animal production. The majority of households (88%) grow crops not only for consumption, but also for sale. One household sampled (6%) grows only for home consumption, generating income from other activities (in this case, carpentry), while one household of two younger brothers without land labours for others. Estimates of the annual incomes<sup>53</sup> generated from farming ranged from 200,000/= to 480,000/= <sup>54</sup>, with an overall average of 125,000/=.

For 29% of the sample, the sale of farm produce was the only source of income. One household (6%) also generated income from hunting for meat for sale, another form of primary production. However, the remaining 65% also generated income from a range of non-farm activities. These included:

- trading activities, such as in trade fish, or household goods and commodities (shopkeeping);
- processing of agricultural products, such as the manufacture and sale of local beers;
- other crafts, such as carpentry, building, and handicrafts, such as basket and mat weaving; and
- provision of services, such as the production and sale of cooked snack foods, or the provision of health and midwifery services.

Data collected on the levels of income that these different activities generate allow them to be categorised as “low”, or “middle” income generating activities, in the local context<sup>55</sup>, as shown in Table 6. However, half of the households undertaking these activities undertake more than one (i.e., two), often one from each grouping, so for this sample total household non-farm income does not correlate particularly well with the type of IGA undertaken.

**Table 6 Income categories of non-farm IGAs in Kitambuza Village**

	<b>Low</b>	<b>Middle</b>	<b>High</b>
Activities	Fish trading, basket & mat weaving, selling cooked snack foods, shopkeeping (very small scale), carpentry	Brewing, provision of health services, building	
Income Mean (n)	84,000/= (6)	247,000/= (6)	

<sup>51</sup> Wealth and wellbeing are complex multidimensional phenomena, and clearly depend on more than just income, expenditure, for example, being critical. Analysis of expenditure factors such as number of children of secondary school age, or estimated expenditure on medical care (likely to be higher for households with young children and/or older adults, for example) is, however, beyond the scope of this work.

<sup>52</sup> In this sample, households which undertake non-farm IGAs are smaller on average than those which do not (4.1 versus 6.8 people), in part because of the relatively high number of small female headed households engaged in non-farm IGAs, and thus some of the farming only households in the upper middle grouping are pushed into the lower middle grouping.

<sup>53</sup> See footnote 40.

<sup>54</sup> Unfortunately, data on income from the most prosperous household interviewed, which owns a shop in Lwentulege, as well as growing crops for sale and rearing cattle, goats, pigs, and poultry, are lacking, as the principal respondent was an adult daughter of the head of the household who was unwilling and/or unable to provide such information. See also footnote 11.

<sup>55</sup> See footnote 42.

Income Range	36,000 – 120,000/=	156,000 – 360,000	
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Income figures are all per annum – see footnotes 40 and 42.

As in Byakabanda, the IGAs in the first group are mostly low barrier, and are often undertaken by individuals or households under stress, for example, a woman who sells banana pancakes and runs a very small shop from her home arrived in the village with her young daughter only two months previously, fleeing domestic violence in her former home. Most of these activities are undertaken by women, either single women (60% of households undertaking one or more of these activities are female headed), or, in one case, a married women who makes baskets and mats to cover expenses “[her] husband cannot cater for”. One IGA in particular, carpentry, shows the importance of a good local market – carpentry requires investment in training and tools, and can be highly profitable, but the carpenter interviewed here, who sells primarily to the other villagers around him, makes relatively little money from his work, and complained of lack of market. In fact, his products sell so slowly that he has taken to working only to order – he would like to have a shop in Lwentulege, where he thinks business would be brisker, but does not have the money to rent one. In the meantime, his household survives on income from farming and from building, for which there is slightly more demand in the area. Selling cooked snack foods is similarly dependent on market – in Byakabanda, a well positioned vendor can take advantage of the presence of travellers on the main road, hungry school children, and visitors to the small trading centre from the local area, and generate a good income, whereas in Kitambuza, amongst homes and fields, passers-by, let alone customers, are far fewer – particularly because the product is perishable, the woman who makes banana pancakes also now works only to order.

The IGAs in the second group tend to require more training, or more formal training (although brewing is an exception), and more capital investment. As above, a good proportion (33%) of the households undertaking these activities are female headed, and again, half undertake more than one activity. Brewing again shows the effects of scale, with the three households undertaking it reporting annual incomes from it ranging from about 156,000/= to 360,000/=. In contrast to Byakabanda, the larger scale, more profitable enterprises sold the beer directly from the home, while the smaller scale enterprise sold to a bar in Lwentulege. Construction is hard work, but is relatively well paid. It requires training, but this can be on the job as a paid labourer, which is how many young men get started – in this sample those involved manage to keep investment low by hiring or even borrowing tools from friends, but again, complained of limited markets. The most highly trained professional in the sample is a nurse, a single woman in her thirties with a child, who decided on Kitambuza because she saw a good market for a drug shop. However, she has little capital, so her stock is small, which limits profits – bad debts are also a problem, as it is difficult to refuse medical treatment to someone who needs it, even if they have no money.

Although the IGAs in the first group in particular are not very profitable, undertaken in combination, they can make an important contribution to a household’s total income, particularly as farm incomes in this sample are relatively low<sup>56</sup>. Households with one non-farm IGA tended to undertake an activity from the second group<sup>57</sup>, and earned an average of

<sup>56</sup> Kitambuza is further north and west than Byakabanda, and thus drier, and less suited to the highly profitable coffee/banana system prevalent in the east of the district. Coffee and bananas are grown in valley bottoms and drainage lines in the area, but much of Kitambuza lies on well drained sloping land, and annual crops prevail.

<sup>57</sup> Excluded from the analysis in this instance is the household which generates by far the largest amount of income from farming – three times the next ranked household – and in which the wife also generates a very small amount from making baskets and mats.



222,000/= from it, and 70,000/= from farming, while households with two non-farm IGAs (from either group) earned an average of 309,000/= from them (in total), and 123,000/= from farming. Thus for both, non-farm incomes are greater than farm incomes, by a factor of two and half to three, and there is evidence of a positive link between more profitable farming enterprises and diversity (and hence greater overall profitability) of non-farm enterprises.

Of those with non-farm IGAs, two households are clearly much more well-off than the others – one is a successful farming household in which the wife generates a small amount of income from making baskets and mats<sup>58</sup>, and the other is one in which the head of the household runs a shop in Lwentulege, while his wife and children raise cattle, goats, pigs, and poultry, in addition to growing crops for sale<sup>59</sup>. Both of these households were observed to own assets such as a bicycle and radio (and a 12V television, in one case), and described themselves as “average” in terms of wealth. Of the others, two thirds were observed to own either a bicycle, or a radio, or both, but all described themselves as “poor” – most commonly they elaborated on themes of lack of assets, such as a good quality (permanent) home, but low income in relation to expenses, or the inability to meet basic needs was also mentioned, as was having little investment in an IGA (stock in a shop), which was perceived as both as result and a cause of poverty.

Amongst the 35% of households not involved in non-farm IGAs, three groups were identified, although the first two were represented by only one household each. The first, as in Byakabanda, comprises a household without land, in this case of two young brothers who had come to Kitambuza to look for work as farm labourers. The second comprises an older widow who lives alone, who grows enough food to eat, but only sells a very small amount (10,000/= per season). Both live in temporary pole and grass shelters.

The third group is larger (24% of the total sample), and comprises households which survive on a small amount of income from farming (60,000/= to 140,000/=, with an average of 81,000/=), supplemented in one case by hunting for meat for sale. None of these was observed to own assets such as a bicycle or a radio, and all described themselves as poor, citing lack of essentials such as an adequate diet, clothing, and shelter.

As in Byakabanda, this relatively small sample of Kitambuza households is thus seen to be diverse, and complex. At the lower end of the socio-economic spectrum are individuals and households without land, who are unable to grow crops for consumption, and who must labour for others, or with land to grow crops for consumption, but without the ability to generate more than a token income due to old age.

The next group is made up of households which earn some, but relatively little income from farming, but do not undertake any non-farm IGAs, in contrast to their analogues in Byakabanda, who, in a much more lucrative agricultural system, are able to generate more from farming, but even more from low barrier non-farm IGAs.

Again in contrast to Byakabanda, where the “middle” group was evenly divided between households which concentrated on farming and those with one or more non-farm IGAs, in Kitambuza, households in the “middle” group *all* undertake non-farm IGAs, as well as generating income from farming. These household’s average income from farming is in

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<sup>58</sup> See footnote 57.

<sup>59</sup> See footnote 54.

excess of that of the group below them, but their income from non-farm sources is typically several times that, particularly when more than one non-farm IGA is undertaken.

Finally, above them are two households which are much more well-off. Both have profitable farm enterprises, including livestock in one case. In one of these households the wife generates a small amount of income from basket and mat making (15% of the total household income), while in the other, the head of the household runs a shop in Lwentulege, but for both the main interest is farming. As in the case of Byakabanda, these groupings appear to be relatively robust even when incomes are adjusted for household size<sup>60</sup>.

#### **4.2.3 Ariet**

Of the households sampled, all are involved in growing crops, with many (53%) also involved in animal production. The majority of households (82%) grow crops not only for consumption, but also for sale, and the majority of these (86%) use some paid labour. Three households (18%) comprising older people in their sixties grow only for home consumption, generating small amounts of income from poultry keeping and/or other very low barrier activities. Although labouring is an important source of income for many, no households in the sample depend on this<sup>61</sup>. In Ariet many of the respondents found it difficult, or even impossible, to estimate incomes from crop sales as these vary enormously from season to season, primarily as a function of rainfall – many were unable or unwilling to name a figure, or did so only vaguely in an effort to please the interviewer, and hence these figures must be used with extra caution<sup>62</sup>. Estimates of incomes from the sale of animal products were less problematic, as these were felt to be more stable, and also came in throughout the year. For total farm incomes the estimates which are considered to be more reliable range from 25,000/= to 625,000/=, with an average of 180,000/=, with almost half (48%) coming from crop production, and half (52%) from animal production. However, as in Kitambuza, financial data from some of the more prosperous households interviewed are lacking, largely as a result of unwillingness to reveal them<sup>63</sup>. More than one indicated considerably higher incomes, particularly where there were daily sales of milk, which, in more than one case, extended the range given above, even before incomes from the sale of crops were considered. Nonetheless, from the data available, it can be said that the average income from the sale of crops in Ariet is less than in Kitambuza, and far less than in Byakabanda, but when incomes from animal production are included, total farm incomes in Ariet are higher than those in Kitambuza, although still much less than those in Byakabanda.

Many households (47%) generated income from fishing, another form of primary production. Fishing is undertaken in Lake Bisina, although it is in decline as the lake is become choked with weed. Two forms of fishing were identified – the first is undertaken by men using boats and nets, and requires considerable capital investment<sup>64</sup> on the part of a net-owner. The net-owner typically employs others to work with him, usually for payment in cash, and is

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<sup>60</sup> The large sizes of the two most well-off households makes them appear to be less distinct from the main “middle” group, which includes several very small households, typically single women with just one or two children, which have relatively high incomes per person.

<sup>61</sup> During the October fieldwork half of the case study households indicated that they laboured for others for income, and labouring was ranked highly in group exercises – for details, see Smith & Zwick, 2001. This sample appears to be somewhat biased towards the more well-off, perhaps in an effort to capture more, more interesting non-farm IGAs, although the inclusion of some very poor households indicates that the bias may not have been entirely conscious.

<sup>62</sup> See also footnote 40.

<sup>63</sup> See footnote 11.

<sup>64</sup> One respondent had recently bought a new net for 250,000/=.

responsible for the sale of the catch – more often it is sold directly to traders at the landing site, but one fisherman interviewed had a bicycle and trading license, and travelled to markets himself. Estimates of profits vary from 1,000 to 5,000/= per day, with an average of 3,100/=, yielding an annual income on the order of 800,000/= <sup>65</sup>, which compares very favourably with incomes from farming – furthermore, fishing incomes are daily and year round <sup>66</sup>. The second form of fishing is undertaken by women and involves wading into the shallows and scooping up small fish with loosely woven baskets. It is differentiated from “fishing” and called “collecting small fish” by local people. It requires minimal investment, but generates minimal income, typically half the amount per day that one could earn labouring, and was cited only by two older widows who are unable to labour <sup>67</sup> (one even uses the proceeds of this and other non-farm IGAs to pay for assistance in growing crops for consumption), but is undertaken nonetheless because, unlike brewing or other activities which generate more income, it requires no investment at all after the initial manufacture of a basket, and generates cash immediately.

For only one household (6%) was the sale of farm produce the only source of income, with another (6%) generating income from farming and fishing only. The remaining 88% also generated income from a range of non-farm activities. These included:

- trading activities, such as in trade fish, or household goods and commodities (shopkeeping);
- processing of agricultural products, such as the manufacture and sale of local beers or spirits, or the braiding of sisal ropes;
- other crafts, such as carpentry, brickmaking, and blacksmithing; and
- provision of services, such as running a restaurant, running a bar (selling either beer or spirits), mending fishing nets, or the provision of health services.

Data collected on the levels of income that these different activities generate allow them to be categorised as “low”, “middle”, and “high” income generating activities, in the local context <sup>68</sup>, as shown in Table 7 <sup>69</sup>. Activities in the “low” category generate less income than labouring, and are undertaken by those unable to do so, whenever the need for income demands, and/or the market presents itself, as opposed to full time – the respondents who undertake them were thus not able to give figures which would yield an estimate of annual income, in part perhaps, because of their own necessarily short-term outlooks. Where available, data on the farm (and fishing) incomes of households involved in these activities are also shown for comparison.

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<sup>65</sup> Assuming five days a week of fishing, which is considered realistic (and possibly an underestimate).

<sup>66</sup> Although they are often lower during the wet season as requirements for farm labour reduce the efforts made, and catches are smaller when the fish are disturbed by rain.

<sup>67</sup> However, during the October fieldwork it was also reported to be undertaken by those able to labour when there was no market for this, such as during the dry season. See Smith & Zwick, 2001.

<sup>68</sup> See footnote 42.

<sup>69</sup> The total number of households interviewed in Ariet in Dec. 2000/ Jan. 2001 was 17. Table 7 only shows data on some activities and some households, since not all interviews yielded responses to all questions.

**Table 7 Income categories of non-farm IGAs in Ariet Village**

	Low	Middle	High
Activities	Rope braiding, distilling, blacksmithing, mending fishing nets	Carpentry, brewing, running a bar	Brickmaking, fish trading, provision of health services, running a restaurant, shopkeeping
Income Mean (n)		245,000/= (3)	1,192,000/= (5)
Income Range	48,000 – c. 150,000/= <sup>70</sup>	195,000 – 288,000/=	480,000 <sup>71</sup> – 1,920,000/=
Farm income Mean (n)	169,000/= (2)	218,000/= (+) <sup>72 73</sup> (9)	613,000/= (+) (6)
Farm income Range (n)	130 – 208,000/=	25,000 – 625,000/= (+)	26,000 – 1,155,000/=

Income figures are all per annum – see above and footnotes 40 and 42.

As mentioned above, the IGAs in the first group are very low barrier, but generate very little income, and are undertaken, in some cases in a somewhat *ad hoc* manner, by those unable to labour, such as the old, in this case, a widow with a disabled son to care for, and an older man, in poor health. In contrast to Rakai, however, incomes from primary activities, such as poultry production, and/or collecting small fish (such households are not usually able to generate any income from the sale of crops), equal or exceed incomes from these non-farm activities, even when these are undertaken in combination.

The IGAs in the second group typically require more capital investment, although this need only be a few thousand shillings in the case of brewing, which was by far the most commonly cited non-farm IGA. It is usually undertaken by women, although men sometimes assist their wives, and the beer is usually sold directly from the home, as until recently, there were no bars in Ariet<sup>74</sup>. As in Rakai (despite being a different type of beer, made from millet, as opposed to banana and sorghum), the income generated from brewing depends largely on the scale of the operation, in terms primarily of the rate of production – most in this sample brew only one batch at a time and wait for it to be sold and the capital released before starting another, and not all brew continuously, most often stopping when the working capital is required to meet household expenses. Most (71%) households involved in brewing do not undertake any other non-farm IGAs – in the cases of those that do, one, an older widow, braids sisal ropes, presumably when she lacks the capital to start a batch of beer, and in the other, the teenaged children brew, while the mother trades fish, which yields a lower margin on an investment, but a higher return per unit time.

Like beer, spirits are also usually sold from the home of the producer – the small scale distilling recorded here is relatively low profit, but one young man has discovered that he can buy spirit in bulk (by the 20 litre jerry-can) in Palissa District and transport it to Ariet, where he sells it from an informal bar at his home. By using paid labourers to transport it for him, he can continue to fish, which yields good returns on his time, while his capital also “works” for him. Finally, as in Kitambuza, carpentry is in a relatively low group as a result of a

<sup>70</sup> Assuming three days per week of work blacksmithing *or* mending fishing nets.

<sup>71</sup> Assuming four batches of bricks per year.

<sup>72</sup> (+): some data missing, “true” average probably (very) slightly higher.

<sup>73</sup> Excluded from the analysis in this instance is a household with a total farm income twice that of the next ranked, in which the wife also brews.

<sup>74</sup> For details of Ariet’s first formal beer drinking bar, see Smith & Zwick, 2001.

limited local market. The carpenter here is an army veteran who was given free training by the Veterans Association, and who used his demobilisation pay to purchase his initial set of tools, lowering the investment he was required to make. In contrast to the group below, data on farm incomes for this group show that overall incomes from non-farm sources are about equal to incomes from primary production (crop production, animal production, and fishing), although there is great variation amongst households, with some earning only a small portion of their income from non-farm sources (for example, 19%), and some earning most (for example, 92%).

The IGAs in the third group generally require much higher levels of capital investment and/or specialist training. Surprisingly, many (43%) are undertaken by women – one woman purchased her own bicycle for her fish trading business and travels to local markets, and brings in by far the largest portion of her household's income, and two of the most profitable businesses are small restaurants run by women, assisted in one case by her husband, and in another by paid workers. Brickmaking is undertaken by men. In Ariet it is often undertaken by groups<sup>75</sup>, but also by well-off individuals who pay for the collection of the necessary materials (clay, water, grass, firewood, etc.) and labour up front, a considerable investment<sup>76</sup>, and then collect the profits later – these, however, may also be considerable, typically about 100%. In these situations it tends to be undertaken somewhat opportunistically as the demand arises, and/or when the resources (money) are available by those with other profitable IGAs, as opposed to as a primary IGA upon which a household depends.

The most highly trained professional in the sample is a young traditional healer, who was looking for land and decided on Ariet because he saw a good market for his business there. He runs a large scale operation, with a separate building for patients, and two full-time plant collectors – his work is appreciated, so despite treatment charges that typically exceed those for modern drugs, he has many patients, and is able to make a good living, and invest in cattle. Finally, the most profitable business in the village is the shop in the small trading centre. The owner is a local man who was educated in Soroti, where he learnt about shopkeeping from relatives. He is also a fisherman and farmer, and is unusually focussed in his aspirations, first working very hard to grow a large crop of sweet potatoes for sale, then using these profits to start a programme of brickmaking, and then using these profits to start the shop, which was initially run from his home. He now has a bank loan of 450,000/= invested in the shop as well, which has been helpful – in the absence of much competition, his profits are high, and he can make his repayments without difficulty. However, his next plan is to move to a bigger market, and then, if all goes well, to acquire a grinding mill.

On average, households undertaking IGAs in this group earn much more from their non-farm IGAs than they do from primary production, but, on average, households in this group also earn more from primary production (notably from fishing and/or animal products) *alone* than households in other groups earn in total, indicating very strong positive links between profitable primary production enterprises and profitable non-farm enterprises.

The two households in the sample (12%) not involved in non-farm IGAs are both relatively well-off – both own cattle, which generate income from the sale of milk, and employ labourers to grow crops for sale, and in one case, the head of the household also fishes with a hired crew. He is not interested in having a non-farm IGA, preferring to concentrate on

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<sup>75</sup> For details, see Smith & Zwick, 2001.

<sup>76</sup> One respondent cited a figure of 150,000/= for a batch of 6,000 bricks.

fishing and cattle, but the head of the other household, an older man in his seventies, is – before the insurgency he used to run a restaurant, and would like to do so again, but is unable to get started at the moment because he has six children to care for, including some in secondary school, so is unable to set aside any money.

In contrast to Rakai, in Kumi, perceptions of poverty and wealth were traditionally much more dependent on food security and ownership of assets, particularly cattle<sup>77</sup>, than on levels of income or income generating abilities. This is primarily in response to the lower reliability of and greater variability in food (crop) production. In the past, households were able to survive irregular but not infrequent periods of poor or no harvest by storing surpluses grown in good seasons, and, when these were exhausted, by selling livestock assets. However, now, without oxen to plough it is difficult to grow enough for a surplus even when the weather is good, and most households have only minimal assets to sell, so food security is a major problem about every three or four years. Furthermore, when harvests are poor, people have little money to spend on goods and services, so revenue from IGAs of all kinds (except selling stored crops) tends to fall – this is particularly true of IGAs which use food crops as an input, for example, brewing, or which provide non-essential products, for example, carpentry. Once the capital invested in an IGA ceases to yield a good return, and particularly if it is required to buy food, it is stripped from the business, and consumed. At the same time, the prices in the local markets of the few assets that people are trying to sell, primarily chickens and goats, drop to “give-away” levels. Thus, every few years the majority of households are set back to owning little or nothing apart from their land and their hoes, and must effectively start all over again – if conditions are very hard they may not even have seed, and must start by labouring for others. Non-farm IGAs cannot be resumed until sufficient capital has been accumulated again, and customers have regained some of their purchasing power. Those few households with oxen and cattle are thus many times better off – they are likely to have been able to produce enough food to have stored some, as well as to have more small livestock, purchased with the proceeds from the sale of milk, so they are therefore much more likely to emerge from a hard period without even having to resort to selling cattle. They are then able to start the next good season from a position of strength, and to take advantage of the abundant labour for sale. Furthermore, if they have another IGA, they are less likely to have been forced to strip it of its assets, and more likely to be able to start it up again as soon as there are customers with money – they may even be able to do better, if there is less competition.

Unfortunately, the questionnaire used here focussed on non-farm IGAs (the topic of the research) as opposed to material assets, and thus it is somewhat more difficult than in Rakai to identify clearly delineated socio-economic groupings among the sample households. At the bottom of the spectrum is a clear grouping – the households of the old who must support themselves<sup>78</sup>. In some cases, they are able to grow a little food for consumption, but in others, even this is not possible, and none are able to undertake paid farm labour. They survive from day to day on the income generated from the sale of poultry products, or collecting small fish, or a range of very low barrier, but very low profit activities, such as braiding sisal ropes, or mending fishing nets – activities which typically pay less than labouring, and are often undertaken on an *ad hoc* basis.

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<sup>77</sup> Cattle also possess enormous cultural value, in addition to their economic value.

<sup>78</sup> No cases of households without land were recorded.

Above them, in this sample<sup>79</sup> is a diverse group of households which typically grow their own crops for consumption, with a small amount for sale, often using labourers – at the upper end of the range, they may also have a milk cow, which generates income daily. This group typically does not include fishermen, but farm incomes are often supplemented by brewing, or other medium barrier, medium profit activities, such as carpentry, or large scale provision of spirits. Between this group and the next are a small number of households with relatively high incomes, which place them above this lower group, but without the assets, specifically cattle, which would place them securely in the upper group – these households farm, and perhaps raise poultry, but on no larger a scale than the rest of the group below them, but unlike the group below them, they also undertake a profitable non-farm IGA, such as fish trading, or running a restaurant – in one household the husband also fishes. However, in times of poor harvest their incomes would be likely to decline considerably as their customers stopped spending money. They would obviously be more likely to have savings and to be able to use the working capital invested in their businesses to buy food than those in the group below, but, depending on the severity of the hard period, would perhaps have a lot of rebuilding to do when conditions improved again.

In this sample the top group is not small<sup>80</sup>, although it is unlikely to be large in total. It comprises households with assets, i.e., cattle. These households typically generate only a relatively small amount of income from the sale of crops, but, in most cases, earn substantial amounts, daily, from the sale of milk – half of them also receive a daily income from fishing, which is, again, substantial. Half also undertake a relatively high profit non-farm IGA, such as manufacturing bricks, or providing traditional medical services, but half do not undertake non-farm IGAs, or limit them to brewing by the wife. The household of the shopkeeper forms another parallel group of one on its own – in this case, a young man who is well educated and has spent time in Soroti has prospered through farming and fishing, but has chosen to embrace non-farm IGAs and assets, instead of following the Iteso tradition of investment in cattle.

Traditional perspectives notwithstanding, comments by the respondents on the relative wealth of their households relate in a large part to the ability (or not) to meet daily needs, and so reflect household size as well as income generating ability more than in Rakai. Of those in the bottom group, two thirds describe themselves as “poor”. One older widow who lives alone stated profoundly, “I am poor – I am old and I have no children”, reflecting a broader sense of personal deficit than the mere economic assistance a family might render. However, simpler expressions, such as, “My income cannot meet my expenses”, were also made. One older widow who cares for an adult son who is disabled, as well as a younger son who is still in school, however, described herself as “average”, as through a combination of raising poultry, collecting small fish, braiding sisal ropes, and brewing she *is* able to feed and clothe her family.

Of those in the middle and upper middle groups about half (56%) described themselves as “poor” – these included a household which owned milk cows, and others with highly profitable non-farm IGAs, such as running a restaurant, or trading fish, but which felt that large families, particularly in relation to the size and fertility of their farms, or having children in secondary school brought them down. Those who described themselves as

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<sup>79</sup> Data collected during the October fieldwork indicate that there is a relatively large group of households, which fits between the two groups described here, who grow their own crops for consumption, and who labour for others for income. See footnote 61.

<sup>80</sup> See footnote 61.

“average” elaborated that they *were* able to keep their families, with one specifically pointing out that this was because the household was small. The ability to invest in a medium barrier IGA was also cited as an indication (a *result*) of relative wealth by one, while having several IGAs (growing crops, raising poultry, fishing, and running a restaurant) was described as *cause* of relative wealth by another. All of those in the top group described themselves as “average”, and all cited having several sources of income (typically growing crops, keeping cattle, and fishing and/or a profitable non-farm activity) as an explanation. Many (60%) of this group were also observed to own other more minor assets, such as a bicycle.

#### **4.2.4 Oladot**

Of the households sampled, all are involved in growing crops, but in contrast to Ariet, only one (5%) reported generating income from animal production, in this case pigs. Many (45%) grow crops not only for consumption, but also for sale, although almost the same number (40%) grow only for consumption, generating income primarily from labouring. A small group (15%) do not grow their own crops, but labour for others – in one case, a household without land, and in others, households comprising older people who are not able to manage their own fields, and who labour as a last resort if relatives are unable to help, or begging fails to generate enough for survival. Also in contrast to Ariet, none of the households sampled uses paid labour.

As in Ariet, many of the respondents who did generate income from the sale of crops found it difficult to estimate the value of this, and the interviewers’ focus on non-farm IGAs meant that they did not press the issue<sup>81</sup>, with the result that there are few data on this. Further discussions suggested that a labourer with a reputation for hard work, who could find work regularly, could generate similar amounts of income to a farmer who grew crops for sale on a small scale, but without the need to invest in inputs, and avoiding risks, such as price fluctuations – furthermore, he or she would be paid daily. In some cases, it appeared that the inability to clear land without oxen, or to purchase inputs meant that households with land were unable to farm it intensively, and were forced into a position of growing low barrier crops for consumption and labouring for income for those who *were* able to invest in farming on a larger scale – being in a position to farm one’s own land was, obviously, considered preferable, but in contrast to the other study sites, labouring for others was not exclusively reserved for the landless, or those unable to farm<sup>82</sup>.

From the data that are available, it can be said that incomes from the sale of farm products are lower in this sample than in the sample from Ariet, in part because of the much lower reliance on animal production (goats and poultry, as well as cattle). Furthermore, a large portion of the sample generated farm income through labouring, as opposed to through their own production.

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<sup>81</sup> For details of the interview process in Oladot, see section 2.2.

<sup>82</sup> Further discussions in Oladot did not, however, yield a satisfactory explanation for the seemingly wider incidence of poverty there than was recorded in Ariet in both October and during this fieldwork, as in both cases poverty was blamed on the regional problems of cattle raiding and insecurity, which, if anything, tended to have been more severe in the north and east of the district. One possibility is that fishing in Ariet allowed at least some households to recover from these shocks more quickly – further research is required to test this hypothesis.



In contrast to the other study sites, the majority (83%) of households sampled in Oladot did *not* undertake any non-farm IGAs, except, in one case, begging, which is not included here<sup>83</sup>. The activities undertaken by the other three households which did not depend entirely on farm incomes (17%) included:

- trading activities, such as in second-hand clothes;
- processing of agricultural products, such as the manufacture and sale of local beers; and
- provision of services, such as running a restaurant.

There are too few data to allow much generalisation, but the three activities cited can be categorised as “low”, “middle”, and “high” income generating activities, in the local context, as shown in Table 8.

**Table 8 Income categories of non-farm IGAs in Oladot Village**

	<b>Low</b>	<b>Middle</b>	<b>High</b>
Activities	Brewing	Selling second-hand clothes	Running a restaurant
Income (approx.)		c. 500,000/=	c. 900,000/=

Income figures are all per annum.

Brewing is undertaken by two households – one household, which is not particularly well-off, and whose members also labour for income, brews in a group with others, while the other household, which is relatively well-off, brews alone. The head of a large polygynous household sells second-hand clothes, travelling to local markets by bicycle – his household also farms, but does not labour for others. A married woman runs a restaurant in the market – her household also farms, but does not labour for others, although she laboured to get her initial capital for her business. Data are lacking, but it was thought that in each case, except, perhaps, that of the more well-off household which brews, that income from the non-farm IGA exceeds that from farming – however, even for the second-hand clothes seller and restaurant owner, whose businesses are relatively profitable, the profits are spent each day, and cannot accrue.

In contrast to the other study sites, this sample contained a greater fraction (13%) of households which received assistance from others, particularly households headed by older people who were given money or assisted with school fees by relatives living elsewhere, although one household of two widows living together with their four children was supported largely by male “friends” within the village<sup>84</sup>. This higher level of dependence on external support may be a reflection of the lower incomes and greater poverty recorded here.

Despite the paucity of data, it was possible to describe broad socio-economic groups with the assistance of the local assistants. As in the other study sites, at the bottom of the socio-economic spectrum are the households of those who are unable even to grow their own food, the old, and the landless, who labour for others if they are able, or survive through begging.

<sup>83</sup> Concerns that there may have been further problems with the interview process were allayed by comparison with the eight case studies undertaken by the consultant during the October fieldwork, in which only one (13%) reported a non-farm IGA.

<sup>84</sup> That this household was included in the sample caused some embarrassment to local leaders, who attempted first to hide the questionnaire, and then to suggest that the widows supported themselves by labouring, before acknowledging the role of male “friends”... That this household was interviewed provides good evidence that the sampling was unbiased, i.e., that households were interviewed as they were encountered, without regard for their “suitability”.

Above them, is a relatively large group which farm their own land for crops for consumption, but are unable to grow crops for sale, either because of lack of sufficient land, or because of lack of oxen to plough, or because of lack of money for inputs, and so who, for the most part, generate a little cash income from labouring. Above them is another relatively large group which is able to generate at least a little income from the sale of crops, and who thus do not need to labour for others – however, in this sample, none used paid farm labour, although one household rents additional fields. Of this group, half undertake another IGA as well as farming, either non-farm, or, in one case, rearing pigs, but none appeared to be well-off, or to own assets such as cattle. In contrast to the other study sites, this sample did not include any households from a “well-off” group, although there are a small number present.

Observations on the ownership of more minor assets support the ranking of the groups above – amongst those who depend on labouring for others for income 18% of households were observed to own a bicycle, while amongst those who do not labour, 67% were. However, only one household, that of a farmer who also rears pigs, described themselves as being “average” in terms of relative wealth – all of the others described themselves as being “poor”, citing most commonly (63%) large family size (and hence high expenditure) and/or limited (or lack of) land, usually in relation to one another, or widowhood (21%), with others citing the inability to generate income from farming, and hence having to labour, or the inability to farm on more than a small scale.

### **4.3 Access and barriers**

#### **4.3.1 Byakabanda**

Of those who undertake non-farm IGAs, most (68%) acquired their skills informally from relatives and friends, and experience on the job, particularly those involved in trading and processing of agricultural products. However, those involved in crafts, such as carpentry, brickmaking, building, and tailoring had all had some formal training, either at school, or through an apprenticeship, and the hairdresser too had been through an apprenticeship – those with salaried jobs had completed secondary school *and* had some further specialist training as well, both pre- and in-service.

Half of the IGAs had been started from the proceeds of farming – others had been started through gifts from relatives, or loans from relatives or others, including credit from suppliers (in the case of a chapati maker), or by selling assets, for example, a radio<sup>85</sup>. Income from one non-farm IGA was not often used to start another – one builder had started off as a waged labourer, and then set up on his own, and expanded into carpentry, and a restaurant business had provided start-up capital for a brickmaking enterprise, but in other households which undertook more than one IGA, different members were involved in the different activities, which were run more or less separately, and which did not reinforce one another directly (for example, in one case a husband had a second-hand clothes business, while his wife ran a shop, both of which were started from the proceeds of farming, a joint effort).

Those with non-farm IGAs commented on problems they had in running them. The two most frequently cited problems were to do with lack of capital in the business, and poor markets, or lack of customers, or slow (or even non-) payment by customers – each was cited by 45% of respondents, with almost half (43%) of those citing one, also citing the other, revealing an interesting contradiction<sup>86</sup>. Others (18%) also had problems relating to poor quality and/or

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<sup>85</sup> It was not known how the radio had been acquired in the first place.

<sup>86</sup> A business constrained by a poor market could benefit from investment which made the products more affordable or competitive (for example, a more efficient manufacturing process), or which led to greater sales of

expensive business premises, but some (27%) reported no major problems, and overall, all of those undertaking non-farm IGAs felt positive, or even very positive about them, and most (73%) planned to expand or improve on them.

Few (13%) were seriously thinking of moving into new line of business – one, a teacher, planned to start trading crops alongside his existing job, while another, who was working temporarily as a barmaid, planned to return to her former business of trading in charcoal as soon as she had recovered from the theft of her working capital. Two older people involved in relatively low profit activities (mat making and brewing) both aspired to owning a shop, as this was perceived to be easy even in old age, and profitable, but neither anticipated actually realising their aspirations. In Byakabanda, where many businesses are undertaken in rented premises, 79% of respondents mentioned plans to construct their own buildings<sup>87</sup>, and 33% mentioned plans to invest in farming, as well as their non-farm IGAs. As well as investing in accommodation, 50% also mentioned investing in the education of their children and/or grandchildren as a priority.

Of those without non-farm IGAs, 60% planned to continue to invest in farming (crop and livestock activities) as their only or main activity, citing planting coffee for income, or rearing livestock specifically. Many (83%) expressly mentioned that they did not want a non-farm IGA which would compete with or detract from farming, for example, two older, relatively well-off farmers planned to invest in planting eucalyptus, as well as commercial properties for rental, as these required minimal investment of time. Of the others, plans and aspirations included crop trading and shopkeeping. Crop trading was cited by relatively prosperous farmers who had experience of marketing their own crops, while shopkeeping was mentioned by an older widow because she thought it would be easy work. All cited lack of capital as the main barrier preventing them from undertaking these IGAs now. The widow reported that she was trying to save, and one of the aspiring crop traders that he was planning to look for a loan, but the third aspiring crop trader was unable to save at the moment. An older, landless man who labours for others aspired to owning land, as well as to trading fish, but doubted that he would be able to accumulate enough to achieve either. As with those with non-farm IGAs, some also mentioned plans to invest in the construction of a permanent home (20%), as well as the education of their children (20%).

As the respondents stated the IGA(s) they were interested in undertaking before they cited the barriers they felt were preventing them from doing so, it is unlikely that they would name something that they felt they were completely unable to undertake, for example because they lacked the necessary skills, or were physically unable<sup>88</sup> – thus these types of barriers were more often inferred from comments about why one IGA was chosen over another. Amongst the sample in Byakabanda, other problems identified were spoilage of commodities, especially when sales were slow (less of a problem for the types of household goods and commodities typically stocked in general shops, or for charcoal), hard work, which was

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existing products in the given market (for example, advertising), or access to other markets (for example, transport). In the cases here, however, lack of capital was perceived as limited stock.

<sup>87</sup> Although not always specified, it was presumed that these would be for both commercial and residential use – the term “business house” was often used.

<sup>88</sup> I.e., respondents were likely to choose IGAs within the realm of possibility. As an extreme example, a poor uneducated widow would be extremely unlikely to say that she would like to start a desktop publishing and internet business, and then list illiteracy, computer illiteracy, lack of reliable electricity supply, lack of good telephone connections, difficulties in obtaining spare parts and accessing skilled technicians in the event of a breakdown, etc., as well as lack of capital, poor market, poor security, and concerns about childcare as major barriers.

difficult for older people, and lack of skills or experience, which limited people's options. Crop trading was particularly favoured as crops were generally plentiful, and the market was outside the local area, and thus much less limited.

#### **4.3.2 Kitambuza**

Of those who undertake non-farm IGAs, almost all (91%) acquired their skills informally from relatives and friends, and experience on the job, with only one woman who runs a private drug shop having specialist training<sup>89</sup> – in contrast to Byakabanda, craftsmen such as builders and carpenters had learned their skills from relatives and friends, and not at school.

Many (64%) of the IGAs had been started from the proceeds of farming – others were started with the proceeds of labouring, either as a farm labourer, to get capital to start brewing, or as a construction worker to get capital to buy building tools. Only one was started with the profits from another, a young widow who had used the proceeds from brewing to start fish trading as well. In contrast to Byakabanda, none had been started through gifts or loans from relatives or others.

Those with non-farm IGAs commented on problems they had in running them. Similarly to Byakabanda, poor markets, or lack of customers, or slow, or (more commonly than in Byakabanda) non-payment by customers was perceived to be a major problem, affecting 75% of IGAs, particularly those where the product is perishable (for example, snack foods, or fish). In contrast to Byakabanda, however, problems relating to lack of capital, such as lack of tools and equipment, or small stock, were cited much less frequently (25%), perhaps because of a clearer perception that while greater investment might allow for better products or services (for example, higher quality furniture, or better diagnostic services and a wider selection of drugs), or even easier working conditions, the difficulties that customers have in paying for the products already available indicate that they would be unlikely to be willing or able to pay more. Fluctuation in the availability and/or price of inputs such as canes for basket making, brewing bananas, and household goods and commodities were problems for some (25%), as was poor accommodation (17%), although in the village environment most people own their own properties, and thus this is easier to remedy than in Byakabanda.

Despite these problems, however, 80% of those undertaking non-farm IGAs felt positive about them – of those that did not, one, an older man with no formal education who brews, complained of low profits, but did not specify any other plans, while another, a young builder, described how he was forced into this work because he lacked the capital to undertake a more profitable IGA, such as shopkeeping. All of those who felt positive about their businesses planned to expand or improve on them, but only one person had plans for a new business, a middle-aged man who brews, who plans to use the profits from this to open a shop. Twenty percent planned to invest in farming, particularly livestock, as well as their non-farm IGA(s)<sup>90</sup>.

All of the households without non-farm IGAs (35%) were poor, or very poor<sup>91</sup>. One, of two young brothers without land, planned to labour for income, and to save enough money to open a shop, and another, a married man who supplemented his relatively meagre farm income by hunting with nets and spears, aspired to acquiring a gun to improve this enterprise,

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<sup>89</sup> The TBA learnt her skills from her mother, with only very minor subsequent formal training.

<sup>90</sup> Due to differences in interpretation, respondents in Kitambuza commented only on their plans for IGAs, and not on general issues, such as education, etc.

<sup>91</sup> See section 4.2.2.

although it was not clear if this would be possible, but the rest (67%) did not articulate any clear plans<sup>92</sup>.

#### **4.3.1 Ariet**

Of those who undertake non-farm IGAs, almost all (94%) acquired their skills informally from relatives and friends, and experience on the job – only one, a carpenter, had received formal training through the Veterans Association.

More than half (56%) of the IGAs had been started from the proceeds of farming (including selling poultry products and milk), 13% had been started from the proceeds of farming and fishing together, and a further 13% had been started by selling cattle, which presumably had been acquired through farming. Of the remaining 19%, one, the carpenter, had used his demobilisation pay, one had borrowed from a friend, and one had used the proceeds of a previous non-farm IGA, brickmaking, along with profits from farming and a loan from the Centenary Rural Development Bank to open a shop.

Those with non-farm IGAs commented on problems they had in running them. The most frequently cited problem (41%) was transport, which is a problem for those who bring into the village goods such as timber, household goods and commodities, or spirits, as well as for those who take out of the village products such as fish, bricks, or beer – apart from bricks, for which a pickup must be hired, transport is by bicycle, which is a problem in bad weather, as well as beyond the reach of some, especially female brewers, half of whom reported borrowing bicycles from friends. The next most commonly cited problem, bad debts, relates exclusively to selling beer and spirits, but as these are so prevalent, affects 29% of all non-farm IGAs – attempts to solve this include refusing to serve known defaulters, or “tight administration”, although not all can afford to turn away a potential customer, or selling to bars as opposed to directly to consumers, so the bar owner is left to deal with the problem, or, in the case of the male proprietor of a spirits bar, insisting that those who are unable or unwilling to pay labour to work off their debts. Other problems included poor or variable markets for more expensive or non-essential products, such as bricks, furniture, or restaurant food, as well as for “old-fashioned” crafts such as blacksmithing, or even, as fishing has declined, net mending, as well as problems with input supplies, not only commodities from outside the district, such as timber, but also, periodically, locally grown produce, such as millet for brewing<sup>93</sup>.

Of those undertaking these non-farm IGAs most (62%) felt very positive – those that did not (23%) were all older people, who felt unable to continue or adapt due to old age – none had any plans at all for the future. Of the others, however, many (58%) planned to continue with their businesses, or even improve or expand them, for example, by moving a restaurant business to the trading centre and building a permanent building. Some (17%) saw their current IGA as a step in a progression of non-farm IGAs – the shopkeeper wanted to accumulate enough capital to buy a grinding machine, and one of the restaurant owners

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<sup>92</sup> Of these, one was a household headed by a very old man (who initially stated that he was 102 years old!), and one was that of a old widow who lives alone, neither of whom has any formal education. It is not clear, however, whether they actually had no plans for the future, apart from survival from day to day, or whether they were just difficult to interview. A much younger single mother, and a middle-aged married man, who were also poor, and had little or no education, also did not give any specific plans.

<sup>93</sup> Other problems related more specifically to individual IGAs – for example, restaurants suffered from theft of tableware, brickmakers from both drought and heavy rains, brewers from the beer going bad, and the healer from lack of protective clothing, a particular concern during the outbreak of the Ebola virus in the north of the country.

wanted to build a commercial property for rental, and to get into trading and storing produce, buying cheaply at harvest time, and then reselling at a profit when food became scarce later. More often, however (42%), others mentioned plans to invest back into farm IGAs and assets, particularly livestock, but also millet production to support brewing. General plans included “improving living standards”, and/or “community development”, cited by 42% of this group<sup>94</sup>, with investing in the education of their children and/or grandchildren mentioned by 33%.

Those without non-farm IGAs were a small group (12%) or relatively well-off households with cattle. One fishes as well as farming and raising animals, and plans to continue, although the increasing weed is a problem – the household head has no plans for any other businesses, as he has many expenses, and cannot afford to save. The head of the other household, an older man in his seventies, used to have a restaurant, but stopped during the insecurity. He would like to start it up again, but is unable at the moment as he must pay secondary school fees for his children and grandchildren, which takes up all of his income.

#### **4.3.4 Oladot**

Of the small group (17%) who undertake non-farm IGAs, all had acquired their skills informally. The owner of the restaurant laboured to get a little income to start her business on a very small scale, and has built up from there – she is also able to get many ingredients on credit from the shop – and the second-hand clothes dealer borrowed 100,000/= from friends. The restaurant owner complained of lack of capital, and the inability to invest more of her profits in the business as she has a large family which consume them all every day – specifically, she is limited in the quantities that she can buy of ingredients like milk, which must be purchased and boiled first thing in the morning, before she has had a chance to generate any revenue, but usually runs out early, while there is still demand, i.e., still the potential to make a profit. The second-hand clothes dealer complained of the difficulties in travelling to distant markets, and theft, as well as lack of capital – his very large family (three wives and thirteen children) cannot survive on the profits alone, and he fears that his investment is being eroded, and that the business is deteriorating. Both saw their businesses as means to an end – an improved standard of living – as opposed to an end in and of themselves. The restaurant owner would like to be able to raise poultry, although this would require greater investment, and with more delay in returns, while the second-hand clothes dealer aspired to being able to own cattle.

Of the large group (91%) which did not undertake non-farm IGAs<sup>95</sup>, many (68%) planned or aspired to investing in farm activities, or farm activities before other non-farm IGAs, although the scale of these plans and aspirations ranged from “I will try to get enough food” to “I would like to have some hens, and then, maybe a goat”, to “I will buy a bull, so I can plough”. However, in contrast to the sample in Ariet, which included several households with cattle already, or for whom ownership of cattle was a realistic aspiration, none of the much poorer households sampled in Oladot stated that their short- or medium-term goals included ownership of more than one animal (a bull, in one case, and a milk cow in another). Some of these planned to diversify from farming later, either into shopkeeping, or trading in crops, while an older widow described a plan to invest in farming, to generate a little money to start a non-farm IGA, brewing, to generate a little more money to invest back into a farm IGA,

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<sup>94</sup> Overall, four respondents specifically cited the generation of employment opportunities in the village as benefits of their IGAs, although this may well have been in response to the presence of the interviewer, the Chairman LCI, as opposed to actually being of major importance to the respondents themselves.

<sup>95</sup> Or brewed, only, which was not considered “important” – see section 2.2

raising poultry, and then goats. Only two respondents stated that they would like to start with a non-farm activity – one, a relatively well-off man who raises pigs, would like to move into shopkeeping next, while at the other end of the spectrum, a young landless widow described plans to start brewing, so that she could then invest in poultry, so that she could educate her children. Educating one's children and grandchildren was a major investment priority, cited by 79%, while investing in a better home was cited by 37% as an important plan or aspiration – other aspirations included being able to improve the quality of the household's healthcare and clothing, as well as adequately care for older dependants, such as co-widows.

When asked about non-farm IGAs specifically, one older man in his seventies replied that he was too old and too poor to undertake anything other than growing a few crops for consumption, and one young widow specifically stated that she wanted to concentrate on farming. The others however, spoke of trade in farm products. A quarter of the sample, all men, thought that trade in goats and/or cattle – buying them locally, and selling them in nearby markets, either live, or butchered – was an attractive business, describing it as profitable, and easy, even for an older person to undertake, but all were unable to undertake it due to lack of capital. Another quarter, again all men, thought that trade in crops was an attractive business, again, describing it as profitable, and easy, but again, beyond their reach due to lack of capital. After these, the next most commonly mentioned IGA (20%) was fishing on Lake Kyoga, again chosen by men, which was described as being profitable, and relatively easy to get started in, although again, beyond the reach of this group. However, a potential constraint was the difficulty and/or expense of obtaining a license, without which one was at risk of confrontation with Fisheries Department officials. Widows (15% of the sample) said that they would choose to brew, or in one case, brew and trade in fish. Brewing was described as easy to start, and easy for an old person to do, with an added benefit that it could be done at home – nonetheless, it was beyond the reach of this group, due to lack of even the relatively small amount of capital required. Finally, one older man mentioned that he thought owning a shop was an attractive business, particularly in his old age, as the work was easy – however, he was not actually saving to start this, and doubted that he ever would. Overall, 75% of the sample reported that they were not currently working towards starting the non-farm IGAs discussed above, in part because most aspired to investing in farm IGAs instead (see above), but also because incomes were too low in relation to their expenses to save for anything.

Some also commented on potential problems and/or causes of failure of an IGA, should one be able to get it started – most related to the stripping of assets to cover essential household expenses, either routine, in the case of large families, or predictable, in the case of children growing old enough to attend secondary school, or unpredictable, such as illness, while one older man worried about his health and his ability to undertake work at all.

## 5 CONCLUSIONS

The results of this work show great diversity amongst households, not only between, but also within, study sites in terms of a wide range of features. Overall, however, the individuals and households interviewed were observed to be making decisions based on their assets, and their perceptions of them, and how these could be used to *improve their standards of living*. These decisions included investing time and material and non-material resources in both farm and non-farm activities, amongst others, but although cultural and personal values and associations influence the decisions made, overall both farm and non-farm IGAs are ultimately viewed as a *means to an end* – improved standards of living – and *not* as an end in and of themselves<sup>96</sup>.

Different farm and non-farm IGAs were thus perceived to have a role to play in an individual or household's wellbeing, but only at certain points in time and in some multi-dimensional asset "space"<sup>97</sup> – they were often not expected to last indefinitely, and respondents were able to describe the conditions under which they might end. This could be a positive move, in which one IGA was replaced with another, which was in some way a step up – more profitable, or more secure, or more prestigious – for example, moving from raising poultry, to raising goats. It could also be a negative move, in terms of investment in the IGA, but this need not necessarily be a negative move in terms of wellbeing – for example, a shop could be shut down and the financial capital used for secondary school fees, or to pay for a new roof, something the household involved deemed to be of greater importance to their overall, long-term wellbeing. In such a case, although the shop itself would have failed to persist, it would be viewed as a successful means of reaching the desired end – well-educated children, or a dry home, not a shop full of stock<sup>98</sup>.

It is helpful to consider the capital asset framework here<sup>99</sup> – within this, individuals and households seek to build up their assets, to improve their livelihoods, to improve their standards of living. At different times, under different circumstances, they draw on different types of capital assets, and invest in others. If things are going well, the flow of resources from one area to another adds value to the initial asset base, and increases its total worth, if things are going poorly, it degrades it. Farm and non-farm IGAs are part of this flow of

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<sup>96</sup> This was an important observation for the researchers (including the author), who initially tended to approach the work with somewhat too much of a focus on non-farm IGAs *per se*, and were inclined to place them at the centre of their thoughts, as opposed to trying to see how they fit into the lives, livelihoods, and perceptions of the rural people interviewed.

<sup>97</sup> It was not always easy for the respondents to articulate these ideas, particularly in translation – the interviewer in Ariet was particularly helpful in clarifying nuances, and in explaining small differences in responses given by different individuals in different contexts, and in adding a long-term perspective to the "snapshot" data collected.

<sup>98</sup> For those whose principal frame of reference is contemporary developed economies, where few businesses remain in family ownership, it can be particularly difficult to see a business as serving the needs of individuals or a household, as opposed to an entity in its own right, independent of the fortunes of individuals associated with it.

<sup>99</sup> Adapted to accommodate DfID's objectives, this framework is based on an analysis of the five types of capital assets upon which livelihoods are based: natural capital (land, water, wild animals, fish, and plants, etc.); social capital (networks, membership of groups, relationships of trust, access to wider institutions of society, etc.); human capital (skills and knowledge, good health, strength, and the ability to work, time, etc.); physical capital (production equipment and means, and basic infrastructure, such as transport, communication, and energy); and financial capital (savings, credit, remittances, etc.).



resources and transformation of capital, drawing on different types, and converting them, largely to money, which can then be reinvested in other areas<sup>100</sup>.

The capital assets framework also allows for an understanding of barriers in accessing all types of livelihood and development activities, including non-farm IGAs – those with little capital in a particular area are obviously unable to draw on that type of resource, but, because many activities draw on more than one type of asset at once, they may also find it difficult to utilise a resource with which they are well endowed, if their overall endowment is uneven<sup>101</sup>.

The activities that a particular individual or household chooses to undertake are, to a large extent, determined by the assets which can be drawn upon, but other factors are also important. In Kumi, for example, where there is a higher degree of environmental uncertainty, and where asset bases were very much depleted by the loss of oxen and cattle during the mid-1980s<sup>102</sup>, one of the possible attractions of brewing as an IGA is that assets are only tied up in the business (the process of transformation) for a short time. In such a situation, it is important to be able to access and/or convert assets quickly – for example, if a household member falls ill, the small profit from a batch of beer can be used to buy medicine, and within two weeks at most, the working capital too is available for investment in health care, or indeed anything else. Where an outsider might see the transient and apparently under-resourced nature of many brewing operations as an example of a “poor” IGA, those undertaking it may be choosing it precisely *because* it can work under such conditions, and is the best tool for them in their attempts to attain their ultimate aim – improved standards of living.

If both farm and non-farm IGAs are viewed as merely as transformation processes within the capital assets framework, as means to an end, then government policies to enhance the actual capital assets of rural communities, households, and individuals are obviously important. However, as transformation processes, both farm and non-farm IGAs are important in providing opportunities to build up assets, as well as to improve resilience to shocks by

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<sup>100</sup> As an example, a hypothetical young man might use his human capital in the form of his strength and health and ability to work by labouring as a brickmaker – his health suffers from the hard work, but his financial capital increases. He then buys a bicycle, which depletes his financial capital, but increases his physical capital. He lends the bicycle to friend for a week, which depletes him again, at least temporarily, but increases his social capital. The friend later gives him a loan, which allows him to buy fishing equipment, increasing his physical capital again. He fishes, perhaps more intensively than is sustainable, and his natural capital declines, but from the sales of fish, he is able to buy a cow, which gives milk for his children, improving their health and strength, their human capital. As they grow older, the children need less milk, and so he sells the cow, and starts a small business selling second-hand clothes. Although he could make more money if he had more stock, his investment in the business remains fairly constant as he chooses instead to invest the profits in secondary education for the children, again developing their human capital. One goes on to get a good job at the district headquarters, and is able to send a little money back to her parents each week, enhancing their financial capital. As the man grows older, his health deteriorates – his human capital declines – and the second-hand clothes business becomes difficult, so he invests in a building in the trading centre, improving his physical capital, which is rented out, reinforcing his human capital.

<sup>101</sup> As an example, a household which owns a set of woodworking tools has a certain level of physical capital, but this cannot grow and contribute to the increased wellbeing of the owners without human capital, in the form of woodworking skills, and health and strength on the part of the carpenter, as well as access to timber, either as a natural resource to be harvested, or as an item to be purchased, or in some cases, an item provided on credit, to be paid for after the sale of the product, drawing on natural, financial, or social capital, respectively.

<sup>102</sup> Oxen and cattle served not only as financial capital – “The Bank of Teso” – but also as physical capital, in their use as a means of production and energy source. The value of the financial capital alone of the livestock lost during the late 1980s approaches \$40,000,000 – it would be an interesting exercise to evaluate the physical capital lost as well.

increasing the options available to people, and thus are deserving of consideration in their own right. Policies to improve farm incomes are relatively well understood, while those to improve non-farm incomes, and access to them, are less so, hence this research.

At the risk of circularity, the most important policies in support of non-farm IGAs and access to them are those which enhance capital assets, particularly in areas of weakness. In this work, the main constraint was observed to be lack of financial capital to invest in a business, as households typically elected to invest in other areas, notably healthcare, education, and essential commodities, such as salt, sugar, and soap, as priorities – the perception that an IGA suffered most, or first, as money was used to invest in other areas held true across wealth levels, with the poorest keeping money out their small scale low barrier IGAs for the limited educational or medical expenses they could afford, a new exercise book, or a few tablets, while the well-off did the same, but at a higher level, electing to put their money into secondary school fees when able. Thus, policies which reduce the burden of investment in these areas, which appear to be peoples' priorities, should allow for more investment in IGAs, and are perhaps as important as policies which support the provision of credit. The problems that the poorest have in managing credit become easier to understand when one considers that their aims are more likely to include healthy, well educated children, than a fish trading business (for example) *per se*, the problem being that investments in the human capital of children are long-term, and tend not to be easily converted back into cash to meet repayments on a monthly or even weekly basis. In terms of managing successful credit provision and establishing good borrowing habits, it may be more helpful (although patronising, and less directly in support of the recipients' immediate needs) to support the poorest with small loans which are *not* easily convertible, for example loans in kind of farm inputs, or animals, or which, ironically, have very *short* cycles, as do most Rotating Savings and Credit Associations (ROSCAs) and cash clubs, appreciating that important for the poor, particularly in an uncertain environment, are short-term investments which do not tie up resources which may be needed in other areas at short notice.

Other constraints to non-farm IGAs observed included: weaknesses in social capital, in the form of lack of access to a well functioning law enforcement system, such that theft was a concern; cycles in human capital, with health and strength declining in old age, which, although natural, caused problems when the other forms of capital that older people had invested in and anticipated living off had been lost, for example, educated children who died of AIDS in Rakai, or livestock in Kumi; and weak physical capital, in the form of poor quality and/or expensive commercial premises in Byakabanda, or problems with transport in Ariet, in particular. Some of these issues, one hopes, are problems of the past, which can be avoided in the future, such as un-preparedness for the outbreak of new diseases, or the complete breakdown of society, government, and the rule of law, and the resultant insecurity. Others, however, are amenable to more straightforward policies, such as improving and maintaining roads to facilitate the free and easy movement of goods, labour, and customers, or support to law enforcement and judicial systems such that they function smoothly, and are accessible to all. Policies which could further support or build on assets which are already strong include streamlining procedures for recognising, registering, and validating groups.

A further constraint to non-farm IGAs in particular, which was observed in all four study sites, is that of limited markets. Much farm produce is sold to markets outside the immediate area, either for export, for example coffee from Byakabanda, or to national markets, typically urban areas, for example, sweet potatoes from Ariet. Although there are numerous problems with these marketing systems, products *do* get out, and revenues *do* return to local farmers. In

contrast, of all the non-farm IGAs encountered during this research, *none* sold goods or services to an area wider than a sub-county, with most serving only the immediate locale. While rural people are generally pleased to be able to access these goods and services without having to travel long distances as in the past, it is difficult for such businesses to add value to and increase a community's total assets, and in many cases, the re-circulation and redistribution of wealth is not to the advantage of the poorest.

Thus, an area for further research is to identify goods and services which different rural communities could sell to outside markets, to bring more wealth into their areas. Processing of an area's agricultural products is an obvious starting point, adding value to what is already its most valuable commodity – however, this is currently primarily done on a large scale at factories owned by wealthy individuals, often from without the area, and the benefits to rural communities are limited to a small number of menial jobs. Scepticism over co-operative ventures following past failures means that the focus must be on products and technologies which can work efficiently at a small group or even household level, although joint marketing is a possibility<sup>103</sup>.

Looking further, however, improved communications and links between urban areas – large pools of potential consumers – and rural areas, will allow rural people to identify markets they can supply. The current pattern is for primary or minimally processed products, for example logs or sawn timber, to be transported to urban (or peri-urban) areas for conversion there, for example, into furniture, for sale to urban markets<sup>104</sup>. Historically, rural dwellers who wanted such products would also have had to go to these urban businesses, so the rise of rural businesses is a benefit to rural communities – however, in part because rural consumers are generally less selective (and often poorer), and in part because of the urban businesses' greater experience, and thus likely greater skills, products made in urban areas are widely regarded to be of higher quality than those made in rural ones<sup>105</sup>, and urban people do not, as a rule, go to rural businesses for anything.

Because none of the IGAs encountered during the research make any attempt to supply distant markets, the following is conjecture, and, as mentioned above, an area for further research – it is presumed, however, that, amongst other factors, rural manufacturers are hampered by the greater costs (and risks) of transporting finished goods than raw materials, and, in most cases, by lack of services such as electricity, as well as in difficulties in meeting large orders due to their typically smaller sizes, and establishing themselves in the market, but that they are usually able work on their own land, as so pay no rent, and have lower labour costs (although the labour force may lack skills). In time, a few entrepreneurial individuals are likely to identify products which can be manufactured competitively in rural areas for sale elsewhere – however, this process could be accelerated through district level

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<sup>103</sup> Although in time it should result in improved tax revenues, such research would probably be beyond the means of District Trade Development Officers under current budgetary constraints, and would thus need to be supported externally. It would need to focus on market research, as well as production, presentation, transport, and marketing of the products, and, for ready-to-eat food products in particular (juice, jam, dried fruit, etc.) would need to investigate methods of ensuring standards of hygiene.

<sup>104</sup> Large scale industries were historically encouraged to locate in urban and peri-urban areas by government as well as the availability of services such as electricity and water, and transport links. Small scale industries were encouraged in part by the availability of services, but also by markets, amongst other factors.

<sup>105</sup> Rural people who can afford to prefer to buy products, like furniture, from urban areas, and it is a source of pride to be able to say that a sofa set, for example, came from a large town, like Mbale.

policies<sup>106</sup> of not only improving communications and links to understand distant markets (for example, through short study tours), but support for the development of necessary skills (for example, through short updater courses), and marketing (for example, through support for joint marketing ventures to share costs).

Finally, as well as accessing national markets for non-farm goods and services, another area for further research is into local markets. A quick comparison of Byakabanda and Oladot shows that as capital assets are built up and wealth increases, more and more opportunities exist at the local level for individuals to sell goods and service to one another, which, although not necessarily increasing the overall wealth and assets of the community, allows for more options and flexibility for households and individuals within it. Policies to support farming and farm incomes will thus obviously help the non-farm economy as well, through the generation of wealth, which allows for greater local markets. However, in the short-term, there is also a need for very small scale research, on a village level even, into what goods and services local people still must travel to other areas to obtain, how great the demands for these services within the village are, whether they can be met economically by local people, and if so, the reasons that they are not currently being met, and what needs to be done to overcome these barriers. In particular, there is a need to give advice to young people considering training into the types of skills that are in short supply, and those that are in surplus in a given market<sup>107</sup>.

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<sup>106</sup> As above, although in time these should result in improved tax revenues, they would probably be beyond the means of District Trade Development Officers under current budgetary constraints, and would need to be supported externally.

<sup>107</sup> For example, the difficulty that carpenters in small rural markets appear to have in selling their products, in comparison to the low levels of competition that providers of even relatively basic medical services appear to face.

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## **APPENDIX 1 RESEARCH TEAM**

Mr Isaac Sserugo, Farmer, Byakabanda Parish

Mr Godfrey Mutaawe, Teacher, Kimuli Primary School, Kimuli Parish

Mr Gilbert Ediangi, Chairman LCI, Ariet Village

Mr John Michael Onapito, Parish Chief, Mukongoro Parish, and Messrs Opiyo, and Itiakorit, Oladot Village

## **APPENDIX 2 QUESTIONNAIRE**

*(over)*

Access to Rural Non-Farm Livelihoods: Household Questionnaire Phase I (Uganda)

Before starting the questionnaire...

- 1) *Introduce yourself, and the project, and include information so that expectations are realistic...*
- 2) *Ask permission to ask do the questionnaire*

a) *Interview details*

- Date: \_\_\_\_\_ Interview team: \_\_\_\_\_
- District \_\_\_\_\_ Community: \_\_\_\_\_
- Location (plot number / street address, or mark on sketch map): \_\_\_\_\_
- Interview language(s): \_\_\_\_\_

**NOTE the presence of indicators of wealth (bicycle / car / radio / TV, connection to mains electricity, telephone, etc., important features of the house, etc. Where appropriate, ask permission to draw a sketch (below).**

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**Sketch map**

b) *Details of respondent*

- Name : \_\_\_\_\_ Gender: M / F Age: \_\_\_\_\_ Education: \_\_\_\_\_ HHH? Y / N
- Marital status: Single / Married / Divorced / Separated / Widowed / Other (probe for polygamy) \_\_\_\_\_

c) *Details of family / household*

- If different from respondent:  
Name head of household: \_\_\_\_\_ Gender: M / F Age: \_\_\_\_\_ Education: \_\_\_\_\_
- How many people live here? (Men / women / children) Gender / age / education / important relationships

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- What tribe are you? \_\_\_\_\_ Is this your home village? Y / N
  - If no, where did you come from? \_\_\_\_\_ When?: \_\_\_\_\_
  - Why? \_\_\_\_\_
-



d) **Household economy**

- What types of **income generating / money making activities** do the members of your household undertake (include sale of farm produce, businesses, wage jobs, etc.)? At this time of year / year round? List **ALL** of them here, and then discuss the most important two **NON-farm/livestock** activities later in Section B.

Activity	Who is involved / relationship to HHH	Age / Sex / Education	Specific responsibilities	How are they paid (wage, kind, etc.)	How much profit (range / avg.) per unit time?

- Are there other remittances from absent family members, government pensions, etc.? Y / N
- If yes, what? How much? \_\_\_\_\_
- What are your most important expenses (average / range, frequency)? \_\_\_\_\_  
\_\_\_\_\_
- Compared to your neighbours, do you think you are a poor / average / well-off household? Why? \_\_\_\_\_  
\_\_\_\_\_

*Before continuing, check section d) for NON-farm/livestock income generating activities*  
 If **NO**, complete section A.  
 If **YES**, skip section A, go to page 4 and continue with Section B.

**SECTION A: Questions for households WITHOUT a NON-farm/livestock income generating activity**

- Do you want a business? Y / N
- Why / why not? (probe for constraints and barriers, previous HH experiences, causes of failure) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (If NOT, end here)

- What would you like to do? \_\_\_\_\_
- Why this as opposed to something else? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Why don't you do this now? (probe for constraints and barriers) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- What things do you think you need to start this business? (other than capital). \_\_\_\_\_  
If the capital was available, do you think you get these things easily? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

- Are you working toward getting capital and / or these things to start this business now? Y / N  
If not, why not? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

- Do you think you will succeed in starting this business and then keeping it going? (probe for prediction of barriers) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

- What are your plans for the future? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Thank the person for taking the time to do the questionnaire*

**Section B: Questions for households WITH income generating activities** Discuss the **TWO** main activities

**a) Skills / experience**

**Activity 1:**

**Activity 2:**

When was it started?		
How did you learn how to conduct it? (organisation / project / friend / family / own experience / school...)		
Do you ask anyone for advice / help about it? If Yes, who?		
Do you give advice to other people about it? If Yes, to whom? Where?		
Has it changed since you started it? If Yes, how? Why?		
Do you have any help from development projects, NGOs, etc.? If Yes, from whom? What kind?		

**b) Resources: Financial / physical / natural / other**

**Financial / capital outlay / credit**

How much money did you need to start up your business?		
What did you need it for?		
How did you get it?		

**Physical resources (buildings / tools / vehicles / electricity, etc.)**

What "things" do you need for your business?		
How / where do you get these things? (made / borrowed / bought...)		

**Other**

What other resources do you need? (raw materials / natural resources...)		
How / where do you get these things?		
How much money do you spend on your business/activity per unit time?		
What do you spend this on?		

**c) Marketing of products / services**

Who are the consumers? (customers / self / other HH members / friends...)		
Where are they sold? How?		

**d) Problems**

What problems do you experience? (input supply / production / labour / transport / marketing / theft...)		
What do you do about them? Give an example of how you have overcome / tried to overcome a problem.		

e) **Local government**

- Do you pay any taxes or license or other fees? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- Does the local government help your business(es) in any way? Hinder it / them? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

f) **Attitude and expectations**

- How do you feel about your business(es) now? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- What do your family and neighbours think of your business(es)? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- What are your plans for the future? Do you have plans for other businesses? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Thank the person for taking the time to do the questionnaire*



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