

USING HEA IN LIVELIHOODS SUPPORT AND ECONOMIC RECOVERY

Source: Out-take from *A Guide to the Household Economy Approach*, FEG Consulting and SC-UK, for the RHVP, 2007

HEA has been used in post-emergency assessments which seek to identify ways of helping livelihoods to recover. Because an analysis of livelihoods prior to a crisis is central to HEA – even if this analysis may have to be done after the crisis – the method has been found helpful in highlighting what aspects of people’s livelihoods need support following a crisis and how that could be best achieved.

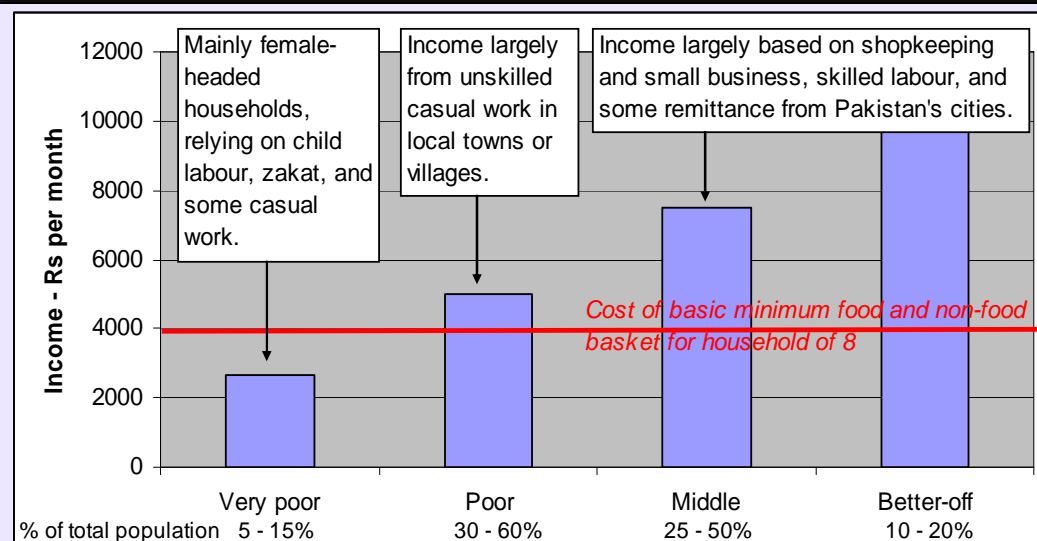
In such situations, the links between households of different wealth groups, and the links between households and the wider economy can be particularly critical. This is illustrated in the following case study.

Case study: Using HEA for livelihood support and recovery programming in Pakistan

Following the earthquake of October 2005 in Pakistan, humanitarian agencies needed to find out what impact the earthquake had had on the livelihoods of different population groups, and what interventions would be effective in promoting livelihoods recovery. With its relief effort ongoing, Save the Children carried out a rapid (12-day) assessment in November in Muzaffarabad and Bagh districts.

The wealth breakdown and baseline analysis revealed the different pre-earthquake livelihoods of different wealth groups shown in the figure below. This enabled a better analysis of ways in which these different livelihoods could be restored. It also showed the chronic poverty of the poorest group.

Income levels of four wealth groups in affected districts pre-earthquake, Pakistan



Some of the findings of the analysis, and implications for programming are shown in the table below. Perhaps the most important message was that damage to businesses, shops and offices should be considered not as an 'exogenous' factor in relief and reconstruction activities but as central to the successful rehabilitation of livelihoods; and that household-level interventions (such as cash transfers) should be complemented with support to the market.

Implications for programming arising from the HEA analysis in Pakistan		
<i>Aspect of analysis</i>	<i>Finding</i>	<i>Implication for interventions</i>
Disaggregated income analysis	<p>The earthquake had affected the four groups in different ways. The very poor and the poor were worse affected, as the need for men to rebuild their homes – and their reluctance to leave wives and daughters in tents – meant that they could no longer access their most significant source of income – employment in towns and villages.</p> <p>In contrast, many of the better off were still receiving foreign remittances or government salaries.</p>	<p>Cash support to families to rebuild their homes, both for its own sake and to allow men to go back to work.</p> <p>Better off are more able to meet their consumption needs.</p>
Looking beyond the village	<p>For the poor, the restoration of livelihoods was also dependent on employment becoming available again in villages and local towns, and on food and other goods becoming available locally as before.</p>	<p>Markets should be supported as soon as possible to get back to normal, such as through support for reconstruction and credit to shopkeepers.</p>
Looking at seasonality of income	<p>The poor and very poor earn little or nothing in the winter months (December to February) and normally rely on credit during this time. But shopkeepers were also affected and were not offering credit.</p>	<p>Again, supporting local shopkeepers to re-establish themselves will help the poor survive over the winter.</p>
Use of thresholds to identify the chronically poor	<p>The poorest families were predominantly female-headed households. Women very rarely work outside the home in villages and for widows, options for making a living are extremely limited.</p>	<p>Improved long-term social protection programme of regular cash transfer and of support to keep their children in school for these and other chronically poor households.</p>

Source: Save the Children-UK, *Rapid Livelihoods Assessment Report – The Impact of the Earthquake on Livelihoods in Muzaffarabad & Bagh Districts, Azad Jammu & Kashmir, Pakistan*, Save the Children- UK/Thardeep Rural Development Programme. November 2005