LIFE IN A TIME OF FOOD PRICE VOLATILITY

Zambia Year 1 Findings

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Typical essential proteins for sale in Mpika market, Chikwanda, a rural community in Zambia. Prices of these foods, which include beans and *kapenta* (tiny fish), have gone up by an average of 20 percent. Photo: Mwila Mulumbi/Oxfam, 2012.

The first year results of the research in Zambia for the 'Life in a Time of Food Price Volatility' project revealed that the quality of life of different occupation groups and social groups had slightly reduced, and at the centre of this change was the increase in prices of essential food items and the high cost of agricultural inputs. The change in the quality of life was further compounded by stagnant wages and income; the high cost of non-food items such as electricity and housing; limited coping mechanisms; limited and sometimes non-existent government social protection, and low political commitment to implement policy pronouncements on food security issues. It will be critical to continue monitoring these aspects so as to provide timely data to policy makers on how they can revise or design programmes to respond to vulnerabilities.





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1 INTRODUCTON

This report presents the voices of poor people's experiences of food price volatility (FPV) in Zambia, and contributes to the qualitative research led by Oxfam's GROW campaign on food justice in partnership with the Institute of Development Studies. The first sections of the report provide the background to the project, the method and approach used, the rationale for selection of the research sites and their main socioeconomic, geographical and demographic features. The second part provides an analysis of Zambia's context of FPV and policy responses. The third part provides local findings about FPV and people's responses, citing and illustrating the impact, potential impact and response to FPV in relation to a) wellbeing: how high and unpredictable food prices have affected overall wellbeing and development in poor or vulnerable communities; b) coping: how food prices have affected the essential day-to-day work of keeping families fed and cared for; c) social protection: how well the formal and informal support systems on which people routinely rely have helped them cope with sharp changes in the cost of living; d) future farmers: prospects for young people, and how agriculture features among their livelihood options. The fourth part of the report provides an analysis of the policy implications of the research findings.

BACKGROUND TO THE PROJECT

This project, Life in a Time of Food Price Volatility, stems from the shifts in food prices and the significance of this in people's everyday lives. Nutritional and poverty levels in Zambia indicate that a high proportion of both rural and urban households are potentially vulnerable to food insecurity, even though the current food security situation remains favourable, with most households generally having more staple food stocks. However, even with favourable food security conditions at present, Zambia has continued over the years to have very high cost of living standards, and as a consequence, consumption and nutrition status are affected by poverty and lack of purchasing power in most households due to low income and wages. The FPV project therefore aims to monitor and record how changes in everyday life affect people, including the increased time and effort required to feed and look after people; the non-monetary effects on family, social, or gender relations; mental health costs, such as stress; reductions in quality of life; and cultural issues, such as the pressure to eat food considered inferior. The project, which started in 2012 and is a successor project to earlier crisismonitoring research by IDS with support from the UK government and Oxfam, aims to direct the attention of the policy makers to the social costs of managing change which are usually invisible.

METHOD AND APPROACH

Research questions and rationale

The research aims to contribute to improving food security prospects for poor and vulnerable people in developing countries exposed to food price volatility, by improving knowledge of how people's lives are affected by FPV. The key research questions the project addresses are:

 How do high and unpredictable food prices affect overall wellbeing and development in poor or vulnerable communities?

More specifically:

- How does FPV affect the essential day-to-day work of keeping families fed and cared for?
 and
- How well do the support systems on which people routinely rely whether formal or informal
 help people cope with sharp changes in food prices?

¹ FEWS NET Zambia (2011), http://www.fews.net/docs/Publications/Zambia OL 2011 10.pdf

Gathering evidence and improving understanding of how processes of social change are triggered and sustained by FPV are important because the wider social implications of such changes are easily neglected or inadequately grasped by policymakers and in public debate. Understanding how gender and social relations change during these times will help us to explain why and how food and nutrition security are affected, whereas conventional survey-dependent evidence can only really tell us by how much and for whom. The evidence we generate through this research will both support the case for efforts to regulate, manage or prevent price volatilities, and inform policy responses to mitigate their effects on people on low or precarious incomes.

After four years of investigation, the aim is to arrive at a clear and strong understanding of the mechanisms through which people's wellbeing is affected by food price volatility. To make this possible, the core of the research design includes a diverse data collection exercise, combining longitudinal, in-depth topical and multi-site data collection activities.

Methods and tools

The research used a participatory qualitative approach, integrating household case studies, focus group discussions (FGDs) and key informant interviews. Household case study respondents were mainly drawn from low income households, and in all sites included some of the very poorest, as well as people who are vulnerable for other reasons, including that they are elderly, disabled, orphaned or female-headed households. The main purpose of the qualitative case studies was to enable us to observe experiences and behaviours of individuals and groups and build up a picture of change over time. The case studies were also good in generating high quality understanding of how different individuals and groups within the same communities experience FPV, and their responses to it. The main elements of the community case studies included background and context data collection; occupational structure and trends; agricultural patterns; public policies and provision; environmental conditions; social structure and social support systems; and food prices and their movements. In each site more than 10 household case studies were conducted, with a total of 24 household case studies conducted. These case studies will be built up through interviews with different household members over the four years. These are particularly important for understanding processes of how people respond to FPV with a look at changes in household food, work and social behaviour. Focus group discussions were also held in each community with different groups, including agricultural cooperative, petty traders, young people, men, and women. The main point of these FGDs was to build a broader picture of economic change within the communities; how different occupation groups are experiencing FPV; and the different sources of support available. Key informant interviews with local administrative officials, NGO staff, religious and community leaders, and community politicians were held. These helped to refine the account of local economic activity in the area, and to understand public policy and local social protection provision.

A combination of various tools was used and included:

- Matrix ranking and scoring;
- Wellbeing ranking;
- · Cause effect analysis;
- Portrait of a good life;
- Daily activity charts.

Data management

Most of the data was collected using voice recorders. Permission was sought from all the respondents to tape the interviews. The recordings were downloaded and backed up on a computer. For focus group discussions two people were involved: one to record voiced responses and the other to take notes. All recorded interviews were transcribed, translated and labelled. All translations were checked by the Country Researcher for overall sense in English. All transcripts were kept in an up-to-

date version of Word, and backed up onto a USB stick. Photographs were also used and stored in folders on a computer.

THE RESEARCH SITES

Kabwata: urban site

Kabwata community is located in Lusaka, the capital city of Zambia. It is located southeast of the city centre. Kabwata community is a medium-to-densely populated residential area, and was selected as a site for the Life in a Time of Food Price Volatility study because of the diverse economic and social activities taking place such as trading (food and non foodstuffs), welding, carpentry activities and craftwork. Kabwata is popular with tourists because of the Kabwata cultural village which has old traditional grass-thatched huts where craftsmen and their families converge from all over the country to make crafts goods to sell to tourists.

Kabwata has a population of about 46,000, and the majority of them are in the youth or middle-age categories. The mean household size is six people. Almost half of the houses are female-headed, and these generally represent the poor proportion of the population. The majority of the population has attended school but only two-thirds of that group completes secondary school. Education up to this level is rarely sufficient to obtain entry to formal employment.

The population of Kabwata is comprised of civil servants, other employed people, retired, retrenched, unemployed and traders. Households living in the Kabwata rely on incomes from employment and trade but the majority of households are involved in informal employment, with a significant number involved in informal petty trading activities. Informal employment activities consist of petty traders, small producers and a range of casual jobs which include vendors of vegetables, fruit, meat, fish, snack foods and non-perishable items such as clothing, soaps and cosmetics and electronic goods. Others have small workshops and repair bicycles and motorcycles, recycle scrap metal, make furniture, stitch shoes, weave cloth, and make and embroider garments. The majority of women sell or produce goods from their homes; stitching garments, weaving cloth, embroidering textile goods, making crafts, processing food or running a salon. Other informal employment common in Kawabata includes casual workers in restaurants, security guards and gardeners, and temporary office helpers.

Household income for almost 70 per cent of households is less than ZMK2,000,000 per month. Approximately 45 per cent of household expenditure is on food and 12 per cent on housing.

Kabwata has fairly modern residential buildings that were built soon after independence in 1964. They include high-rise flats built by the National Housing Authority and residential houses. The population of Kabwata is high due to public amenities such as a market, major tarred roads, cheaper housing accommodation, piped water and sanitation facilities. This set-up offers opportunities for informal employment and trading. The most common and visible services offered through the local council authority include maintenance of markets, periodic maintenance of roads, cleaning and maintenance of drains, maintenance of bus shelters, and refuse collection.

The community has piped water serviced by the Lusaka Water and Sewerage Company, but the source is erratic. The community also has a sewerage system used in liquid waste disposal, although it requires some attention or maintenance most of the time. There is fairly good public transport. The major roads linking to the community are tarred; however, the residential roads are quite poor, making certain areas of the community such as Kabwata site and service inaccessible, especially during the rainy season. There is enough installed electric power capacity such that any household can be connected without problems.

There is a big government clinic called Kabwata clinic. The quality of services is adequate, but the biggest challenge is that the clinic is understaffed. The supply of drugs has been satisfactory; the kit supply has been supplemented by district purchase through grant funding. Mortality rates are low, the main causes of death being malaria and AIDS-related conditions.



Makeshift food stalls along the roadside in Kabwata.

The community has various social amenities including bars, nightclubs, a community hall where weddings are held, and several places of worship which include the United Church of Zambia, Catholic, Presbyterian, Anglican, Seventh Day Adventist and Baptist.

Within the political sphere, Kabwata is a ward in the local government system with an elected councillor. The Kabwata councillor, with other councillors in Lusaka, collectively constitute the Lusaka City Council. The council is the highest policy making body in the district. The council works through six standing committees: finance and general purposes, plans, works and development, housing and social services, public health and establishment.

The most vulnerable groups in Kabwata are the orphans, sex workers, widows, unemployed youths, elderly people (those aged above 55 years) and households with inadequate income. There are few organisations working to assist the vulnerable, the majority of these run activities to prevent or control the spread of HIV and AIDS and to assist and care for the infected and affected. The most well-known organisations are Kabwata Orphanage, the Young Women's Christian Association which provides peer education programmes and peer educators, youth groups, and counselling services for victims of gender-based violence. The churches provide spiritual guidance and social welfare assistance.

The crime rate in Kabwata is high compared with a number of other areas. However, most of the crime involves petty theft. There is a police station with good infrastructure; however, there are not enough police to ensure adequate coverage of the area.

Chikwanda: rural site

Chikwanda community is located in Mpika district in the Muchinga province, formally known as the Northern Province. Chikwanda is located 12km north of the district centre of Mpika. Mpika District has an area of 4,100,000ha (41,000km²) and is Zambia's largest district. According to the local council, there is a total of 180,100ha of arable land in Mpika district, with 7,300ha of irrigated land and a total of 16,915ha cultivated. Chikwanda was selected as a site for the study predominantly because of the level of agricultural production in the area. Chikwanda community supplies 40 per cent of vegetables and crops to Mpika district and therefore the community provides a good case to explore people's perception of the likely impact of food production on livelihoods in agriculture. Furthermore, Mpika district is at a confluence of two major trunk roads that connect Zambia with two borders with Tanzania. As a result, Mpika is the sub-centre for travellers from and to the borders and provides services such as accommodation, drinks and meals to travellers. Mpika also acts as a transport hub and business trading area for Zambia—Tanzania cross border traders, and this further provides a basis of selecting Chikwanda because of its proximity to these activities.

Chikwanda has a population of approximately 18,425. It remains a predominately rural community with 70 per cent of the population in the youth and middle-age categories.

Traditionally, Chikwanda is a chiefdom. The chief of Chikwanda lives in a palace in the community. The school and chief's palace have electricity, but the majority live in grass-thatched houses with no

electricity. Chikwanda is dominated by customary land tenure, with the chief as the custodian of the land. However, since all land is vested in the President, this land can still be converted to state land through consultations with the chiefs and legalisation by the Ministry of Land. The majority of the land is used for agriculture. Traditionally, men control most of the land but the women have some influence over its use.



Thatched houses in Chikwanda.

Chikwanda community is an agricultural and gardening belt of the district, where vegetables and maize are the main crops. The vast majority of the population in Chikwanda earn their livelihoods through agriculture and vegetable production, while a few are engaged in piecework, making handcrafts or collecting and processing minor forest products. Those involved in agricultural production grow maize mostly, but others also grow groundnuts, sweet potatoes, cassava, beans and soya beans. Using the criterion of area planted, maize, groundnuts and beans comprise the largest average area cultivated. Production levels are said to depend on two main factors, namely, availability of fertilisers and good rainfall patterns. The biggest challenges and obstacles to more productive farming include expensive farm inputs and inadequate extension services. It is believed that crop extension and technical services are difficult to implement due to the large area covered by Mpika District.

The main sources of water for the rural population are streams and wells which are not well protected; hence the water is unsafe for household use. However, the school, the chief's palace and the community hall have been serviced with protected water sources such as boreholes and protected wells.

There is lack of public transport and poor information technology facilities. The community has a school for grades 1 to 9, called Chikwanda basic school.

The community is characterised by different socio-economic groups. Poor households have few assets, low levels of own-food production and very little access to alternative income sources. Many households in this category are female-headed, elderly-headed, child-headed, and/or housing chronically ill members or orphans.

Formal social protection services are almost non-existent in the community and only include the Farmers Input Support Programme (FISP). The FISP is a form of government subsidy aimed at making fertiliser and maize seed cheaper and readily available to small-scale poor farmers. This is to improve farm productivity, enhance food security and ultimately reduce poverty among the farming community. The general objectives of the FISP are to promote the use of low-input and conservation farming technologies among the selected target: small-scale farmers who meet the criteria; to distribute the required enterprise inputs in time; and to provide extension messages to support the enterprises. The programme provides four 50kg bags of fertiliser and one 10kg bag of seed.

Apart from this programme, some form of social protection is provided by World Vision and CAMFED. Orphans and vulnerable children are supported by WVI but not all receive adequate assistance, as

the assistance is usually in the form of improved spiritual life and items received through sponsorship such as books, toys and clothes.

CAMFED provides support to orphans and vulnerable children by proving school requisites. The Catholic Church also provides loans for farming to widows and widowers and to families that look after orphaned and vulnerable children.

NATIONAL CONTEXT OF FPV AND POLICY RESPONSES

In Zambia a high proportion of both rural and urban households are vulnerable to food insecurity. Both chronic and transitory food insecurity are prevalent. For rural households, food entitlement is linked to agriculture, while crop production risk is a primary determinant of food insecurity. Insufficient food production capacity, lack of income diversification and unfavourable climatic conditions are therefore the main causes of food insecurity for rural households. Urban households, on the other hand, depend on wage or self-employment, and as they purchase their food, are more susceptible to insufficient income and to price increases for food and other basic necessities such as fuel and housing. As a consequence of food insecurity, consumption and nutrition status are also affected.²

In the past three years, trend data on food production indicate that the production of maize, the main staple crop, has been stable with an average of 2.2 million metric tonnes of maize, slightly above the 1.8 million metric tonnes national requirement. The production of the minor staple food crops and other crops has been fluctuating, leading to increased vulnerability to food insecurity, especially among the rural population who consume mostly these staple foods. In addition, although production of legumes, fruits and vegetables has been encouraged and been going on for a long time, the production levels are still low.³

A number of food security and nutrition reforms pertaining to various policy instruments have been instituted over the past few years in Zambia to make food available for all and to address malnutrition issues. The policy efforts towards food availability and nutrition are seen in the Agricultural Sector Policy, National Food and Nutrition Policy, the National Food And Nutrition Strategic Plan 2011–2015 (NFNSP) and the First 1000 Most Critical Days Programme (2012–2015). See the Annex for a complete list of the policies.

Currently the agricultural sector has programmes relevant to promoting food security and income for smallholder farmer households within the current policy framework. For instance, the government has been implementing the Farmers Input Support Programme (FISP) since 2003. The FISP is aimed at improving the access of viable resource-poor smallholder farmers organised in groups, associations and cooperatives to agricultural inputs by rebuilding their asset base through direct income transfers (subsidies). Further, it aims to improve food security among poor but viable farmers.

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² National Food and Nutritional Policy, page 17.

³ Ibid, page 17-18

2 LOCAL FINDINGS ABOUT FPV AND PEOPLE'S RESPONSES

WELLBEING TRENDS

The research revealed some notable similarities and slight differences in the quality of life among the people living in Kabwata and Chikwanda in a period of one year from 2011 to 2012. Among the existing occupation groups in Kabwata, the formal sector workers and the businessmen and women were reported to be doing well compared with a year ago. Those working in the formal sector and also engaged in business at the same time were reported to be doing far better than any other occupation group in the community. The slight increase in their income and wages meant they could adjust well to the cost of living that many perceived was high.

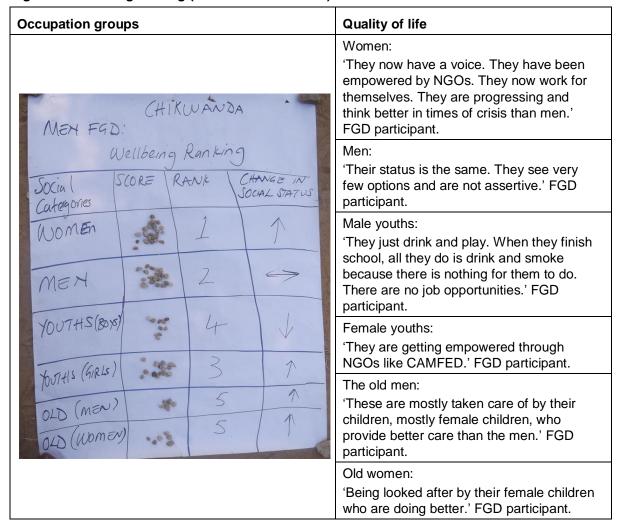
Similarly in Chikwanda, people working in the formal sector, such as the civil servants who mostly included the teachers, agriculture extension workers and councillors, were also reported to be living better than a year ago. They were reported to be earning more money than previously and their income was guaranteed, in contrast to those engaged in seasonal economic activities. Petty traders were also reported to be doing well, especially those trading in goods and items such as clothing, blankets, cloth materials, shoes and foodstuffs.

Table 1: Wellbeing ranking (men FGD Kabwata)

	T	T
Main occupational groups	Doing well, doing worse or staying the same since last year	Reason/quality of life
Businessmen	Û	Business is growing and getting better
Other employed people (private or public sector)		Salaries have not changed
Petty traders		The economic environment is the same. Earnings are the same and this has had no impact on the quality of life since 2011.
General workers	Î	Earnings have increased due to revised minimum wages
Prostitutes	Î	Most of the commercial sex workers are doing well, because they target the rich businessmen, whose businesses are doing well.

Women in both the rural and urban communities were reported by the majority to be doing well compared with a year ago (see **Figure 1**). Women were getting more involved in trading, especially petty trading in foodstuffs (fruits, vegetables, and baked products), second-hand clothes, and running small restaurants and salons. Given that the cost of living was going up and the cost of most essential items was much higher compared with a year ago, women were reported to have become more assertive in generating household income. The number of women in the formal sector such as teachers and nurses taking up other income generating activities had slightly increased over the last year. The women were also perceived to be more responsible in the utilisation of their earnings compared with the men. However, some women felt that their quadruple role (mother, wife, home caregiver, and now businesswoman) had stressful effects on their lives. In spite of these difficulties, the success of women's activities were said to have become more vital over the last year for family survival and food security.

Figure 1: Wellbeing ranking (men FGD Chikwanda)



Among occupation groups doing the same as they were a year ago, the casual labourers both in the rural and urban communities were said to be doing the same because their income had remained static. The men, the majority of whom were engaged in informal work comprising petty trading and a range of casual jobs which included piecework, were also reported to be doing the same compared with a year ago in both communities.

Table 2: Wellbeing ranking (women FGD Kabwata)

Social group	Doing well, doing worse or staying the same since last year	Quality of life
Women		On average, women are doing better. 50% are doing better than men. Business is easier for women because they give it more commitment than men. Women are running homes better and providing security for the family.
Men		Life is same due to stagnant businesses.
Female youths	Î	Young women engaged in prostitution are living better lives. They target the successful business men.
Male youths		For the majority life is the same, but with a few worse off than before due to drunkenness.
Old people		These depend on their children and have little control of how they live their lives.

Among the groups worse off compared with a year ago, both cooperative and peasant farmers in Chikwanda were doing worse (see **Figure 2**). The change in the quality of life was attributed to the high cost of inputs, which had a bearing on income. The change in the cost of inputs was expressed by a male focus group participant in Chikwanda:

'A gallon of fertiliser is expensive. A "meda" is K35,000–K40,000. Last year it was K15,000. The price just keeps on going up. It never reduces.'

Gardens owners who previously had a relatively better quality of life were also reported to be doing worse due to the high cost of inputs such as pesticides and seeds. This was further compounded by the saturated market which led to high competition. Among the group of people running a garden, one male focus group participant commented:

'The competition is high. Take for example, when we go with a box of tomatoes, the customers tell us that they will buy it for K10, 000.00. But look at the labour we put in, the fertiliser, the capital. It is nothing compared to what we put out. But we have no choice but to sell it at such an amount, because a lot of us are doing the same thing, and if I don't sell it, someone else will, and my tomatoes may just end up rotting, so it is better to sell at a low price.'

The men, youths and old people were also reported to be doing worse than a year ago in both communities. Apart from those in formal employment and those involved in trade, who were in the minority, the majority of men and youths were reported to be worse off. Male youths were reported to be despondent and drinking a lot due to lack of employment and access to credit to help facilitate informal trading business.

Figure 2: Wellbeing ranking (Women FGD Chikwanda)

Occupational groups **Quality of life** Cooperative farmers: High cost of production, low sales, loss of income. (HKWANDA Pieceworkers: Generate income on a daily basis because there are always enough EGnomic jobs to do. (atergories Petty traders: Their merchandise always sells and they manage to peg their goods at good prices. Peasant farmers: The price of agricultural inputs has increased and a majority of the peasant farmers have adjusted their Stall owner production downwards. morketeers This measure resulted in reduced income and food produced for formes consumption. Gardens: High cost of inputs such as pesticides. Whers Market flooded and high competition. Formal workers: Those employed have access to money and loans.

The research revealed that there is invariably a disparity between the aspirations of the people on the one hand, and their quality of lives on the other. The majority ofpeople aspired to live lives free from poverty and hunger, and instead desired to be better educated, successful in business, own property and afford the things such as cars, good food and big houses.

Using a cause-and-effect analysis with focus group discussions, the research sought to explore the root cause of people failing to meet their aspirations (see **Figure 3**). In the urban community, the high cost of living was generally perceived to be at the root of many challenges. The cost of non-food items such as charcoal, electricity, housing, water and sanitation had increased, while wages and incomes for the majority of the people had stagnated and unemployment rates were still the same.

Lack of employment opportunities and poor trade structures were highlighted in focus group discussions with men and traders in Kabwata as some of the factors contributing to poor standards of living. The country's economy was perceived to be slowly declining, and this was attributed to the narrow focus on the formal sector with little effort going into broadening the participation of people in economic activities in the informal sector.

Poor performing Lack of Economy Causes employment Low income/wages Increase in cost of items (food and non food items) High cost of living What has changed? Adjustments in how much money is spent on food and non Taking on more food items Difficult to meet income-generating all household activities needs **Effect** People are stressed

Figure 3: Cause and effect analysis (Kabwata men FGD)

In the rural community, the cause and effect analysis (see **Figure 4**) revealed that despite the high potential of crop production in Chikwanda, the majority of people have failed to produce much, due to a number of issues including the high cost of farming inputs; promotion of maize as the primary crop; failure to utilise the high irrigation potential; marginalisation of women, who form 67% of the rural population; poor knowledge and information flow; poor infrastructure; little private sector activity in rural areas; very few viable organised smallholder groups; and a poorly targeted farmers' input support programme.

The balance between production and consumption was reported to be varying greatly over time and the main factor in this was the high cost of farming inputs such as seed and fertiliser.

Causes Price Increasing demand of manipulation farming inputs of fertiliser **Problem** High fertiliser prices Reduced fertiliser application rate **Effects** Maize production decreasing Food shortages in households resulting in reduced meals, which leads to hunger

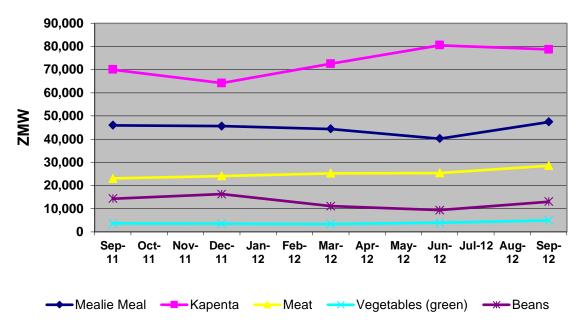
Figure 4: Cause and effect analysis (Chikwanda women FGD)

FOOD PRICE CHANGES

Based on prices obtained from visiting the markets and shops, the timeline of prices of essential food items is graphically presented in **Figure 5**. A number of essential food items were said to have slightly increased compared with a year ago. Among the essential food items, *kapenta*, meat (beef) and mealie meal were the items noted to have increased over the last year compared with other essential foods. The price of mealie meal had increased from a range of K40,000 to K45,000 in September 2011 to K48,000 to K50,000 in September 2012. The price of Kapenta increased from K25,000 per kg in September 2011 to K30,000 per kg in 2012, while the price of meat increased from K23,800 to K28,600.

The price timeline also illustrates that only vegetables have had relative price stability, compared with other food items such as meat and *kapenta*.

Figure 5: Food timeline - urban site



Source: Kabwata shop and market

Note: Unit prices: 25kg bag of mealie meal, 1kg Kapenta, 1kg beef (mixed cut), 1kg vegetables, and 1kg beans



Different brands of mealie meal at Kabwata market (prices at September 2012)



Kapenta (the price of the kapenta in the yellow container in September 2012 was at K10,000 and at K6,000 in September 2011)

The type of food purchased was reported to have slightly changed compared with a year ago. Specifically, the quantity had changed, though the majority of the people were able to buy the same type of food but smaller quantities. Vegetables were the most purchased and affordable food items

because of their accessibility and somewhat low stable price, while meats were not very affordable and only occasionally purchased by some households. All the food types were said to be available both in quantity and quality at all times, but affordability of the food was generally higher than the accessibility.

The high cost of some essential food items was reported to have had an effect on the household budget for the urban households compared with the rural households. The household budget was also negatively affected as a result of the increase in the price of non-food items such as house rentals, electricity tariffs and other costs such as transport. Among the essential non-food items, house rentals were said to have increased from a range of K500,000–K1,200,000 (depending on the number of rooms) in 2011 to K700,000–K1,500,000 in 2012. As a result of the increased house rentals, some people were reported to be moving to shared housing arrangements. Water tariffs were still the same, though electricity tariffs had increased from K130,000 in 2011 (medium fixed) to K372,000 in 2012. The increase in electricity tariffs, transport costs and foodstuffs usually prompted the increase of house rentals, as most house owners depended on house rentals for their own livelihood.

The increased cost of living had an impact on food habits. There had been marginal change in food habits with the majority of people able to have two to three meals a day. Families who since last year had gained two or more sources of income were purchasing more food than last year, but these were in the minority. These families usually had three or more meals a day. Families whose income source had not changed since last year maintained their food habits, with some instances of reducing on the quantity eaten. In the rural community, food consumption had slightly gone down as most rural households consume food that they produce themselves, and production has gone down due to high cost of farming inputs. At a maximum, most of the rural households still afford two meals a day. However, the most vulnerable households usually have one meal a day and spend part of the day looking for food for the second meal. A daily activity schedule for a 59-year-old married woman living in a poor household is depicted below in **Figure 6**, and it illustrates time spent on looking and working for food.

Figure 6: Daily activity chart, 59-year-old married female of the Chikwanda community

Household chores: draw water, clean the yard, fetch firewood	Cooking and eating, cleaning dishes	Look for food for supper (draws water for other people and is paid K1000, which she uses to buy food)	Rests at home	Prepares food and eats	Sleeping
5am – 8am	9am – 11am	12pm – 3pm	4pm – 5pm	6pm –7pm	8pm – 4am

TRENDS IN WAGES

Information collected by the Jesuit Centre for Theological Reflection on the average monthly takehome pay for formal-sector employees, ⁴ revealed that there have been some marginal changes in wages for most sector jobs in the last two years (see Table 3). However, the wages for a pieceworker

⁴ The Social Conditions Programme of the Jesuit Centre for Theological Reflection conducts a monthly 'cost of living' and 'living wage' survey. The living wage is calculated based on employees' payslips.

on a farm has stagnated, though a few farm owners insisted that they are paying slightly more for piecework compared with a year ago.

There is a huge disparity between the rise in food prices and wage increases; wage increases do not correspond with the rise in price of essential food and non food items. Most households are therefore trapped in a situation of low wages on the one hand and high prices of food and other costs of housing, water, education, and clothing, on the other.

Table 3: Comparative figures of wages as 'take home pay' (September 2011-September 2012)

Occupation category	Wages 2011 per month	Wages 2012 per month
Teacher	K1,300,300 to K2,200,600	K1,695,174.82 to K2,725,990.49
Nurse	K1,300,000 to K3,450,000	K2,418,245.99 to K3,798,245.99
Guard with security firm	K250,000 to K850,000	K320,000 to K980,000
Secretary in civil service	K1,390,500 to K1,900,000	K1,633,715.49 to K2,749,227.15
Pieceworker on a farm	K5,000 to K15,000 per day	K5,000 to K15,000 per day

Source: JCTR

COPING

Varied coping strategies were being employed in response to the changes in the everyday life. Using a scoring and ranking exercise in focus group discussions, the most common coping strategy employed by the majority of people in both communities included diversifying sources of income, which in some cases meant taking on more than one business or piecework. Other coping strategies employed included borrowing money, eating fewer meals, drunkenness, prostitution and theft (see Table 4).

Table 4: Ranking of copying strategies

Copying strategy	Urban site		Rural site		Effects
	Men FGD	Wome n FGD	Men FGD	Women FGD	
Taking on more jobs/ businesses/piecework	1	1	1	1	Tension and stress
Drunkenness	2	2	5	5	Tension and violence in the home
Theft	3		3	4	Insecurity Fear and loss of trust Few people keeping livestock, for instance due to fear of theft
Borrowing money	4	5		3	High debt High stress levels
Prostitution	5	3			Risk of HIV and AIDS
Reducing quantities of food items bought		4			Money saved to buy only essential items
Consuming only home grown food and			2		Save money as people just eat what is readily available.
stopping buying food					Do not eat balanced meals as some meals lack proteins. Most people eat vegetables

Eating fewer meals	4	2	Malnutrition cases have gone up, people are getting sick. Some don't have energy to do even do piecework.
			Those who have adjusted may feel hungry at first but their appetite and level of hunger will adjust after time.

The first things people do to cope with change varied among respondents. Among the main stategies cited, the majority in both the urban and rural communities opted to diversify into activities that would help them generate income. This point was emphasized by a Mr. M of Chikwanda community:

'People don't have a choice when prices for food rise. The choice that's there is to work hard and earn more money.'

The women in both Kabwata and Chikwanda communities were reported to be making more effort than the men in providing for their households by taking on multiple activities that would help to generate some income. The women were reported to have become assertive and sacrificed more for the household than the men. For this reason, the old people were inclined to depend more on their female children than the male children. Old people who did not have children resorted to begging from neighbours as a coping mechanism. The youths, especially the male youths in both the communities were reported to be unproductive, and due to limited job opportunities, were despondent and resorted to theft and drunkenness as a coping strategy.

As an immediate response to the effects of the increase in the price of food, a considerable number of people were also reported to adjust their household expenditure as a coping mechanism. In some instances there were drastic changes in amounts of money spent on food consumption, with reduction in the number of meals eaten per day. The overall pattern was one to two meals per day in the rural site compared to two to three in urban areas. In a few instances, the women were reported to sacrifice a meal in order for the young children and elderly dependants in the household to eat. Married couples in both communities were said to be coping better and even maintained normal meals because they each employed different strategies to bring in some income.

A case study below demonstrates the type of decisions made in the everyday life of Mr. B, a 39-year-old married man in Kabwata, in response to the FVP.

Box 1: Sacrifices made in adjusting to changes in increase of food and non-food prices

What are you doing to cope with change?

'We are learning to adjust to the rough times. We only buy things in the house that are necessary at times. For example, it's not every day we buy bread, sometimes my children have to eat porridge. But I always make sure that things like mealie meal, cooking oil, vegetables, beans, fish or *kapenta* are available at home. My wife always finds ways of stretching out the food. I just give her money for food and she has a clever way of spending, we somehow always seem to manage to have something even when I give her very little money. I usually eat one meal at home and that is usually dinner. I fail to have the other meals because early in the morning I get up to go and order chickens at Soweto Market and the whole day I'm selling chickens so I don't have time to go home and eat. But the rest of the household eat at least three meals a day. I always try to ensure that food is available at home and during times when I make little profit from the business, I do piece work to bring in some income.'

For how long have you been coping with this change? What are the effects of those changes?

'We have been coping in this way for the past four years. The change has not been big, but it has just meant that I have had to work harder, that is, use more hours in a day to sell chickens and also do some piece work. I sell seven days in a week. I do not rest, because some customers prefer to buy chickens on a Saturday or Sunday. So I have to work every day to make sure I make just that extra money. Before that I would only sell five or six days in week and I would sell from nine in the morning to five or six in the evening, but now I sell up to seven o'clock in the evening.'

SOCIAL PROTECTION

The main sources of social protection used for coping by the majority of people in both Kabwata and Chikwanda communities were informal. The majority of the people looked to the informal sources of social protection because of their availability and accessibility compared with the formal support which the government was supposed to provide.

The formal sources of social protection provided through government were not accessible and in some instances were non-existent. Compared with the urban area, the rural community had some access to social protection support. For instance, the government through the district social welfare office of Mpika, provides assistance to vulnerable groups in various communities through the Public Welfare Assistance Scheme (PWAS). In addition to the PWAS, the government agriculture district office also provides support to poor but viable farmers through the Farmers Input Support Programme (FISP). Despite the programme targeting poor but viable farmers, most people felt the programme failed to cover vulnerable people. A male focus group participant in Chikwanda commented:

'Nothing has been done to reduce the price of fertiliser. We have been told that we should all join the cooperative [agriculture co-operative] if we want to get subsidised fertiliser prices, but just to become a member of the cooperative is so expensive. You are expected to buy shares at the price of K500,000 every year if you are to benefit from the subsidised fertiliser, but who has that kind of money lying around?'. [Subsidised fertiliser for fully paid-up cooperative members is purchased at K50,000 as opposed to an average price of K280,000 per bag of D compound and urea].

Although informal sources of support were available and accessible to most people, a majority of people in Chikwanda felt it was the responsibility of government to provide support and manage factors that triggered an increase in input prices. A male focus group participant in Chikwanda, explained:

'When the food price rises, costs for farm inputs should be reduced. (...) one thing triggers the other, so it would be good to deal with the trigger mechanisms. For instance, government should deal with what triggers the price of fertiliser, because when fertiliser prices go up, this puts us in a crisis. And as you know government is not even willing to offer a good price for the maize we grow. So where is the sense in increasing the price of fertiliser, while at the same time reducing the floor price of maize?'

There was also emphasis that the responsibility for protecting the most vulnerable should lie with government, as expressed by a female focus group participant in Chikwanda:

'But there are people who are affected badly when food prices increase. These people should be protected by the state. Food aid should be provided to assist the poor especially during the period when the harvest runs out.' [Harvested food lasts for two to four months for the poor and much longer for the non-poor]

In both Kabwata and Chikwanda, a few NGOs were working to provide support to various groups in the communities; however, the support provided was limited, especially in the urban community. In Chikwanda, World Vision, DOPE and CAMFED were the only known NGOs that provided support to the community. The support by these NGOs was targeted towards orphans and vulnerable children and included provision of education requisites (CAMFED and World Vision), child sponsorship (World Vision) and provision of empowerment programmes for women and poor farmers (DOPE). A focus group of men cited the empowerment programmes offered by DOPE as a reason why women were now more aggressive and coping better than before. The programmes were said to be targeted towards women than men because women were better caregivers.

The churches were also formal sources of support, especially in the rural communities. The Roman Catholic Church helped school children, provided food to the old and vulnerable members of the community and contributed money for the healthcare of the poor.

Before turning to relatives or neighbours in times of crisis, a majority of respondents in both communities, stated that people first sought to take on an activity that could help to generate some income. In the rural community, most people turned to those in the community who were better off for piecework, such as Ms. M of Chikwanda community, who expressed that:

'A lot of people do piecework from their neighbours. Teachers mostly, as well as some of us, keep part of our maize, so when people come for piecework, we give them maize instead of money.'

People only resorted to turning to their relatives or close friends for assistance when other means were exhausted. There was hesitation to go to family or friends, because it was assumed that everyone was facing some form of a crisis of their own. Mr. P, a 26 year old male of Kabwata community, commented:

'My relatives no longer come to me to ask for help, because I have greater responsibilities and I rarely have money to give anyway. For example, if we have a funeral and we are supposed to make contributions, they will only ask me as a last resort because they know that I will just keep on complaining that I don't have the money, or they will not ask me at all.'

There were a few group initiatives that some people were taking to support themselves. For instance, some women in Kabwata had started a revolving savings scheme called 'lchilimba', where each member of the group contributed a certain amount of money and then took turns to access the money. The initiative was reported by one member of such a scheme as very useful in times of crisis.

3 FINDINGS ON THE ADDITIONAL SPECIAL TOPIC

WHAT IS THE FUTURE FOR YOUNG PEOPLE IN THESE COMMUNITIES?

There are very limited options for young people to engage in economic activities in both the rural and urban communities. Opportunities for formal jobs are very limited. The informal sector seemed to hold more opportunities than the formal sector for many youths. The aspirations for many youths in both communities were centered on making a lot of money through trade and business opportunities. On the other hand, parents desired to see their children working in the formal sector. One female parent from a focus group discussion in Chikwanda expressed that:

'As parents we want them [children] to work in offices. In farming things are hard, unless they have the capital. We send them to school so that they can work in offices.'

Another female respondent expressed similar sentiments:

'If a child stops work and says I want to do farming, we complain and say, 'Why have you stopped working?'...We just don't want them to do farming. Here there is no market for farm products, unless you sell them in Lusaka, but transport is expensive.'

As a result of limited prospects, some youths had taken up trading, while those without money to start up a business engaged in piecework. Due to limited opportunities, there was great hopelessness among some youths with some resorting to theft and drunkenness as means of coping with their situation.

HOW DOES FARMING FEATURE IN THE LIVELIHOODS AND ASPIRATIONS OF YOUNG PEOPLE?

Farming as a livelihood was not perceived as an opportunity for the youths. When asked about farming, some of the respondents said that they had not given it much thought, due to its perceived unreliability. One male youth in a focus group discussion in Chikwanda stressed:

"Farming is no longer reliable because the input costs are high and the returns on the crops are low."

Many youths perceived farming as something that their parents or grandparents engaged in as a tradition, and saw it as unreliable, for the following reasons:

- Low income generated from farming;
- High cost of inputs and low income from the produce;
- Risky, due to unpredictable weather conditions;
- Labour intensive with little profit;
- Seasonal income.

The physical access to markets for farm produce was reported to be a very important constraint in rural areas. It was subject to the variable condition of transport infrastructure and services, and – for poorer households in particular – transport costs. Lack of access to markets limits the ability of many rural households to enter into the formal marketing chain as sellers of produce or other goods.

Some of the youths and parents admitted that if the government invested more in the agricultural sector and set up markets, good infrastructure, credit facilities and control of input costs, they would consider engaging in farming, especially livestock production, which was perceived to have minimal risks when compared with crop production.

To make farming more attractive to young people, the following were suggested by respondents:

- · Guarantee markets for produce;
- Improve infrastructure, including storage sheds and good roads. 'If we had good roads, a lot
 of youths would be attracted to farming'.
- Provide credit facilities, especially for those with written proposals wishing to engage in livestock production or medium-scale crop production;
- Stabilise input prices or offer input subsidies that do not disadvantage the poor.

4 POLICY IMPLICATIONS

What needs to be regularly monitored

The research findings show that the quality of life of different occupation groups and social groups had gone down slightly due to: stagnant wages and income; the high cost of living; limited coping mechanisms; limited and sometimes non-existent government social protection; and a low commitment to implementing policy pronouncements on food security issues. It will be critical to continue monitoring these aspects so as to provide timely data to policy makers on how they can revise or design programmes to respond to people's vulnerabilities.

What needs immediate action, where, and by whom

The current social protection measures being offered by the government to farmers need to be revised for them to have the intended impact. The government needs to look again at the farmers' input supply subsidy and provide alternative support to vulnerable farmers.

What needs to be understood better, or on a larger scale

There is a need to understand better:

- The status of and prices governing informal income-earning opportunities, including casual labour, the sale of cash crops, wild foods, livestock and livestock products;
- Levels of formal employment, e.g. in public administration, commercial farming, transport sectors;
- Household labour supply (affected by rural-urban migration, school attendance and health status);
- Coping behaviour induced by loss of food access; the extent and effectiveness of such behaviour;
- The status of informal social safety-net mechanisms in communities and extended family networks, and *formal* safety nets where available (e.g. church and NGO programmes);
- Non-food expenditure obligations can vary in ways that affect cash availability for food. These
 include increased expenditure on healthcare and funerals as a result of epidemics such as
 malaria, tuberculosis and HIV and AIDS;
- The impacts of policies not directly related to agriculture and food, such as health and education user fees;
- Real prices of food staples in Zambia have undergone substantial seasonal fluctuations. It
 would be useful to explore in depth the factors triggering the price fluctuations.

ANNEX

Key policies affecting food security and nutrition

Policy or strategy	Objectives and mandate	Key policy areas/comments
Sixth National Development Plan (SNDP) 2011–2012	The Plan has a chapter on agriculture and a section on nutrition, which during the SNDP period will focus on guiding and expanding the scope of implementation and monitoring the nutrition-related interventions under various sectors of the National Food and Nutrition Policy. The key sectors of interest will be agriculture, livestock and fisheries development; health, education and skills development; and commerce, trade and industry.	With the current national development plan (SNDP 2011–2015) there are opportunities to influence policy change, particularly with the Agriculture and Nutrition and Food Act. According to the SNDP, key policy developments will include the review and revision of the National Agriculture Policy to align it to changes in the sector and the development of the livestock and fisheries policies.
National Food and Nutrition Policy	The principal goal of the National Food and Nutrition Policy is to achieve sustainable food and nutrition security and to eliminate all forms of malnutrition, in order to have a well-nourished and healthy population which can effectively contribute to national economic development.	 The objectives set out in the policy: To develop and implement policies and programmes that will ensure adequate nutrition, food security, food quality and safety at individual, household, community and national levels; To promote and establish programmes aimed at providing quality nutrition care; To incorporate nutrition issues into development programmes; To monitor and evaluate all nutrition interventions.
National Agricultural Policy 2004– 2015	The aim of the Agriculture Policy (2004–2012) is to facilitate and support the development of a sustainable and competitive agricultural sector that assures food security at national and household levels and maximises the sector's contribution to Gross Domestic Product (GDP).	The policy aims to ensure national and household food security through year-round production and post-harvest management of adequate supplies of basic foodstuffs at competitive costs. This policy objective has a role to play in ensuring: • That dependable and efficient annual production is maintained of adequate supplies of cereals, legumes, roots and tubers, tree and plantation crops, horticultural crops, fisheries and animal products; • That the hunger periods in rural areas are bridged by development of storage, long-term strategic food reserves, or off-season production and processing of food crops; • That markets and marketing incentives exist to channel food commodities from surplus to deficit areas; and • That farmers have a steady and reasonable income from their production.
National Land Policy	The overall objective is to have secure, fair and equitable access to and control of land for sustainable socio-economic development.	The Policy makes provision for: • Fair and equitable access to and control of land; • Empowerment of all landowning households with secure land rights, to alleviate poverty;

Policy or strategy	Objectives and mandate	Key policy areas/comments
		 Gender-equitable rights to land; No discrimination in land allocation by HIV/AIDS status; Lowering the contractual age for land from 21 to 16 years.
National Social Protection Strategy	The goal of the strategy is to contribute to the security of all Zambians by ensuring that incapacitated and low-capacity households and people have sufficient income security to meet basic needs and protection from the worst impacts of risks and shocks.	 Key objectives related to nutrition are: To increase the ability of low-capacity households to meet their basic needs; To reduce extreme poverty in incapacitated households; To improve access to health and education for people from incapacitated and low-capacity households; To reduce the vulnerability of target groups to the violation of their legal rights; To strengthen capacity at local and national levels to deliver effective social protection programmes.
National Employment and Labour Market Policy	Create sufficient and good quality jobs under conditions that ensure adequate income and protection of workers' basic rights.	The policy recommendations are based on the following key principles: equity; equality; responsiveness; social protection; productivity; social dialogue and sustainability.
National Gender Policy	The main objective of the policy is to redress the existing gender imbalances and provide equal opportunities for women and men to actively participate and contribute to their fullest ability and equitably benefit from national development.	The policy aims to redress gender imbalances and inadequacies in the following areas related to nutrition: education and training; health; water and sanitation; labour, employment and social security; land; agriculture; information and media; housing; decision making; gender violence; and legal framework.
National HIV and AIDS/STI/TB policy	The objective of the policy is to attain a society in which the prevalence and impact of HIV and AIDS, STI, and TB are significantly reduced to levels where they become manageable socio-economic and public health problems, and in which people infected and affected by HIV and AIDS, STI and TB live positively without stigma and discrimination.	 Goals related to nutrition include: Minimise vertical mother-to-child transmission of HIV; Strengthen care and support structures for orphans and vulnerable children; Effectively mainstream equity considerations and gender in HIV and AIDS programmes; Promote the use of traditional values in the fight against HIV and AIDS; Protect the rights of children and young people and give them access to HIV and AIDS prevention and care services; Raise public awareness of HIV and AIDS and the negative impact on society; Sensitise communities on the importance of VCT and the need to know one's status; Mitigate the high risk of HIV infection common among vulnerable groups; Ensure availability of adequate resources for fighting HIV and AIDS, STIs, TB and other infections.

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Life in a Time of Food Price Volatility

Oxfam and IDS have embarked on a four-year research project to better understand the impact that food price volatility is having in different communities around the world. The project aims to fill the gap in evidence and understanding of the impact that volatile food prices are having on the lives of poor people living in rural and urban areas, including on personal income and finance, health, social, family and security. This national research report is a contribution to that project.

This research report was commissioned to contribute to public debate and to invite feedback on development and humanitarian policy and practice. It does not necessarily reflect Oxfam or IDS policy positions. The views expressed are those of the author and not necessarily those of Oxfam or IDS.

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