

## **Income generating activities as components of sustainable rural livelihoods for young southern Africans - AIDS and other constraints**

**Flora Hajdu, Nicola Ansell, Elsbeth Robson, Lorraine Van Blerk and Lucy Chipeta**

### **Abstract**

This paper reports on a study with rural young people (aged 10-24 years) in Malawi and Lesotho, focusing on their opportunities to learn skills and access capital and assets to engage in income generating activities (IGAs). Participatory group exercises and individual interviews provide many examples of how young people learn skills and start small businesses, as well as insight into their strategic thinking around engaging in these livelihood options. Various factors, including the effects of AIDS, are shown to affect young people's prospects of succeeding in their ventures. Young people are themselves very keen on starting IGAs, and are supported by adult members of their communities in asking for interventions to help them do so. We argue that expanded vocational and business training, focusing on locally appropriate types and scale of businesses, coupled with help to raise start-up capital has the potential to improve poor and/or AIDS-affected young people's chances of securing sustainable rural livelihoods in their futures. Since AIDS is intertwined with many other issues affecting young people's livelihoods, it is however problematic to single out and target only AIDS-affected young people with interventions on skills building and IGAs. Policy makers' attitudes to vocational skills training and support for IGAs in Malawi and Lesotho are also explored, and policy recommendations made in relation to supporting vulnerable rural young people in their attempts to build sustainable livelihoods for themselves.

**Key words:** Income Generating Activities, young people, AIDS, rural livelihoods, participatory methods, southern Africa

## **Introduction**

The literature dedicated to exploring rural livelihoods in southern Africa has devoted comparatively little attention to non-agricultural livelihoods, as several authors have pointed out (Zeza *et al* 2009; Bryceson 2004; Ellis 2000). This gap in knowledge about non-agricultural livelihoods is also reflected in the literature looking at the effects of AIDS on rural livelihoods in Southern Africa. In general, research focusing on the effects of AIDS on livelihoods has also tended to neglect effects on young people's abilities to create sustainable livelihoods for themselves in the future, and consequently, AIDS-affected young people's abilities to engage in non-agricultural livelihoods have been even less explored.

This article arises from a research project that looked at AIDS-affected as well as non-affected rural young people's livelihoods from their own perspectives in two study areas in rural Malawi and Lesotho. Here, we explore the findings in relation to young people's non-agricultural livelihoods, specifically their possibilities for learning various skills and accessing capital and assets for starting up income generating activities (IGAs).

The paper focuses on three main areas of investigation. Firstly, we examine how rural young people in Malawi and Lesotho are able to learn skills and access the capital and assets they need in order to engage in income generating activities. By looking at empirical evidence from their lives, we explore possibilities that are available to young people and factors that constrain them from achieving sustainable IGAs, as well as their own strategic thinking around choices regarding IGAs. Secondly, we assess the significance of AIDS among other constraints that young people face when trying to learn skills and access the capital and assets needed for IGAs. Thirdly, we consider the interventions that could be made to support rural young people's attempts to engage with IGAs and look at policy-level attitudes to, as well as previous experiences with, and future plans for, IGA-related interventions in both countries.

The paper begins by contextualising the study within the literature on non-agricultural livelihoods, and the impacts of AIDS on the livelihoods of young people in Africa. The study area and methodology are described. The research findings are then presented, divided according to the three main areas described above. A final discussion connects these findings to the literature and outlines conclusions and recommendations.

### **Non-agricultural livelihoods in rural Southern Africa**

Research adopting a livelihoods perspective on poor rural people's situations has gained increasing popularity since the early 1990s. Before this time (and also after it, as Scoones and Woolmer (2002) point out) research and development policies in Africa focused heavily on 'effectivisation' of subsistence agricultural practices, as it was believed that rural families would be able to support themselves largely from agriculture if only their farming techniques were improved. This assumption has however proven to be fundamentally flawed and misguided (Zezza *et al* 2009; Scoones and Woolmer 2002). A frustration with this failure and a realisation that research and policies need to support people in their daily lives and needs in meaningful ways instead of providing ready-made interventionist instruments, was an important reason for the development of the livelihoods perspective (De Haan and Zoomers 2005).

The definition of a livelihood proposed by Chambers and Conway (1992) has come to be used (with minor modifications) by many authors: "the capabilities, assets (stores, resources, claims and access) and activities required for a means of living" (*ibid*:7). Central elements of the livelihoods concept are that it includes non-material aspects of well-being, and that it is dynamic. The concept of sustainable livelihoods and the sustainable livelihoods framework/approach was developed during the 1990s as a tool to help integrate the livelihoods perspective into research and development projects (*c.f.* Chambers and Conway 1992; Farrington *et al* 1999; Scoones 1998) and has become widely adopted by researchers as well as bilateral and multilateral agencies and NGOs, though there has also been criticism of the approach (de Haan and Zoomers 2005; Arce 2003; Murray 2002). The concept of

sustainability should in this context be interpreted broadly, as social institutions and people's capacities to generate new activities need to be sustained as well as the natural resource base. Scoones (1998:1) writes: "A livelihood is sustainable when it can cope with and recover from stresses and shocks, and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base". In this project, we used the sustainable livelihoods approach as a tool for project design, to develop research questions and gain a better understanding of local situations.

An important part of livelihoods research has been to determine not only what type of livelihoods rural people in poor countries have, but also the relationship between various livelihood activities and the strategies that people use when combining and choosing between these activities. Ellis (2000) sums up research around 'livelihood diversification' in the 1990s and notes a key insight from these studies:

[For many rural households in poor countries] farming on its own does not provide a sufficient means of survival in rural areas. For this reason most rural households are found to depend on a diverse portfolio of activities and income sources amongst which crop production and livestock production feature alongside many other contributions to family well-being. (*ibid*:3)

The realization that rural households in Africa rely on more than just agriculture for their livelihoods has come slowly, and Ellis claims this has to do with the massive policy focus on agriculture, at the expense of other livelihood activities. In a recent survey, Davis *et al* (2010) conclude that livelihood diversity is the norm in rural areas across the world and that off-farm activities generally represent the largest share of income in rural livelihoods, though agricultural activities remain critically important, especially in Africa. Bryceson (e.g. 2004) has however long claimed that a rapid deagrarianisation and depeasantisation is occurring in Africa, and a recent study in Malawi found

that non-farm incomes account for a larger part (47%) of total household income than agricultural activities (Kamanga et al., 2009).

For a long time, rural areas have been considered lacking in local job opportunities. However, various small-scale business ventures have been neglected in appraisals of local opportunities. Such informal rural businesses, involving growing crops for sale, preparing food and snacks, manufacturing equipment and utensils, engaging in trade and retail and providing transport or other services have however been shown to abound in Southern Africa (Hajdu, 2006, Carswell, 2002) and have collectively been termed income generating activities (IGAs). Since the realisation that such rural small-scale businesses have great potential for poverty alleviation, there have been many different IGA-related interventions, the design and implementation of which have changed as lessons learnt have been incorporated into new projects.

#### *Lessons learned from previous IGA-related interventions*

In general, interventions focusing on income generating activities have had greater success than previous agricultural interventions, though there have also been various problems. Research concerning IGAs has focused more on the need for capital than the need for skills, and interventions have often been concerned with loans or grants rather than vocational skills development. With regard to young people, skills development has been sidelined in favour of a focus on formal education. Palmer (2006) writes:

In developing countries, skills development has been neglected. Skills development does not appear in the Millennium Development Goals (MDGs) or in many poverty reduction strategies and has been sidelined in favor of investment in primary education.

McGratha and Akoojee (2007) discuss how skills development in South Africa has previously been neither the responsibility of the government nor of the business sector, but they state that this is

now changing, with a specific focus on skills after recent policy shifts in South Africa. Drawing on a study in Ghana, Palmer (2006) points to problems with existing skills training initiatives, which are often top-down and weak or lacking in post-training support. They also often fail to cater for the labour market, and training for opportunities in the informal economy is very limited.

With regard to capital, the idea of microfinance initially received much attention, and has been hailed as a highly effective poverty alleviation strategy. Microfinance programmes build on the concept of poor people being given small loans to start up income generating activities and then eventually repay the loans with low or no interest. The United Nations declared 2005 ‘the year of microcredit’, and the World Bank talked about “the microfinance revolution” (Robinson 2001). One of the main reasons behind the popularity of microcredit is that it is seen as a market-friendly method for poverty reduction (Copestake 2002).

However, microcredit schemes have become increasingly criticized. Copestake (2002) found in a survey of a microfinance programme in Zambia that only a minority of the credit clients (most of whom had been doing comparatively well before the credit was given) were successful in their businesses and had no problems repaying their debts, while around half of the clients “struggled to service their debts and exited within a year of joining, probably financially worse off as a result of taking loans” (*ibid*:753). Mosley and Rock (2004) agree that microfinance generally does not reach the poorest, though they point to the fact that it may have important ‘spin-off’ effects through providing locally available services or through community reciprocity. One problem is that when money in a poor household has been secured, even if it is a loan, there is a risk that it will be spent on more pressing necessities than to start up a business, such as costs of schooling, medicines and funerals (Liljefrost, 2005). Brett (2006) notes that microcredit schemes are seldom evaluated at the household level in a social context and claims that in Bolivia, “the social and structural context within which some women operate so strongly constrains their productive activity that they realize a net income loss at the household level instead of the promised benefits of entrepreneurship” (2006:8)

Microfinance has also been questioned with regard to its viability in a time of high morbidity and mortality due to AIDS (Baillies, 2002), and interventions combining HIV training, microfinance and community mobilization have since been pioneered (Hargreaves et al., 2010). Community-based savings and insurance institutions are sometimes lifted out as alternative ways of financing IGAs instead of externally based microfinance programs (Slater and Wiggins, 2005).

A shift towards monetary inputs with fewer conditionalities has occurred the wake of the criticism of microfinance. Following the success of the non-contributory pension system in South Africa at reducing poverty (Devereux 2007), the creation of social welfare systems across Southern Africa have taken a higher priority in poverty-related interventions. Hanlon (2004) argues for the cost-effectiveness of unconditional money transfers, South Africa is now considering a “Basic Income Grant” to all South Africans (Standing and Samson 2003; Barchiesi 2007) and Malawi has recently piloted a targeted cash transfer scheme and is considering old age pensions. Cash transfers have several benefits, including low administrative charges, high level of choice for beneficiaries and are recognised as stimulating local markets, despite common worries about inflationary effects (Slater and Wiggins 2005; Harvey *et al.* 2005)

However, cash transfers do not solve the need for vocational and business skills often recognised by poor people themselves. Even though “business training” has been mainstreamed in some poverty relief programmes, this service can be unhelpful as it is often a standardised package, sometimes focusing on larger and more complex businesses than the people targeted are likely to engage in (Hajdu, 2006). There is thus a dual weakness where skills development programmes are often critiqued for not offering help to start up businesses post-training, and programmes that offer grants or loans for business development are criticised for not dealing with the need for skills to run businesses.

In addition, there is a need to recognise the role of constraints other than those related to skills and capital for rural IGAs. Jin and Deininger (2009) looking at constraints to the expansion and

productivity of Tanzania's rural non-farm sector found infrastructure constraints to be the most important problem, and especially harmful to small enterprises. Naturally, the assets that rural households have are linked to the activities that they engage in, and Winters *et al.* (2009) show that households which have more land tend to focus on agriculture while rural households that have access to education and infrastructure focus on non-farm activities. Assets and access to infrastructure can thus also be significant constraints with regards to IGAs.

### **AIDS' effects on rural young people's livelihoods**

As the AIDS pandemic has spread through southern Africa, research has begun to focus on its wider social and economic effects on rural populations and their livelihoods. Murphy *et al.* (2005) show how generalisations and blanket perceptions of the socio-economic effects of the pandemic have come to dominate, disguising significant variations on the ground. They highlight how little we still know about the complicated effects of AIDS on rural livelihoods, and call for more empirical research. Discussing AIDS "exceptionalism", de Waal (2008) notes that AIDS has been claimed to be exceptional both in terms of the threat that it poses as well as the response that is required, and that both these elements have become grounds for recent critique. Southern African rural populations are facing many other problems and constraints, such as severe poverty, high unemployment, food insecurity, other serious diseases, political strife and problematic interventions, and AIDS needs to be assessed in a context of these other problems rather than as an exceptional threat.

In connection with young people's livelihoods, the concern is that AIDS is impacting negatively on their future opportunities (FAO 2003; Slater and Wiggins 2005). Currently, only few aspects of AIDS' effects on young people's livelihoods have been considered. Some direct effects, such as loss of property when parents die, as livestock and equipment might be sold to fund medical and funeral



costs, as well as due to land/property “grabbing” by relatives, have been hypothesised or researched (Kimaryo *et al* 2003; Munthali and Ali 2000). Indirect effects that have been studied or hypothesized include loss of livelihood-related knowledge through the interruption of intergenerational knowledge transfer (Hlanze *et al.* 2005; Loevinsohn and Gillespie 2003; Mphale *et al.* 2002; White and Robinson 2000). Effects on agricultural livelihoods have here been especially considered, for example that those who inherit land may be too young or inexperienced to farm it, which may lead to usufruct rights being lost, leaving them landless as adults (Slater and Wiggins 2005; White and Robinson 2000).

Most recommendations concerning the livelihood needs of AIDS-affected young people focus on minimising school dropout (Arrehag *et al.* 2005; Morris and Lewis 2003), even though studies suggest that schooling provides few rural southern African youth with access to paid employment (Ansell 2004) and fails to prepare them for the livelihoods they will engage in (Mamdani *et al.* 2008, Chant and Jones 2005; Ansell 2000). As with previous interventions concerning rural livelihoods in general, agricultural extension has also featured prominently in recommendations (de Waal and Tumushabe 2003; SADC-FANR 2003), while minimal attention has been given to non-agricultural livelihoods. More research is therefore urgently needed to understand how AIDS might impact on young people’s future livelihoods in varying geographical and livelihood contexts (Pinder 2003).

### **Study area**

This study focused on Malawi and Lesotho - two southern African countries whose rural populations have insecure rural livelihoods, as evidenced through recurrent food security crises, in tandem with high HIV-prevalence. Rural residents of the two countries pursue a spectrum of livelihood strategies, including labour migration, wage labour, informal income generation and subsistence agriculture. A small village was selected in each country for in-depth studies (see *Figure 1*). The study villages were

selected according to several criteria, being in high AIDS prevalence rural areas, having a range of (insecure) livelihood activities, not being too close to major roads, and not having experienced any significant aid or development interventions. In Malawi, Nihelo village comprised 253 persons in October 2007, of whom 70 were young people aged 10-24 years. In Lesotho, Ha Rantelali village consisted of 169 persons in January 2008, of whom 79 were 10-24 year-olds. The fact that there were proportionally more young people in the Lesotho village is probably partly due to higher AIDS prevalence rates causing deaths among the older age groups. Another reason is that migration for work starts at an older age in Lesotho than in Malawi due to an older marriage age (since marriage gives an added responsibility to feed the family and can prompt work migration).

*[Figure 1. Locations of the two case study villages in Malawi and Lesotho – about here]*

The Malawian village is located in the densely populated Shire highland district of Thyolo, where subsistence agriculture plays a very important role for livelihood security. Local markets and small-scale businesses abound, but the general level of poverty is high, limiting the feasibility of such businesses. The Lesotho village in contrast is located in the very sparsely populated Maluti Mountains, where livestock herding and labour migration to South African mines have historically provided for the population and agriculture has had a lesser role. Cultural differences include that the Malawian village is in a matrilineal matrilocal (uxorilocal) area, where land and property is transferred through the female line, from mothers to daughters, and husbands generally settle in their wives' villages after marriage (see Peters, 1997 and Peters *et al* 2007) for more information on matrilineal practices in southern Malawi), while Lesotho subscribes to more common patrilineal patrilocal practices, where land and property is passed from fathers to sons, and women are supposed to move in with their husbands' families upon marriage. Bridewealth payments mainly associated with patrilineal patrilocal practices mean that men in Lesotho marry at an older age than in Malawi and therefore most young men in the age group 18-24 years were married in Malawi and

unmarried in Lesotho. The young women in the age group 18-24 years were usually married in both countries.

### **Methodology**

Fieldwork for this project was conducted during two phases. During the first village-based fieldwork period of 3-4 months in each country, the main field researcher (Hajdu) resided in the studied villages, while the other researchers (Ansell, Robson, Young, Chipeta) made several village visits to participate in various parts of the field research. A second phase, where the research team returned for a week to each village to carry out follow-up fieldwork and disseminate findings, took place 5-8 months later.

Access to communities was negotiated through local authorities and community participation was encouraged through rapport building. Two community meetings and a dissemination workshop, all including participatory exercises and opportunities for questions and feedback were held in each community. Research assistants were recruited locally in both countries.

Young people between 10-24 years in each village were informed about the project and invited to participate. Those who volunteered to participate were divided into four groups based on age and gender, and attended 10 different participatory sessions to express their opinions and thoughts, share experiences and discuss important issues. More than 50% of all 10-24-year-olds<sup>ii</sup> in both villages participated. Individual interviews were conducted with all young people between 18 and 24 years old who were available in the villages and willing to be interviewed during the second fieldwork period. As can be seen from Table 1, a lot of young women were at home during our interviews in Malawi, since the interviews took place during daytime when young men in this age group were expected to focus on working or trying to find work to support their families. The young men in Lesotho were also occupied outside of their homes (with herding), but we were able to

include them since we made special efforts to seek out herders for activities and interviews, which they were able to participate in since the activities were adjusted to fit with herding responsibilities.

More young women than young men participated in the study in Malawi while the situation was reverse in Lesotho, due to the differences in marriage patterns in these two countries discussed above. Married men are expected to focus on working or trying to find work to support their families, which meant that the young men who were mostly already married in Malawi were difficult to recruit for activities. The young men in Lesotho were however still mostly unmarried and thus had fewer responsibilities, but most were engaged in herding (an activity mainly for unmarried men in Lesotho). We made special efforts to gather the herders for activities during visits at the cattle post. The young women in Lesotho however felt it was difficult for them to find the time to participate in research activities, since they were usually newly married, living with their in-laws and expected to look after the household.

*[Table 1. Participants in the study, by age group, gender, AIDS-affected status and participation in group activities and/or individual interviews – about here]*

Table 1 gives a breakdown of participants by age and gender as well as those deemed AIDS-affected and those deemed unaffected. In Malawi, 49% of participants were considered AIDS-affected, while in Lesotho the figure was higher at 57%, which is consistent with statistics showing higher prevalence rates in Lesotho (UNAIDS 2008). For ethical and practical reasons, young people affected by AIDS were not singled out in any way during the fieldwork. A proxy based on sickness and death in the household was used to classify young people into affected or unaffected categories, but this classification, based on an initial household level survey, was subsequently amended as further information came to light in the course of the study. The classification was not revealed to the participants. Table 2 shows a breakdown of participants considered AIDS-affected and indicating the reason. Although causes of death were discussed with the young people and their households, the stigma surrounding AIDS is such that deaths of relatives are almost never openly attributed to this

cause, especially in Lesotho. Other sources claim, however, that the parents of 56% of orphans in Lesotho and 48% in Malawi died of AIDS (UNAIDS/ UNICEF/ USAID 2004).

*[Table 2. Breakdown of participants deemed AIDS affected by cause – about here]*

Policy interviews were also undertaken after the village fieldwork in each country. Altogether 33 and 49 interviews in Malawi and Lesotho respectively were conducted with relevant representatives of government ministries, UN bodies, donors and NGOs, at both local and national levels. The interviews focused on policy aspects of issues pertaining to young people, AIDS and livelihoods, the experiences of the different stakeholder organisations, and responses to issues arising from the fieldwork.

### **Rural young people's access to skills, capital and assets for IGAs**

Echoing findings in other areas of Southern Africa (Hajdu, 2006, Carswell, 2002), we found that people engage in a wide range of rural IGAs in the study areas, though there is a marked difference between the two countries with IGAs being more common and widespread in Malawi than in Lesotho. It is mainly middle-aged adults who have small businesses, though some young people have learned necessary skills and started their own businesses.

Through participatory exercises and individual interviews we explored young people's experiences and aspirations with regards to IGAs. The two main constraints for starting up IGAs that the young people identified were to learn the necessary skills and to access capital or assets. These two constraints are explored further below.

### *Learning skills and strategizing around IGAs*

Specifically focusing on the various strategies they employed, we looked at what IGAs young people had been or were currently engaged in and how they had been able to learn the necessary skills. We also investigated skills-related reasons for failed previous attempts to engage with IGAs, as well as future aspirations and foreseen constraints related to these.

In Nihelo village in Malawi, irrigated cultivation is the most common small business young people (both women and men) engage in. They own or rent low-lying land close to a river and irrigate it using watering cans. Tomatoes, winter maize and other crops can be grown here and sold at local markets for a profit. This IGA is different from an occasional activity such as selling surplus crops in that land is acquired with the specific purpose of growing crops for sale. Most young people say they learnt irrigated cultivation from friends or their spouse and not from parents or relatives.

Construction skills are the second most common skills used by young people in Nihelo for income generation. Several young men build houses and are regularly contracted by those in and around the village who do not have time or knowledge to build their own house. Young men usually learn this skill by observing their friends (or also relatives or strangers) while they are building, and may get a chance to help out and thus learn through participation. Jackson, a young married man in Malawi, explained:

*Where did you learn to build houses?*

From the man who built this house [indicating the house where the field researcher lives].

*Did he teach you everything?*

We learned through experience, by helping with mortar when they were building, and sometimes we were told to do certain tasks

The main issue for these young men is that they are dependent on their local reputations as builders, and thus they lose custom and must build a new social network when they marry and move to the wife's village (following matrilineal practice in this part of Malawi). Another problem is of course the limitations of market-demand which mean that not every young man can successfully be a builder, which they are keenly aware of.

For young women in the Malawi study village, the main skill they use for IGAs is baking or cooking, which they have learnt from their mother or from friends. They bake small scones or fry fish, buffalo beans or doughnuts and sell either at local markets or within the village. A challenge is that the profits are quite small, and only two women in the village were making a successful business out of it at the time of the fieldwork. Many women had tried this business but failed, the main difficulty identified was to raise the start-up capital and then manage to avoid "eating" the money when a small profit was made. The small size of the profit - which can be as little as 80-150 Kwacha<sup>iii</sup> or the equivalent of 15-20 scones or fried fish - was the main problem together with the fact that it is difficult to produce food without giving some of the produce away when children, relatives or friends around you are hungry. Young people said that they need business skills in budgeting and calculating profit margins and appropriate sale prices to be able to handle these small businesses. Perhaps business skills could have helped David, a young man who also tried and failed doing a fish business:

what happened was that I was seeing as if my business was progressing but after counting the money I found that I was losing.

As stated above, people in the Lesotho village engage in IGAs to a much lesser extent than in the Malawi study village. People themselves claim that the lack of businesses in Lesotho is due to the

small population of the village, and its spatial isolation. It is difficult to judge how the size of the village and the proximity to other villages affects the potential market, but the household survey in Lesotho showed more money available to spend on purchases than in Malawi. A bigger problem is perhaps a strong historic focus on migrant labour, which came to be seen as the only proper thing to do for a man who wanted to make money, so young men do aim to engage in small scale IGAs. Since migrant labour opportunities decreased dramatically in the 1990s, young people are still grappling with the fact that they will not be able to engage in this lucrative work. A problem is also competition with cheaper mass-manufactured products from South Africa flooding the market, which Lesotho cannot be protected from due to the Southern African Customs Union (SACU).

Probably due to the historic dependence on migrant labour, but also on the small size and spatial isolation of the village, there seem to be far fewer people around who would be able to teach young people necessary skills and inspire them to engage in IGAs through setting successful examples, like in Malawi. When young people had learnt skills in Lesotho, it was usually through watching and helping out. Relebhile, a young man who has been herding cattle for his own family for many years, says:

I was taught [to mend shoes] by my aunt. I was interested, so I watched carefully until I took one shoe and sewed. With whips I learned to make them from one man who used to herd for our family [...], I realized that it was easy so I did it.

Young men in Lesotho acquire herding skills from a young age through helping out with the herding of the family cattle. Many go on to seek employment as herdboys for other people, receiving free food and one cow a year as payment. Usually, however, herding is not seen as an activity for a married man, and herding obligations can keep young men from taking the opportunities to learn other valuable skills, as pointed out by a herdboy who was torn between wanting to help builders build a house in order to learn building skills, and his duties as a herdboy.



Young women in Lesotho complained a lot about having difficulties starting up businesses after marriage since they (as expected in patrilocal Lesotho) have moved in with their in-laws and are supposed to be very busy tending to their new families. Another constraint is that in-laws are seldom keen to help them with money for entrepreneurship. These young women felt their lives had become harder after marriage, especially since their husbands were usually without work following dramatically reduced employment prospects for migrant labourers in South Africa (also discussed by Francis, 2002 as an issue that has affected gendered rights, responsibilities and power relations in migrant labour source areas). The young women expressed frustration at being married but not being able to count on economic support from their husbands, at the same time as they felt trapped by societal norms and values. A recently married young woman complained:

Life has changed completely [after marriage] because I don't have a means of survival; I am struggling hard in order to survive. It is different to when I was a girl.

*What sort of things did you do in order to survive before you got married?*

I did some piece jobs in Maseru but now my husband doesn't want me to work.

The main IGA that women in Ha Rantelali do is brewing and selling beer, but as they pointed out, the more women who do this, the narrower is the profit margin. They also noted that another effect of the lay-offs from the mines were that the amount of money flowing into the villages is smaller, affecting these kinds of businesses.

There were several business opportunities and skilled services needed in the villages that the young people identified but had yet been unable to engage in. These included shoe, bicycle and radio repair, carpentry and sewing or knitting. Some of these businesses require expensive investments in terms of buying tools or machines, and young people rarely have access to such things. Those who are able to access electricity (which was not available in these two villages) can run other IGAs, like

battery charging, video shows, maize mills or hairdressing (with electric shavers), but some of these also require large capital investments.

When making decisions on an IGA to aim for, young people take into account both the potential profits of the activity, as well as the costs of learning skills and investing in the business. They pointed out that some IGAs are much more lucrative than others – for example carpenters are in high demand in Malawi (for doors, windows, coffins, tables, chairs), while radio repair is less busy, and the earnings can be tenfold more in the former business than in the latter. The opportunities that young people have for learning skills or investing in businesses vary between individuals. In discussion during a guided transect walk with Yamikani<sup>iv</sup> (17 years) he revealed that his uncle was a radio repairer and that he was trying to learn this skill from him. He further explained about his plans for the future:

I'm having two plans for my future, one is to repair radios and the other to irrigate crops [...] these things are not very difficult and the materials and equipment are simple .. It is only watering cans that are going to be bought... This is comparing to a man who is willing to do bicycle repairs where the equipment to do that is very expensive ... with the radio if there is a wire inside that is missing you have to tell the owner of the radio to buy that wire and then you are going to replace it instead of buying it yourself.

Another young man, Gabriel (27 years), explained that he wanted to learn sewing and that since he did not know anybody who could teach him for free, he had approached a man who was sewing at a local market and asked to be his apprentice for a fee of 3000 Kwacha, a significant sum of money in rural Malawi.

However, young people do not always have to pay to learn skills from people who are not their relatives or friends. Whenever there is an activity going on in the village, children gather to watch, and young people describe how they learnt to build houses, repair bicycles, irrigate crops, herd, sew

and many other things through carefully watching other people performing these tasks. Powerful cultural norms dictating that children show respect and deference to elders means that they learn from them mainly through watching and copying without asking questions, while learning from peers can be done in a more interactive way, which is preferred by the young people. Children in Malawi mentioned how they all liked to watch a younger local man who makes hoes, because he was “good with children” and liked showing them and telling them about the work process. This highlights that teaching and learning skills happens as an interaction between people with specific personalities and talents and within a specific cultural context and has to be understood as the complex activity it is.

#### *Accessing capital and assets for IGAs*

The main challenge facing young people when they want to start up an IGA is, according to them, the problem of raising the capital to invest in the business. Poor people face many problems when wanting to save money or in other ways take part in the formal financial world (Hajdu, 2006). Ainslie (2003) made the observation that people in rural Eastern Cape Province of South Africa were sceptical about saving money in the bank, especially since they often found that their capital diminished due to high administrative charges. Indeed, we did not come across any young person in Malawi or Lesotho who had a bank or post office account. Not having access to safekeeping of money naturally makes it difficult and risky to save larger amounts of money for investing in more lucrative businesses.

A young man in Malawi described how he would need 30 000 Kwacha to be able to re-start his dwindling fish trading business – this entails travelling to a place where fishers sell their produce at cheap prices, buying an adequate supply of fish, organising transport to get to a market closer to his home area and selling the fish there. It is very difficult to raise that kind of money considering that

local tea estates pay 1212 Kwacha for two weeks' full-time work, or that people pay each other about 100-150 Kwacha per day for casual labour. Wyson, a newly married young man in Malawi, explain his plans for the future:

If it is possible to find enough money, I will start a business.[...] maybe selling fish, or groundnuts.

*How do you think this is going to be done?*

It can be done through some piece work.

*So what is stopping you from doing that now?*

Because the money being generated is not enough. This will be possible but not now, no. But maybe in 3 years of planning maybe.

Since it is so difficult to save money, young people sometimes start small and then immediately invest profits into a slightly larger business, and try to scale up in this way, though this can be difficult to achieve with modest profits. Tiamike (13) has elaborate plans to raise the money to train as a driver:

First I will have to find some *ganyu* [casual work]. After I'm from the *ganyu*, the money from there has to be invested in *dimba* [irrigated farming] and after the end of the season is when I am going to pay the fees.

In practice, money from one *dimba* is unlikely to prove sufficient to cover the costs of driving lessons, test, licence and other paperwork.

Alternatively, young people can try to get temporary work that pays enough so that they can save money to invest at a later stage, and perhaps also combine this money with loan/gift of a lump sum

from a parent, relative or friend. In Lesotho, herdboys who get paid with livestock are assisted with saving, since they can sell the livestock if they need the lump sum to invest. Livestock is on the other hand highly vulnerable to both theft and drought (around 25% of the cattle in Ha Rantelali died due to drought in 2007). Even though cattle ownership is more unusual in the Malawian village, one family had bought a cow with money that they had after selling irrigated crops. In this quote the young woman suggests that she is afraid to keep the money at home in the form of cash since it might lead to them “wasting” it on other things, and that the money can be saved through buying the cow:

The money, we were afraid of buying something else that wouldn't benefit us so we thought it was better to buy the cow to save [the] money.

In both countries, most young people said that the person most likely to give them money for starting up a business is a parent. Especially if a young person is still living at home and is unmarried, but has dropped out of school, parents are likely to encourage them to engage with a livelihood activity and may give them money to try a small business. They are then supposed to use the money to help support themselves, thus relieving their parents of part of this duty. After marriage, in Malawi (unlike Lesotho) young people do not have the same opportunities to ask for money from their parents as they are supposed to take care of themselves. Even if young people tended to say that they might be able to borrow money from their parents for a business, actual life histories showed that they were just as likely to borrow money from relatives or friends, and much more likely to save money by themselves or together with their spouses and invest in a business.

Social networks in a broad sense are very important in both countries, but especially so in Malawi, for all aspects of IGAs. Table 3 shows to what extent young people in both countries have used their social networks to learn a skill, raise capital for a business or find a job (that can later contribute money for a business). Those who were “helped by social networks” include young people helped by

parents, partners, relatives, friends, neighbours, distant acquaintances and friends-of-friends, while those who “did it on their own” either learnt through observing relative strangers or paying to learn a skill, raised money through their own labour or found a job by asking around or applying for it. The table shows that capital for business is in fact the area where young people depend most on their own capacities, highlighting the fact that people are happy to help each other with teaching skills and recommending each other for work opportunities, but when it comes to lending money they are much more restrictive (usually they simply do not have any money to “spare”).

*[Table 3. How young people in Malawi and Lesotho managed to learn a skill, raise money for a business or find a job, with percentages<sup>v</sup> and absolute numbers in brackets – about here]*

Table 3 also indicates a harsher economic climate in Lesotho, where fewer young people were helped by their social networks and fewer young people in general have been able to learn skills or find jobs. Especially tough is the market for small businesses in Lesotho, where only one young person living in Ha Rantelali has managed to start one. Interestingly, this young man is also a teacher (the only young person in the village with a formal sector local job) and used his teacher’s salary to learn to make coffins and tables from carpenters in Maseru and thereafter started a carpentry business that he located in another village. The crucial reason for locating this business in the other village was that it is not accessible by road and thus it is difficult to transport cheaply manufactured coffins and tables from Maseru there, a practice that otherwise tends to outcompete local carpenters. One other person in the village, a young woman, has the skills to make coffins, but she is unable to start the business because of lack of capital to buy tools and materials. These examples show that young people living in Ha Rantelali need considerable resources (and resourcefulness) to start businesses.

Herding, the most common livelihood activity for young men in Lesotho, is in Table 3 counted as a job rather than a business, and it is a skill that can be learnt on the job through watching others and needs no starting capital. Some young women had been able to learn skills (knitting, sewing, making coffins), but were unable to start businesses in the village due to lack of marketing opportunities and lack of capital for investment. Some women may receive or borrow money from parents or friends to brew and sell beer occasionally, but this only brings a small income and is mostly only viable periodically (usually monthly) around pension or pay-day.

### **AIDS-related constraints to rural young people's involvement in IGAs**

As has been discussed, it is difficult for young people in both Lesotho and Malawi to access money, which may be needed for learning a skill and is certainly needed for starting up an IGA. In Lesotho, it is additionally difficult because there are few older persons with skills who can teach and inspire young people to engage in IGAs. Thus, even if a young person is living with both parents and they are healthy, they still face these problems, and there are many other issues that govern whether people can access skills, money and assets, apart from their parent's health. However, this study also found that in some ways it can be more difficult for AIDS-affected young people to learn skills and access capital and assets for IGAs. This might be especially problematic since AIDS-affected young people may in some instances be more dependent on IGAs than non-affected young people, if they fail to inherit land, livestock or farm equipment upon the death of parents.

The loss of parents to AIDS means that a young person has permanently lost an opportunity for getting money as a loan or a gift from one or both of the persons who would otherwise have been most likely to help them in this way. However, life histories show that relatives or friends who see a young person suffering after the loss of parents may be prompted to give or lend the person money for a business, or try to help them find a job. A young person who enters the care of a guardian

might get the same treatment as if they were biological children, but quite often they experience discrimination and poverty (van Blerk and Ansell 2006; Bryceson *et al* 2004) and might therefore not have the same opportunities as non-affected children to borrow or be given money.

This study has shown that social networks play a crucial role in enabling young people to learn skills and access money for businesses. Young people themselves pointed out that AIDS can lessen one's social network, not only through withdrawal from school or AIDS-related migrations, but simply because the young person has less time to interact with friends if sick parents at home require their help, and because they might be seen as unhappy and thus not as fun to be around:

The other thing is that people can look at you as an angry person as you are thinking about your problems.

*So it is difficult to interact with friends?*

It is difficult to interact with friends

Participatory exercise with boys aged 10-17, Malawi

However, factors such as the size of an extended family, distance moved upon marriage or having an introvert/extrovert personality impacts a lot on social networks as well, and AIDS is only one factor in this equation. The strength and breadth of a young person's social networks has quite a lot to do with that specific individual's personality and behaviour, and often people attributed their decision to teach someone skills or lend them money to them liking that person rather than him/her being a relative. Also, several discussions showed that people quickly distance themselves from friends who have acquired "bad reputations" through stigmatizing village gossip, which can be very damaging for a person's social network. Several AIDS-affected young people (especially women) were the topic of village gossip and rumours, which affected their social networks very negatively.

Difficulties inheriting productive assets that can be used for IGAs were a problem especially if there was a spatial distance between the parent and the young person when the parent died. Several



young people would have inherited productive equipment from their fathers, but for the inability to transport them within the limited time available. Emily's father had carpentry tools in Blantyre where he was working, but her brother could not afford the transport to go and collect them. They therefore became the property of his landlord.

As mentioned before, authors have pointed out that intergenerational knowledge transfer might be interrupted when parents die, causing AIDS-affected young people to lose out on learning valuable skills (Hlanze *et al* 2005; Loevinsohn and Gillespie 2003; Mphale *et al* 2002; White and Robinson 2000). In our study, a few young people had learnt skills from their parents, but the majority had learnt from friends, partners, other relatives or strangers. This means that AIDS-affected young people also have chances to learn skills. Rex (27 years), an orphan who moved to a local trading centre where he had no relatives, explains how he thought of starting up a fish trading business:

I thought of the business myself because I could admire fish sellers, this admiring started a long time ago when I saw that they were not short of money anytime. While I could earn five hundred [kwacha] from ganyu [casual labour] and it couldn't last long, and they were the same people who were employing me [to do the ganyu]... I was also overhearing from the fish sellers when they were discussing how much profits they had made, and I thought, ah is this the way they do it and so I was like I found their secret and thought of doing it.

However, parental death might be especially problematic if the parent had a specific and valuable skill (in which case the young person would have a clear advantage over other children in being able to learn the skill easily).

Finally, it is important to note the effects of timing when AIDS hits a family. As mentioned before, a young person has a window of opportunity after leaving school and before getting married, when they are actively encouraged by parents to start IGAs to support themselves (especially in Malawi). If AIDS hits a family at this time, the young person might lose this support at a crucial point of their

lives, and indeed might have to instead provide support for his or her parent(s). As discussed by Langevang (2008) young people have to navigate many difficult and vital conjunctures in rapid succession as they grow into adults (dropping out of school, deciding on future livelihood activities, settling in a village, getting married, having children etc.). They might therefore be especially sensitive to AIDS-related stress at these points in time.

There are however some mitigating factors that help cushion the effects of AIDS on young people, such as the above discussed importance of peers and other village members and the fact that being orphaned might trigger friends or relatives efforts to help. Being AIDS-affected does not have to have only negative effects on young people's future livelihoods. The fact that AIDS-affected young people may experience several migrations as relatives struggle to support them has been shown to impact the young people negatively in various ways (Ansell and van Blerk 2004; Young and Ansell 2003, Bryceson *et al* 2004). However, migration was pointed out in a focus group discussion in Lesotho as a cause for something potentially positive, since children who migrate often get more chances to learn new skills because they come into contact with more new people, and ironically, because their relatives might force them to work harder than other children. Moreover, lacking parents can mean that a young person has more personal independence and can choose to migrate to find work, or to engage in other livelihood strategies without having to worry about family responsibilities (though if the young person has younger siblings, it usually becomes his or her responsibility to look after them). Even if only one parent has died, young people can choose to become independent in order to allow the remaining parent to remarry (which can be difficult for a widowed parent if it involves bringing their children into a new household). It is thus important to realise that young people in Southern Africa do not have only a dependency relationship towards parents or guardians, since adults can depend on children's work and care from an early point in time, especially if they are sick. The relationship is more one of interdependency (Punch 2002), and can thus be both supportive as well as burdensome for the young person.

### **Rural IGAs for young people from a policy perspective**

Young people are themselves very keen to learn various skills and to try running small businesses, and often mention IGAs when asked about future plans and aspirations. Adult community members also talk about wishing that vocational skills training and loans for businesses were available to young people locally, and in participatory dissemination activities with the communities, these issues were mentioned repeatedly when generating recommendations for governments and NGOs. While young people often echo official and school standpoints on formal education being of great importance and being the only way out of poverty, few said that education had been of much use for them personally. Except for teaching them basic literacy and numeracy, formal education seldom assisted rural young people with skills that they could directly employ for livelihood generation in a rural setting (see also Chant and Jones 2005; Ansell 2004; Punch 2002).

During our dissemination workshops with government representatives, donors and NGOs, we chose “vocational skills training and loans or grants for start-up capital” as one of four potential interventions for discussion in both countries. In Malawi, following extensive discussion, workshop participants in Blantyre (who were mainly from NGOs) voted vocational skills as the most important intervention for improving AIDS-affected young people’s chances for creating sustainable livelihoods for themselves, while in Lilongwe, where workshop participants were from government and donor institutions, it was considered much less important, with interventions on social protection and formal education being prioritized. In Lesotho, the outcome was similar with vocational skills and business development taking 3<sup>rd</sup> place after interventions directed at improving formal education and agricultural livelihoods. Thus, there is a general discrepancy between what young people themselves, as well as people in their communities and in NGOs that work closely with communities,

think would increase young people's livelihood opportunities and what donors and government want to prioritise.

The first major obstacle identified by this study to young people successfully engaging with IGAs was a lack of necessary skills. At the Lesotho Distance Teaching Centre, which has programmes for teaching basic literacy and offers out-of-school tuition at secondary level as well as training on IGAs, there is frustration with what is perceived as a government bias towards formal education:

[Distance teaching is] unfortunately not given as much recognition as it should. You don't see the political will [...] I think it is because they themselves, the politicians and policy makers, do not really understand what non-formal education is about, they still believe only in the formal education.

Interview at LDTC, Lesotho

This strong focus on formal education to the neglect of other forms of education connects back to Palmer's (2006) strong critique of the neglect of skills development issues and failure to engage with training for the informal economy (which is the largest destination for school-leavers) in Ghana.

In Malawi, there are seven government-run institutions for vocational training, but they only take 800 full-time students per year, which is a minor contribution to the needs for vocational training among rural young people. Donors, NGOs and faith-based organisations in both countries have various programmes focusing on vocational skills training and IGAs, but these usually are on a small scale and not likely to help young people on a general level. A common problem mentioned in policy interviews was that such programmes suffer from lack of coordination and cooperation with other initiatives, leading to money and time being spent on project development rather than implementation.

At our dissemination workshops in both countries the need for more vocational training schools was identified. In Malawi it was suggested that there should be at least one per district, and in Lesotho

the fact that there are no such schools in the highlands was identified as a problem. However, it was also pointed out that vocational training is expensive to provide, and therefore various informal methods where skilled craftspersons could train young people locally were advocated, which would provide cheaper and more accessible alternatives. This addresses a concern that has been put forward that skills training tends to be too formalised and does not take advantage of opportunities in the informal sector (Palmer, 2006).

A problem mentioned at the Ministry of Education in Lesotho was that they felt that laws and regulations related to child labour could pose constraints to training children under 15 for a job. This coincides with young people's complaints that they are discriminated against in the labour market due to their young age, since companies are afraid of breaking child labour laws.

In general it was acknowledged by policymakers in both countries that vocational training needs to be coupled with necessary implements and capital to help young people start up the businesses that they have acquired skills for. Most of the programmes run by donors or NGOs include such a component, and in Malawi, formal vocational training is also trying to provide this service. In Lesotho, the issue was also identified and targeted:

We are still faced with a problem, once they leave there [the vocational training centre] sometimes you may find that some of them are really so poor that they cannot afford purchase of equipment and so forth plus the capital required to actually embark on their businesses. We do try. For instance, last year, with the aid of the Global Fund in collaboration with the Ministry of Education, we managed to secure some equipment that we could use so that they could start working on something that could actually make them some money immediately when they left the institutions.

Interview at Ministry of Gender and Youth, Sports and Recreation, Lesotho

There are thus attempts to address the gap between skills development and capital for businesses that was identified earlier in this paper, but these initiatives need more support. It is also important that it is recognised that skills encompass both vocational skills and business skills, since many young

people have complained that they find it very difficult to deal with the basic aspects (especially economic) of running of a small business.

With regards to the other major obstacle to young people's engagement with IGAs that was identified in this study, that of start-up capital, there was a general agreement among policy-makers that this is an important issue, though just like vocational training, small-scale businesses were often seen as less important for rural young people than formal education or agricultural development.

Microfinance projects had not taken place in either study village, but community members had heard of such projects. In Lesotho, young women were asked to discuss five interventions that might help them improve their livelihoods: adult education, agricultural extension, microfinance, small unconditional grants, and food-for-work programmes. While they all preferred different interventions, they were generally positive towards all of them, with the exception of microfinance where they expressed uneasiness towards taking loans. Out of six women who were among the most resourceful in the village in terms of businesses, only one said she would feel confident to take on a loan to start a business. The main concern of these women was that they had no secure income that could help them repay a loan in the case that the business failed. The result of this exercise also shows that different people need different interventions, and underlines the previously discussed critique of microfinance being seen as the way out of poverty for rural people *en masse* (Brett, 2006; Mosley and Rock 2004; Copestake 2002). Local rotating savings and credit systems that have been highlighted as better than loan-schemes (Slater and Wiggins 2005) were not reported in the two studied villages (Lesotho had a burial society but the money there was exclusively for funerals).

There seems to have been a general policy shift in both countries away from microfinance loans towards start-up grants (which do not have to be repaid. For young people, this is likely to be an especially favourable development. Loans might be important for people with existing businesses or strong business plans, but in general young people have not yet had a chance to build up strong businesses and need capital for trying their hands at businesses on a freer basis.

The idea of cash transfers as an alternative to loans or start-up grants (Barchiesi 2007; Harvey *et al.* 2005; Slater and Wiggins 2005; Hanlon 2004) has won recognition in both countries, but is being tested or discussed as a targeted rather than unconditional grant. In Malawi, cash transfers to households with high dependency ratios (which would benefit AIDS-affected households) have been piloted with some success and the programme is currently being scaled up. In Lesotho, where cash transfers in the form of pensions already exist, there are plans for very small transfers targeted at orphans and vulnerable children. Policies concerning AIDS and young people's livelihoods are otherwise in both countries mainly focused on bursaries to secure continued access to formal education.

### **Discussion**

This study has attempted to fill a knowledge gap with regard to young people's own perspectives on their possibilities for sustainable rural livelihoods in southern Africa (White and Robinson 2000; Pinder 2003). Specifically, it has looked at rural young people's possibilities to engage with IGAs, and the factors that make it easier or harder for them to achieve this, focusing on AIDS and other potential constraints. Though small-scale IGAs in rural Southern Africa seem to be quite widespread, there are significant differences between countries and localities, depending on spatial, historic and macro-economic factors, which in this study were demonstrated by the differences between Malawi and Lesotho. Also there are sizeable differences between various IGAs that are important to note and are not obvious to outsiders, where some are much more lucrative than others (e.g. selling fresh fish at a local market is a substantial, lucrative business, while selling fried fish snacks at the same market makes very little profit).

Many different factors affect young people's opportunities for learning skills and accessing capital and assets for an IGA. These include their gender, age, the size and strength of their social networks, their family's economic situation, their behaviour, personality and reputation, as well as the spatial location of their village and the presence or absence of persons in the village who can teach young

people skills and inspire them to start businesses. In addition to these factors, AIDS in the family can make a negative impact on affected young people's potential for starting up IGAs.

Negative impacts of AIDS on young people's possibilities to engage in IGAs that have been identified in this project include the loss of parent(s) who can lend or give money, loss of productive assets through difficulties of inheriting, the diminution of social networks due to burden of care, sadness or stigmatizing gossip (leading to the young person having fewer people to learn skills from or access capital through), and loss of valuable knowledge when parents die before passing on skills (which is especially important if the parent has a lucrative skill, such as carpentry or construction).

This project identified a number of mitigating factors that can lessen these impacts: most young people learn skills from other relatives or friends (an opportunity that remains also for AIDS-affected young people); relatives or friends can encourage or even lend money to an orphaned young person who wants to start an IGA precisely because they know that they have to fend for themselves; and migrations following orphanhood can broaden social networks and provide more contact with people who have skills to teach.

Much previous research has focused on pointing out negative impacts of AIDS on young people, especially focusing on orphanhood (FAO 2003; Slater and Wiggins 2005; Munthali and Ali 2000; Hlanze *et al.* 2005; Loevinsohn and Gillespie 2003; Mphale *et al.* 2002). This focus might convey a very homogenous view of AIDS' impacts and lead to an undue focus on AIDS as the only main factor negatively impacting young people's opportunities for securing sustainable livelihoods in rural Southern Africa. The results from this study however highlight the complexity that exists on the ground and show that it is difficult to identify AIDS' impacts, which are intertwined with many other issues impacting on young people's livelihoods. Generalisations are difficult and probably unconstructive, and there is a need for more research that further explores how AIDS links to other factors that affect young people's rural livelihood opportunities. This does not mean that AIDS mitigation should be put on hold however, as Murphy *et al.* (2005:272) point out:



Efforts to promote human development can accommodate to the potential impacts of AIDS without presuming that a specific trajectory will befall all, and agencies can resist tendencies to target a homogenous “AIDS-affected” population with prepackaged efforts. [...] While HIV/AIDS represents a major emergency for nations and regions; chronic poverty, lack of water, unemployment, and other diseases remain major threats to livelihood security throughout rural sub-Saharan Africa.

Policy interviews and scenario workshops with decision-makers in both countries indicated that vocational training and IGAs are seen as less important than formal education for helping rural AIDS-affected young people secure livelihood opportunities. This view was especially true among donors and government departments, while NGOs tended to focus more on non-formal education and skills training and believed it was an important issue. Though surveys show that orphans are less likely to complete school (Operario et al., 2008), young people’s life stories show that most of them have better chances of employment in the informal sector than through their formal education.

Vocational training centres and non-formal education establishments in both countries, however, suffer from severe budgetary constraints, and donor and NGO-driven initiatives are usually very small-scale. Thus vocational training is still a relatively neglected field of livelihoods-related interventions when it comes to young people, and the potential that it might have for enhancing young people’s opportunities for sustainable livelihoods is not tapped.

Young people in this study pointed out that major constraints for engaging with IGAs are lack of skills, lack of capital to invest and lack of business skills. Out of these three, capital was the most important obstacle. Therefore the potential of cash transfers or start-up grants or other types of help with securing capital for a business is high. However, it is important to note that young people are a heterogeneous group and that different opportunities would cater to different people. A package of vocational training (including on-the-job training and training for skills that are viable for local businesses), business training (that is tailored to the educational level of the person and conveys appropriate knowledge for the scale and complexity of the business concerned) and start-

up grants or small cash transfers that do not need to be repaid would target all of the major constraints identified. An alternative to grants could be increased opportunities for short-time employment and possibilities to save money in a safe yet easily accessible way that is not associated with high administrative charges. These services would however need to be provided at a much larger scale than the present institutions and programmes are achieving, in order to make a real difference to rural young people's opportunities.

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**Endnotes:**

<sup>i</sup> Aids affected is here taken to mean that the young person is affected by long-term sickness and/or premature death in the family, while “non-affected” young people have not experienced this. Sometimes the term “AIDS-afflicted” has also been used in the literature, indicating those infected with HIV as opposed to those affected indirectly. Since we did not ask the young people if they were infected with HIV or not, we have not used this term. See methodology section for a more detailed discussion on this issue.

<sup>ii</sup> The age of young people in Malawi was not easy to establish, and some of the young participants turned out to be older or younger than initially suggested.

<sup>iii</sup> Kwacha is the Malawian currency unit: 1 GBP = 250 MWK approximately.

<sup>iv</sup> Pseudonyms are used to protect the identities of the young people who participated in the research as agreed with the young people and set out in the ethical protocol approved by the relevant academic and national institutions.