



Briefing: Sustainable livelihoods Coping with vulnerability

A HISTORY OF REGIONAL SHOCKS

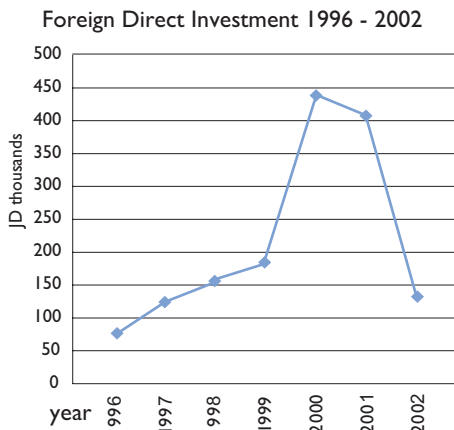
Poverty alleviation in Jordan is affected by the country's "strategic location", positioned between Iraq, Israel, Palestine, Saudi Arabia and Syria. Since 2000, the cumulative impact of the outbreak of the second (al-Aqsa) *intifada*, the repercussions of 9/11 and the war on Iraq has affected the course, nature and pace of Jordan's economic and social development.

Regional volatility led to a downward trend in foreign direct investment: In 2002 FDI fell to a level lower than that achieved in 1998. Disruption to the process of integration with global markets hinders economic and social development in Jordan.

The tourism sector, promoted heavily as a motor for economic growth and poverty alleviation, witnessed an immediate and sharp decline, with receipts from tourism falling in 2001 to below the 1996 level. Income from tourism sites declined from JD10.8 million (\$15.23m) in 2000 to JD1.5 million (\$2.12m) in 2002.

The change in the tourist profile means that expenditure now tends to be more concen-

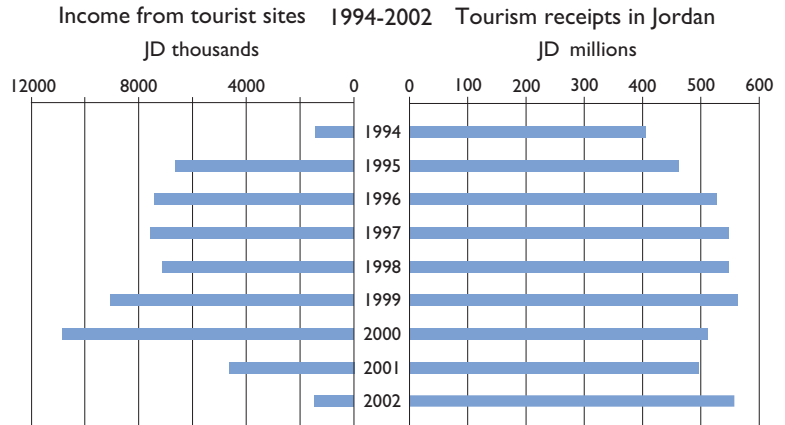
Figure 2.5
Regional instability impacts immediately on inward investment



Source: DoS

Figure 2.6 and 2.7

Tourism revenues are highly sensitive to regional instability



Source: Ministry of Tourism and Antiquities

trated in Amman and poor people in the rural areas fail to benefit. In Wadi Musa for example, many poor people have adopted livelihood strategies that are dependent on the tourist trade. Poor people suffer from the impact of regional shocks, but have few resources to fall back on.

Coping with long-term change

In the longer term life for the poor has changed, but they still cannot escape poverty. In rural communities, poor people are moving away from dependence on livestock for their livelihoods. Between 1995 and 2002 the combined stock of goats and sheep decreased from 3.54 million to 2.47 million animals. Communities are struggling to find more reliable livelihood strategies but few have sufficient resources to adapt successfully: "We are tortured by the goats. They have turned our hair grey. But if the goats die, we will have to live on charity." said an old woman from Feynan, Dana.

Those who were dependent on agriculture suffered for many years from the loss of markets to neighbouring countries. The loss of income, coupled with extensive periods of drought has led many to abandon farming, like the case of Saleh from South Shooneh.

In urban areas, many poor people feel they lack the necessary skills required for new employment opportunities linked to a globalised economy. "We were not trained to work in

From agriculture to commerce

Saleh left school in the ninth grade. In 1988 he started to work in partnership with a local landowner. He provided the labour and the landowner provided the land and water. They split the revenue between them.

In 1995 Saleh stopped farming, defeated by increased production expenses and transportation costs but more significantly, by the continued loss of export markets in Iraq and Saudi Arabia.

He decided to look for a loan and to turn to commerce. He struggled to secure a loan because he did not have a

guarantor but finally opened a grocery store in his local community. He now has a daily turnover of JD12 (\$17), JD5 in cash and JD7 in credit. Saleh noted the lack of opportunities locally and the vulnerability of his venture:

"My life in this village will never change. There are no businesses, no supplementary income, no land or stores to rent. If I owned land I would have planted crops or rented it to other farmers, this could help. But there is nothing. So I sell cigarettes. The village may not eat bread but it will never stop smoking."

Source: Saleh, South Shooneh

tourism or computers, so we will not stand a chance with the private sector", said a young man in al-Natheef.

Women and the labour market

More women are entering the labour market, especially where men have lost their employment or have moved away in search of work. The employment tends to be in low-wage, low-skilled, seasonal work in agriculture.

Many are entering sectors previously considered inappropriate such as manufacturing. In spite of the hard conditions, these women value the opportunities. *My work provides me with my independence, now I have more freedom to go out and move around, to meet people and form new friendships."*

Employment in the QIZs means increased mobility for women, who now have the chance to develop new skills and to be exposed to new ideas that may expand their life experiences. The status of these young women is often enhanced through their improved economic situation. The consultation in Dayr al-Kahf indicates that this appears to be affecting gender

A QIZ job can help support female-headed households

When her husband took a second wife, Um Ariff left her husband and returned to Dayr al-Kahf. At first she rented a small house but then her two sons used their salaries to guarantee loans and together they built their own house. Her sons cannot contribute to Um Ariff's household expenses because most of their salaries go to cover loan repayments to banks and contractors. The father does not contribute towards his first family's expenses. So two of her daughters took jobs at the QIZ factory in al-Dulayl and give their

mother JD100 (\$141) a month from their salaries.

"I'm happy that my daughters stay in Khalddya with their married brother since there is no transport available to the factory they work in from Dayr al-Kahf. It would be better if the factory where my daughters work was not mixed and if only Jordanians worked there. But this factory is mixed. Many foreign people work there. But what can we do? Many other Bedu girls work in this factory. I'm sure that my daughters would quit if they feel that it is unsafe to work there."

Source: Um Ariff, Dayr al-Kahf

Success in business contributes to household well-being

Amina is 50 years of age, married with 13 children. She has a basic education but completed vocational training courses in sewing and tricot and worked for a while in this field. In 1998, she decided to start a mini-market on Madaba's main street and applied for a loan. Her husband and son-in-law both acted as guarantors. Amina started her business with only JD2,000 (\$2,820), but the value of her asset base has now increased to JD3,000 (\$4,230).

The contribution of Amina's business to the household income has had a positive impact on the lives of her family. She pays the education costs for her children, both girls and boys, and also for her daughter-in-law. She has managed to accumulate savings in the form of gold. She feels that the experience gained whilst working as a child in her uncle's grocery shop at the age of ten gave her the necessary skills required to both organise and manage the business effectively. She encourages her children to acquire these skills and gives them an allowance if they help out in the business when they are not studying. Amina is strong and empowered and appears to have significant authority in her family.

Amina is not responsible for undertaking any of household tasks but instead supervises and organises others to do so. She thus escapes the double burden that hinders many women who engage in enterprise.

Source: Amina, Madaba City

relations within the home as new social roles evolve.

Across Jordan, women are increasingly setting up micro-enterprises supported with access to credit and training. Women now account for a significant proportion of those engaged in the informal micro-enterprise sector. Successful women tend to invest their profits in their children. Some women who are economically empowered are more able to influence decisions within the household.

But women entrepreneurs still face constraints linked to perceptions about gender roles. Lack of family support, often hinders a woman's enterprise, as noted by a young woman from Sakhra: *"Resistance to my work came first from inside my house. My brother wants me to stay at home because he does not like the idea of my dealing with strangers. My parents do not actually mind, since my salary supports the family a little."*

Significant additional investment is required to challenge gender restrictions that hinder women entering the paid labour force.