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Persistent Poverty in Upper East Ghana

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Too poor to farm

In 1992, 52% of Ghana's population were below the locally-defined poverty line; by 1999, the figure had dropped to 40%. In the same period, extreme poverty fell from 36.5 to 26.8%. Predominately agricultural regions of the country, however, did not fare as well. In 1999, almost 80% of the population in the Upper East region, where most households are food crop producers, were considered extremely poor.

In this region, there is a term for "poor" but no locally-used term for "rich." Better-off households are described simply as "able to solve their problems." Most households, though, are vulnerable or already destitute. Rather than enjoying the positive trends for wellbeing in the rest of the country, households in the region were growing poorer. In fact, by 1989, there has arisen a new phrase to describe certain households: "too poor to farm."

Based on quantitative and qualitative data gathered in 1975 and 1989, this brief explores the nature of the poverty and the kinds of poverty traps faced by rural households in the Tempane-Gagbiri region of Upper East Ghana. The objective of the 1975 research was to examine socioeconomic differentiation in a kinship-based society. The quantitative data covered 404 households, with subsamples collecting information on farm size, economic activity and expenditure. The 1989 fieldwork was more highly focused around the changing face of poverty, and there was a broad feeling across all households that poverty trends were worse. The research looked closely at the processes that underlie the downward poverty trajectories to determine why some households fall into destitution and why some are able to follow successful strategies of accumulation and thus remain relatively secure.

Falling off and getting on: poverty dynamics

The research communities are in the dry Sudan Savannah zone, where households are vulnerable to agroclimatic factors and coping strategies put a severe brake on investment and accumulation. The region's physical isolation, lack of non-agricultural investment and underdevelopment of markets result in few opportunities for economically meaningful off-farm employment or income generation. Livestock are by far the most valuable household asset. Vital to farming, livestock also are used to provide food for labor party teams and have many social and ritual uses. For virtually all households, goats and sheep are the primary form of savings; secure households also have cattle, while the poorest have only hens.

By assigning a point value to each kind of livestock and a few other durable assets on the basis of local prices, two indicators were constructed: livestock status and asset status. These indicators reveal significant economic inequality among households. There is a major jump in the mean livestock points (38) of those in the penultimate decile to the mean points (148) for those in the top decile. In both 1975 and 1989, the top 10% of households had mean livestock points 22 times greater, and an asset status 25-30 times greater, than the bottom 50%.

Households identified as "secure" are those with livestock points over 35. At the other end of the scale are "destitute" households, effectively without resources, with one livestock point or below (they own a few chickens). The largest group of households, identified as "vulnerable," are those with livestock points between 1.1 and 35. In 1989, the mean livestock points for each category were roughly similar to those in 1975, and yet the amount of destitute households nearly doubled over those years. More households were at the lower mean of holdings, and there was slight but discernible drop in overall livestock holdings. During this same period, the total assets of each group rose, which suggests some investment in productive and non-productive assets in the intervening period. One other major change was the extension of cash cropping, which helped raise the mean real incomes of each group between 1975 and 1989. Nonetheless, subsistence crop yields and outputs went down. (See table.)

Despite the positive trends in assets and cash crop income, it was not just the very poor who complained of being poorer. In the five years before 1989, people in the region began to perceive an increase in hunger, poverty and difficulty in farming. Many outside factors contributed, including an accelerating national economic decline, a drought that accentuated the economic crisis (though the drought itself had a less direct impact on the region), the removal of fertilizer subsidies, and inflation. In addition to economic shocks, farmers in 1989 were considerably more concerned with food production problems than they had been in 1975. Many cited a shorter rainy season, "exhausted" land, and declining yields. Diversifying farm crops became a more common strategy, as did relying more on the market to both buy and sell food crops. In addition, women had increased their non-farm income activities.

The general decline in economic wellbeing in households between 1975 and 1989 is confirmed by case studies that looked at household trajectories. In 1989, of the 43 (38% of the random sample) households that changed poverty status, 15 moved up and 28 moved down. Of the 20 households that were secure in 1975, only six remained secure in 1989. (See table below.)

Poverty categories	Distribution		Mean livestock points		Mean asset points		Mean cash crop incomes*	
	1975	1989	1975	1989	1975	1989	1975	1989
Destitute	12.4%	21.9%	0.23	0.19	0.47	1.62	29.6	160.25
Vulnerable	74.9%	68.0%	11.94	11.55	13.48	15.66	79.5	330.26
Secure	12.7%	10.2%	58.55	59.41	64.19	81.72	124.4	726.10

* Incomes from a limited number of cash crops adjusted against national inflation.

Changes in poverty status

	1975			
1989	Destitute	Vulnerable	Secure	**Totals**
Destitute	5	14	3	**22**
Vulnerable	9	59	11	**79**
Secure	0	6	6	**12**
Totals	**14**	**79**	**20**	**113**

Downward spirals into destitution often occurred when the resource endowments of households were insufficient to deal with fairly ordinary shocks such as illness, which can lead to animals being sold to pay for treatment. A young household head in this position works on his neighbors' farms to keep from falling downward, but once the head is ill or too old, the household becomes destitute. A shortage of male labor leaves these households little margin, and often it is the petty income of women that prevents a family from starving. Also, typical of many households falling toward destitution are those that have some livestock but who struggle to obtain inputs needed to remain viable as farmers. These households too were typically short of male labor, and they continue to farm by hiring themselves out in exchange for seeds or plowing, by using remittances, or by asset stripping.

Many of the households falling downward are precariously situated above the bottom category of those that are "too poor to farm," which are the households that lack the resources to buy, or credit worthiness to borrow, minimal inputs such as seed and small implements, or to get labor they cannot provide themselves. These families are usually small and may be headed by the elderly or long-term sick who also are socially marginal. The phrase "too poor to farm" that arose by 1989 underlies the increase in the very poorest segment of the population and suggests that other households are in danger of falling into this hopeless category.

Family matters

The most significant difference between households in the three poverty categories was household size. The study region is part of a large belt of West African Savannah societies in which inheritance, kinship affiliation and social identity are patrilineal. The farming system depends heavily on male labor. Domestic production and reproducing units are nested within compound structures formed around a core of agnatically-related men. This complex compound is an asset-holding and cooperative work unit. In this study, because farming is organized by compound heads who also own and manage livestock, the term "household" refers to the compound, which may comprise several adults.

There is a positive relationship between greater wealth and larger household size. The average household size of the secure group was three times as high as the destitute group in 1975 and nearly four times as high in 1989. In 1975, the mean household size for the secure group was 14.75; in 1989, it was an astonishing 24.15. The findings suggest that current available male labor per non-productive household member is not a critical difference between the secure and poorer households. Yet, absolute size of household and the number of men, married women and adult women (excluding elderly widows) are positively associated with increased economic security.

Although they have greater numbers of men in absolute terms, the secure households have relatively less male labor power per child and per female household member. It appears that it is household size *per se*, particularly the number of adult men within the household, that is positively associated with socioeconomic standing. No particular aspect of household composition is significant. These findings are matched by local understandings. Heads that attract and retain many members lead households that are strong and wealthy.

If household economic wellbeing is closely linked to household size and amount of adult male labor, then clearly fate plays a part, especially as mortality levels are high. Some demographic events that contribute to large households are outside individual control. Beyond this, the case studies show how effective social and economic management of the kinship and family system serves to manipulate household male labor supply. Dealing successfully with such "negative" situations as having daughters and not sons depended on the social, kinship and economic resources of household managers. Keeping married sons and brothers within the house is beneficial, but these relations too must be managed, so that economic opportunities offered to dependent men (for private farming, independent income generation, and waged and salaried work) keep them as household members.

For younger men to go away on labor migration was not the prerogative of poorer or richer, smaller or larger households, but it did impact wellbeing. In larger, more well-resourced households, a succession of men could leave and return without stripping the household of male family labor. Conversely, in smaller, poorer households, the junior males tended to stay away longer since the very fact of their being away made the household vulnerable, and, as the household declined, there was less incentive to return. The lack of kinship "capital" was often catastrophic for some household heads, especially those that were young. These young heads also were often hampered by the lack of experience in social and economic management, and in managing wider social ties.

Although there are limitations to what households can do in the face of demographic events, the poorest who lacked male labor are victims not merely of reproductive failure, but of a feedback loop between poverty and escaping male dependents. A decision by a son or brother to leave from a poor household was both a result of poverty and a cause of it.

Searching for security

In both study years, a small minority of much wealthier households were able to take advantage of a virtuous circle whereby a more successful domestic economic enterprise led to the recruitment and retention of more family members, which led to more farming and other economic success. Additionally, these households were better able to take up opportunities in bullock plowing, cash cropping, and non-farm income.

In addition to the importance of male labor, local evaluations of the keys to achieving security emphasize owning a plow and bullocks, which fed into farming success and accumulation strategies. Those unable because of prior resource endowments to purchase plows and teams were forced to hand hoe and thus were poverty trapped. In 1975, only one-third of households had plows, and yet only one-fifth were confined to using hand hoes for cultivation. This is because plow owners enter into arrangements such as plowing the fields of kinsmen in return for labor or cash. Use of the plows was an incentive for junior men to remain in the household and work the farms. Plow owners tend to disproportionately use the community's labor supply through making considerable use of labor parties.

With cash cropping, there are clear differences in the capacity to take advantage of opportunities, and the scale of cash cropping among households varies markedly. Initial crop innovations depended on access to state-provided credit, which went to a minority of households, identified as resource secure, progressive, and having young male labor. The most successful examples of new crops come about largely as market responses, although local NGO efforts to encourage dry season vegetable

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gardening had been going on for many years. Households able to grow extensive cash crops were large, had livestock resources and may also have had someone working in high-return trading or formal wage employment. The structural bifurcation between these and other households produces a minority of households that are relatively economically secure and a majority of households that have stabilized dynamically around exceedingly low levels of poverty.

Another factor affecting whether households have security to withstand individual shocks and the capacity to invest in farming is the non-farm income sector. Here too there is a strong tendency for bifurcation into sectors of low-entry, low-return versus high-entry, higher-return. While formal wage employment is statistically not a very big sector, it was highly prized because of the security and regularity of income. Individuals who had these jobs and households that had wage workers in them figure prominently in the secure households.

Policy implications

Most households in the research communities have too few resources to do more than adopt defensive strategies in the face of multiple risks. Economic reform and liberalization had dire effects on rates of poverty in the region, leaving rural households unable to participate effectively in the growth areas of the economy. The disappearance of input credit, which reduced the capital available for farming, is a key factor in forcing households back into situations with low levels of reward. Even secure households are pursuing less-than-optimum economic strategies. The requirements that young men in large households work on the family farms might produce better outcomes only up to a certain threshold of risk, while preventing them from engaging in higher-level, higher-risk activities such as long distance international trading.

To be effective, policy must be mindful of the strategies locally regarded as significant pathways for accumulation: technologies like bullock plowing, opportunities for cash cropping (and marketing), and access to non-farm income. For instance, demand from outside the region for cash crops has been strong, and maintaining or even improving roads can help expand the opportunities to market these crops. Likewise, maintaining or expanding government or NGO provision of seeds and fertilizer can have broad effects since most households in the region rely on cash cropping for food security.

Development resources that expand rural employment also would help reduce the risk to household livelihoods, as would rural health provision. Normal small shocks like illness can lead to disastrous consequences for assetless households, and so health provision can have long-term beneficial effects. Because the area is relatively densely settled, health aid is likely to be more cost effective here than in some other rural areas.

The specific findings on poverty dynamics in this study graphically illustrate the problems that lie behind the Upper East's growing poverty in the face of national improvements and suggest the urgent need to address regionally-specific poverty traps.

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Further reading

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