

EMBARGOED UNTIL 00:01 HRS GMT TUESDAY 20 DECEMBER 2005

# Back to work

## How people are recovering their livelihoods 12 months after the tsunami

The tsunami of 26 December 2004 devastated the lives and livelihoods of millions of people. Many were living in poverty before the tsunami; others were suddenly plunged into poverty. The affected communities are determined to rebuild their lives, and the generosity of donors has meant that aid agencies have been able to help them. Many have resumed work, and local economies are beginning to recover. Sustained support over the coming years will give people the opportunity to get out of poverty for good.

## Summary

A year has passed since the tsunami, and it is time to remember the many who lost their lives. It is also time to assess the effectiveness of the relief and reconstruction operations so far.

This report is intended to outline the work that has been undertaken to restore and improve the livelihoods of tsunami-affected people. It recognises the poverty in which many people were living before the tsunami. It describes how the tsunami destroyed what meagre livelihoods these people had, and how it threatened to plunge millions more into poverty.

Men and women affected by the tsunami are determined to be economically self-sufficient. The extraordinary generosity of people and governments around the world has allowed agencies, including Oxfam, to begin helping people and communities to recover their livelihoods. People are beginning to go back to work and there are clear signs that local economies are beginning to function.

The International Labour Organisation (ILO) estimates that the rapid aid and support received after the disaster is likely to result in 50–60 per cent of workers being able to earn a living again by the end of 2005. Moreover, economists believe that 70 per cent of those dragged into poverty by the tsunami — 1.4 million people — will be out of poverty by 2007. The drive to restore livelihoods has perhaps progressed more than some other areas of the tsunami response, such as building permanent shelters (see Oxfam's companion report, 'A place to stay, a place to live').<sup>1</sup>

However, Oxfam believes that it is not sufficient that people simply return to the poverty in which they were living in previously. We are committed to helping people affected by the tsunami to create sustainable, improved livelihoods, as well as to preventing more people becoming trapped in poverty. This 'reconstruction plus' will require continued input and effort over many years.

# 1 Introduction

On 26 December 2004, an earthquake off the Indonesian island of Sumatra triggered a tsunami that hit the coasts of India, Indonesia, Sri Lanka, Thailand, the Maldives, Malaysia, Burma, the Seychelles, and Somalia.

Within the space of a few hours, the giant waves devastated thousands of kilometres of coastline and the communities that lived there. While the final death toll will never be known, official estimates indicate that at least 181,516 people perished,<sup>2</sup> and maybe many more.

A further 1.6 million were displaced into temporary camps or took refuge with communities that were unaffected. To put this into perspective, if all of the displaced people were considered a 'country', this country would have a population equivalent to that of Botswana and would be more populous than one in three actual nations.

The Indonesian province of Aceh, Sumatra, was the area that was hardest hit. Approximately 132,000 people here lost their lives, and another 37,000 are still classified as missing. A large proportion of them (as many as two out of three in some locations) were women and children. Many villages were decimated, and the survivors moved into temporary camps in public buildings or took refuge with unaffected communities. Over 572,000 people were displaced, and the total losses in infrastructure, housing, and productive capacity have been estimated at more than \$4.6bn.

Sri Lanka also suffered heavily, with over 31,000 deaths, 4,000 missing, and over 500,000 people displaced. Overall damage here was assessed at approximately \$1bn.

In India, at least 12,400 people died, 5,600 are missing and about 647,000 were displaced. The affected areas included the southern and eastern states of mainland India (particularly Andhra Pradesh, Kerala, Pondicherry, and Tamil Nadu), as well as the remote Andaman and Nicobar Islands.

## 2 Life before the tsunami

Even before the tsunami struck, many millions of people in the affected areas were living in conditions of poverty unimaginable to most people in Europe, North America, and other parts of the developed world.

In Aceh province in Indonesia, the security of lives, possessions, and infrastructure had already been threatened by several years of armed conflict. According to the government's own statistics,<sup>3</sup> in 2002 (the latest date for which figures are available), nearly half (48.5 per cent) of the population had no access to clean water, one in three (36.2 per cent) children under the age of five were undernourished, and 38 per cent of the population had no access to health facilities. And things were getting worse: the poverty rate doubled from 14.7 per cent in 1999 to 29.8 per cent in 2002. One note of optimism for the long-term prosperity of the province has been the signing of a peace accord between the Government of Indonesia and GAM (Gerekan Aceh Merdeka, or the Free Aceh Movement) on 15 August 2005, which signalled an end to nearly 30 years of conflict.

The southern Indian states of Tamil Nadu and Kerala are among the wealthier parts of the country. Tamil Nadu has the fourth highest per capita income of any state in India and the third highest level of literacy.<sup>4</sup> Kerala has the highest literacy rate and, at just over \$3 per person per year, spends more on health than most other Indian states<sup>5</sup> (by comparison, France spends more than \$2,700 per capita<sup>6</sup>).

Yet poverty and deprivation exist in both these states: in Tamil Nadu, before the tsunami more than 450,000 children were engaged in child labour and nearly half (46.6 per cent) of children under five years old were underweight, due to malnutrition. Four out of every five Keralan households had no access to safe water. The people of the coastal communities – particularly the labourers and small-scale farmers – were, and still are, among the poorest in the whole country. In India as a whole, the livelihoods of 3.2 million people were directly or indirectly affected by the tsunami.<sup>7</sup>

Similarly, despite the boom in tourism in coastal Sri Lanka in recent years, 29 per cent of children under the age of five in that country were underweight due to malnutrition, 23 per cent of the population had no sustainable access to improved water sources, and 45.4 per cent of the population received wages of less than \$2 per day.<sup>8</sup> Some of the poorest people include those who were displaced by the war that ended in 2002, and who have been living in refugee camps for many years.

### 3 How the tsunami affected people's livelihoods

'When I saw my land after the tsunami, I felt like someone had died.'

— Ganesh, a farmer, Annai Koil village, southern India, 19 May 2005

When the waves subsided, the survivors found their livelihoods in ruins. The International Labour Organisation (ILO) estimated that one million jobs might have been lost to the tsunami.<sup>9</sup> In Indonesia alone, 600,000 people lost their sole source of livelihood. The unemployment rate in Aceh rose from approximately 6.8 per cent before the tsunami to at least one in three afterwards. In Sri Lanka, a further 400,000 people (mostly working in fishing and tourism) lost their jobs, with the unemployment rate in affected provinces rising from 9.2 per cent before the tsunami to over 20 per cent afterwards.

Soon after the tsunami struck, the Asian Development Bank calculated that the disaster threatened to plunge a further 2 million people into poverty in the region as a whole. Furthermore, many of those already below the poverty line would slide even deeper into poverty, as they lost what little earnings they had had before.<sup>10</sup> Many people also lost the meagre savings they had managed to accumulate: stored as money or jewellery in their houses, they were simply washed away.

The people worst affected were fishing families, small-scale agriculturalists, labourers, those running small businesses, and those working in the tourism sector.

Many of the fishing families who survived lost their boats, nets, and engines, and hence their ability to earn a living. The United Nations calculated that 65 per cent of Sri Lanka's fishing fleet, and more than 27,000 fisherfolk were lost.<sup>11</sup> Ten of the country's twelve main fishing harbours (including infrastructure such as ice plants and slipways) suffered extensive damage. In Aceh, about 70 per cent of the small-scale fishing fleet was destroyed. Over 70,000 fishing craft — from mechanised boats to simple wooden catamarans — were damaged or destroyed in India.<sup>12</sup> The loss of fishing boats and equipment also deprived labourers who worked on boats owned by others, or in processing and associated activities, of their means of earning a living.

Other people in the region, whose sole or main asset was land, found their crops destroyed and their land ruined, because of the salt water and mud that covered them. According to the Food and Agriculture

Organisation of the United Nations (FAO), a total of 64,232 hectares of agricultural land were damaged in Indonesia, India, Sri Lanka, the Maldives, Thailand and Burma.<sup>13</sup> This is a land area equivalent to the whole of Bahrain. Other people found that they could no longer prove their right to use land because they had lost official documents or because the land title holder had perished.

In Indonesia, 92,000 farms and small enterprises were partially or wholly destroyed.<sup>14</sup> Here, about 37,500 hectares of agricultural land were damaged,<sup>15</sup> of which 10–15 per cent may have been permanently lost.<sup>16</sup> Acehnese farmers also lost standing crops worth \$20m, as well as 23,300 head of cattle, 21,000 goats and sheep, and poultry numbering about 2.5m birds.<sup>17</sup>

In Sri Lanka, the damage caused to agriculture by the tsunami was mainly in the form of inundation of cropland and the destruction of homestead gardens along the coastline. A total of 4,200 hectares of agricultural land was destroyed.<sup>18</sup> In mainland India, 8,782 hectares of agricultural land were similarly affected, and approximately 11,000 hectares more in the Andaman and Nicobar Islands.

An estimated 143,000 small and micro-enterprises were lost in India,<sup>19</sup> along with 5,000 in Sri Lanka,<sup>20</sup> and perhaps 80,000 in Indonesia.<sup>21</sup> These included a wide range of businesses, including petty traders, food sellers, artisans, and home-based manufacturers.

The damage to businesses and land also affected labourers, who found themselves without work. In India alone, approximately 240,000 families that depend on wage labour to provide an income lost their means of earning.<sup>22</sup> Even at the best of times, many of these labourers are able to find only seasonal work and are extremely poor.

In the Maldives, which is heavily dependent on the tourism industry, damage has been estimated at 62 per cent of GDP. This is due partly to damage to hotels and other infrastructure, but it is also the result of a sharp drop in tourist arrivals, far in excess of that warranted by the disruption of tourism facilities.<sup>23</sup> The Sri Lankan tourist industry has suffered similarly.

## 4 Recovering livelihoods

‘Oxfam has helped by giving this cash for work, digging the channels, we are receiving 75 rupees [approx. \$1.65] per day. With this, we can run the house smoothly and have three meals a day. We would like to desalt the land...and we would like Oxfam and CCD to do that as the next step.’

— Raja Sekar, a farmer, Annai Koil village, southern India, 19 May 2005. Note that CCD is the Covenant Centre for Development

One of the main priorities in the immediate aftermath of the tsunami was to prevent the widening and deepening of poverty that was predicted. This meant providing incomes and restoring people’s livelihoods.

Due to the generosity of donors, Oxfam was able to spend a total of \$27,040,000 on livelihoods restoration by the end of September 2005.<sup>24</sup> Oxfam has worked with a total of 374,532 men and women on recovering their livelihoods in Indonesia, India, and Sri Lanka.<sup>25</sup>

One of the ways that Oxfam and many other agencies ensured that people were not sliding deeper into poverty was through cash for work schemes. Beneficiaries worked on basic renovation activities such as clearing debris, re-opening irrigation channels, and repairing damaged infrastructure (see Box 1). In return, they received a fair wage, which enabled them to provide for their families and sometimes to invest in the materials they needed to restart their livelihoods.

Cash for work is an appropriate approach to take after disasters such as the tsunami, where food by and large remained available, but where many people had lost their means of earning the money to buy it. It allowed households to decide for themselves what their needs were, to decide when they needed to buy something, and from where. Not least, it also helped people to address the psychological trauma as they began engaging again in ‘normal’ activities of working, buying, and selling.

These programmes had a strong knock-on effect, as men and women could once again become customers for local markets, vendors, traders, and entrepreneurs. This began the recovery of local economies by breaking the vicious cycle whereby both customers and suppliers were without cash. Careful targeting of the work undertaken allowed damaged land and facilities to be restored to a productive state, providing a foundation for the long-term recovery of livelihoods.

By October 2005, 39,321 women and men had been involved in Oxfam's cash for work activities in Aceh, with a further 26,859 in Sri Lanka, and 26,433 in India.

Oxfam's experience has demonstrated that the incomes of women are particularly important for poor households in the affected areas. This is because in coastal areas many livelihoods, such as fishing or agriculture, are seasonal. Women's incomes contribute to the general household income, provide cash in the 'lean season', and contribute especially to the nutrition and well-being of children. Oxfam has made sure that women are able to participate in cash for work schemes. For example, 60 per cent of participants in the cash for work programmes in southern India are women.<sup>26</sup> Furthermore, women receive the same wages as men for the same work. In this way, women have been able both to support their households and to participate in the reconstruction.

**Box 1: Restoring saltpans in Nagapattinum through cash for work**

'How will I support my family, especially meet the medical bills of my daughter, who has come home for delivery? This was a thought that haunted me after the tsunami. The land that provided me a living was covered with silt and sand and looked like a desert. I never thought I would make it.'

— Mr. Raju, a marginal leaseholder, who leases one acre of saltpan.

The saltpans of Nagapattinum, Tamil Nadu, India, are a complex system of channels and shallow artificial ponds, where salt is produced from evaporating seawater. The tsunami broke through the natural barrier along the coastline and overran the saltpan structures and canals, tearing down the boundaries between pans, filling pits with sandy silt, destroying storage shelters, and washing out access roads.

The saltpans are divided into numerous, mostly small, leaseholdings. The leaseholders lost production and their livelihoods, and also faced having to relinquish their leases if the saltpans were not put back into production. Apart from the leaseholders themselves, hundreds of casual labourers also work in harsh conditions to produce the salt. These are some of the poorest and most marginalised people in the area.

In the immediate aftermath of the tsunami, few realised the extent of the damage and how it had destroyed the livelihoods of so many already impoverished people. These people initially received little assistance from aid agencies.

When the problem was identified, Oxfam, working in collaboration with FACE, GOAL, Save the Children, and local NGOs, consulted leaseholders and labourers on planning the reclamation of the saltpans. The strategy developed was to concentrate initially on reclaiming the saltpans of marginal leaseholders (who have less than 1.2 hectares of land). This was done manually, to provide employment for saltpan labourers.

Oxfam assisted in the reclamation of 112.6 acres, benefiting 129 leaseholders, who were encouraged to contribute themselves by providing sanitation facilities and rest places for labourers. The reclamation provided cash for work for 636 men and 373 women. All labourers were paid a fair wage, and men and women were paid equally for the same work. This was the first time that these women

had received the same wage as men and, despite initial resistance, many of the men now recognise that this is fair.

Reclamation work is ongoing, and Oxfam is supporting schemes to deepen over 250 reservoirs and condensers to sustain the supply of saline water from which salt is produced.

'I have been working in saltpans since 14 years of age for the last 20 years. I never received more than 35 Rupees [approx. \$0.77] as daily wage. My hands began to shake when I received 72 Rupees [approx. \$1.58] as my daily wage [she displays a broad smile]. I had 25 days of work in the saltpans and the money is sufficient to buy food materials for a month and uniforms for my son and daughter, who are in high school.'

— Ms. Laxhmi, a saltpan worker

A second way of helping people to resume their livelihoods has involved providing small cash grants (usually equivalent to around \$150–\$450) or loans. Although the sums involved seem small, they are critical to poor people whose assets often have low monetary value, and they have allowed men and women to restart their livelihoods (see Box 2). This might include restarting a small enterprise, cultivating agricultural land, or buying raw materials to begin small-scale processing.

In Sri Lanka, 59,621 men, women, or groups have received grants or loans, with a further 6,844 in Aceh. In India, Oxfam working with a network of 13 partner organisations has provided support to 26,625 families through cash grants.

#### **Box 2: Farmers back in business**

The tsunami wiped out many crops in Trincomalee, Sri Lanka and left farm land covered in salt water for many months. Shanmurasu Thaneswaran is fortunate, as heavy rains have left his land fit for cultivation again. With a cash grant from Oxfam, he has been able to plant new crops. Thaneswaran will harvest his onion crop soon. He has an acre of land and expects to get a few hundred kilograms of tasty salad onions. 'These onions fetch a good price in the market because very few farmers cultivate them,' he says.

The last crop was completely wiped out by the tsunami as Thaneswaran's land in Veerancholai village is very close to the sea. Almost two-thirds of it was covered with water for months, and when the water evaporated it left the soil highly saline.

'Fortunately we had heavy rains after that and most of the land here was cured of its extra salinity,' says K. Pathmanathan, assistant director of agriculture for the North East Province. However, we still have some pockets where salinity is high, and that is because it is clay soil.'

Thaneswaran is one of the lucky farmers whose land has sandy soil, but he did not have the money to buy seeds or fertiliser to start sowing. 'I borrowed some money from my relatives to buy seeds, and then Oxfam gave me LKR 15,000 [\$150] as a cash grant,' says Thaneswaran. 'With this money I went and bought seed and some fertiliser.'

Sometimes, however, it is more appropriate to directly repair or replace damaged equipment. Examples include providing 1,267 farming families with tools, fertilisers, hand tractors, and seeds in Meulaboh, Aceh; repairing over 100 boats and engines and distributing 130 new boats and 336 fishing nets in Sri Lanka; and helping to sustain the livelihoods of more than 1,700 families in southern India by helping to repair 450 boats and distributing 650 outboard motors, coupled with fishing nets.

**Box 3: Restoring livelihoods in Atrankaraitheru village, Tamil Nadu**

Atrankaraitheru village is located on the banks of a river, not far from the sea. The main livelihood activity of many of the 77 families who live here is diving in the river to harvest shellfish, with the rest working as labourers or involved in micro-enterprises. The tsunami destroyed the livelihoods and assets of almost all of the households.

This community received little assistance in the beginning, so Sumanahalli<sup>27</sup> stepped in. Fourteen small boats, called *cunna thoni*, were distributed to 28 families to enable them to harvest shellfish from the river. Another seven boats were distributed to families that earned their living by transporting people across the river.

Other families were given other forms of livelihood support, such as four-wheel push carts, used to sell a variety of goods; tricycles to transport goods; and masonry and carpentry tools; or help to set up petty trading shops for women, tea shops, photo frame-making businesses, and the like. One member of the community was given a grant of INR20,000 (\$437) to export shellfish on condition that he employed five local people in his business.

Nearby, Sumanahalli re-established what was previously a thriving fish market. This market was completely destroyed by the tsunami and hundreds of people, for whom it had provided direct or indirect employment, were deprived of their earnings. Sumanahalli built 15 small permanent structures, thereby helping to re-establish the livelihoods of traders, as well as those of hundreds of households in surrounding villages.

This work has been challenging. The scale, speed, and level of destruction that the tsunami wrought were significant challenges in themselves, as was the level of pre-existing poverty. This meant that Oxfam, like many international NGOs, had to increase its capacity rapidly, recruiting new staff members, opening new offices, and establishing contact with communities with which we had not worked before. Added to these have been other challenges which have delayed progress (and in some cases continue to do so), including:

- The psychological trauma and grief suffered by survivors.

- The difficulty of access, particularly in Aceh, where the tsunami destroyed infrastructure, and in the Andaman and Nicobar Islands, where it worsened access that was already difficult.
- The conflicts that had recently affected Aceh and parts of Sri Lanka. Most agencies recognise that these created additional difficulties, particularly in the months immediately following the tsunami.
- Many hundreds of thousands of families are still living in temporary shelters, and have no certainty about where they will ultimately live, or when they will be able to move. It is difficult for many of these families to restart their livelihoods. For example, a fisherman who is now in a temporary shelter many kilometres from the sea may have no means of fishing. Governments and NGOs are making progress towards rehousing families in permanent shelters, but this is in itself a slow, complex, and ongoing process.<sup>28</sup>
- Different levels of government and a plethora of international agencies and international and local NGOs, including Oxfam, often all working in the same places. In some cases there has been a degree of confusion about the appropriate relations and co-operation between all these different actors. This has meant that problems have not always been addressed as promptly as they might have been. Many agencies have worked hard to improve co-ordination, and one example of where this approach has been successful is in the Andaman and Nicobar Islands, where Oxfam helped create a platform for NGOs to work together with the government administration and the Tribal Councils.
- The limited capacity of some local institutions to respond to the disaster.
- Policy environments that sometimes create situations unfavourable to small-scale producers and manufacturers.

## 5 The green shoots of recovery

'By giving us a cash grant we were able to open this little shop. It's enough for now...when we move from the barracks we would like to get a bigger shop.'

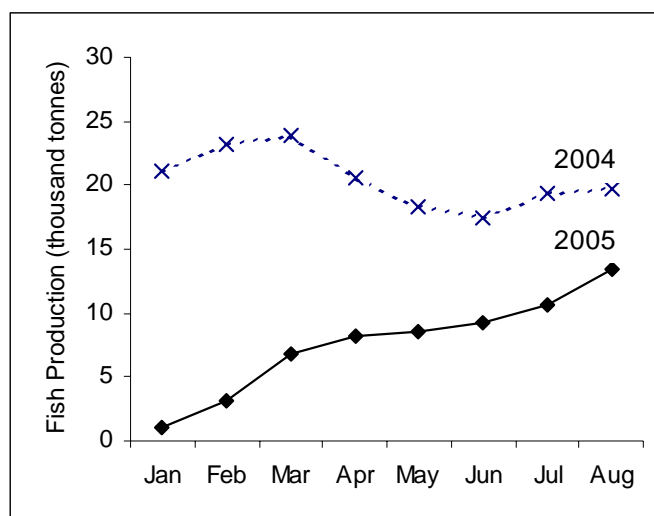
— Mr. Aster, Meulaboh, Aceh

Thanks to the work of individuals, communities, governments, and aid agencies, local businesses and economies are beginning to bounce back.

The ILO estimates that the rapid aid and support received after the disaster is likely to result in 50–60 per cent of workers being able to earn a living again by the end of 2005. The ILO also estimates that 85 per cent of jobs will have been restored by the end of 2006.<sup>29</sup> Moreover, economists believe that 70 per cent of those dragged into poverty by the tsunami – 1.4 million people – will be out of poverty by 2007.<sup>30</sup>

The fishing industry in Sri Lanka is taking tentative steps towards returning to pre-tsunami conditions. The Government of Sri Lanka estimates that 15,300 boats were destroyed but that 12,900 replacements have been pledged by donors.<sup>31</sup> A further 4,592 damaged boats have been repaired and are once more considered seaworthy. By August 2005, the fish catch had recovered to almost 70 per cent of the previous year's amount, having fallen by 95 per cent in January 2005 (see Figure 1).<sup>32</sup>

**Figure 1: Estimated marine fish production in Sri Lanka**



Damage to agricultural land includes erosion, deposits of debris and saline clay sediment, residual flooding, and salinisation. Perhaps the most critical of these is salinisation, because it reduces or inhibits crop growth and so makes it impossible to cultivate fields. Reclamation of salt-affected agricultural land is now underway. Reclamation methods depend on the exact damage done, which varies from field to field, but a vital step in all situations is flushing the salt away with fresh water, either by relying on rain or through irrigation.<sup>33</sup> Heavy rains have now removed most of the salt from soils, but in some areas where salt water was trapped and where the soils are of heavier texture, salinisation is still a problem.

Crops are now being grown on the land that has been reclaimed and will be ready to harvest within the next few months. In Aceh alone, over 5,000 farmers have begun cultivating their fields once again, with support from Oxfam. However, experts warn that it will take two to five years before the productivity of moderately affected land is fully restored to the levels of the pre-disaster period.

Oxfam is concentrating many of its agricultural reclamation activities on small-scale farmers and agricultural labourers. For example, in Tamil Nadu, the Covenant Centre for Development (CCD)<sup>34</sup> is reclaiming land, improving irrigation, establishing links with local institutions to provide technical support to farmers, and establishing community grain banks. The grain banks work on the principle that each farmer contributes a portion of his or her harvest, which is stored in a common warehouse and can be used as a reserve in times of emergency. CCD's programme focuses on farmers who were affected by the tsunami and who have less than two hectares of land.

Field staff are beginning to see an increase in confidence among people who have resumed their livelihoods, particularly in Sri Lanka and India, where the scale of damage, although vast, was less severe than in Aceh. For example, in Sri Lanka, Bangladesh Rural Advancement Committee (BRAC),<sup>35</sup> has disbursed loans. Beneficiaries initially asked for loans of around LKR 10,000 (\$100) to restart small businesses, but now, seeing that their businesses are going well, comment that they wish they had been more ambitious.

**Box 4: Recovery in the coir industry in Matara District, Sri Lanka**

Coir is a natural fibre derived from coconut husks, and is usually spun into ropes. Most of the producers are women, who receive little for their work and are often very poor.

In Matara District, Sri Lanka, Oxfam is helping to restore the coir industry, which was totally destroyed during the tsunami. Initial work included clearing debris from pits in which the coconut husks are soaked before the fibre is extracted. Grants were given to women who were involved in extracting coir fibres. A small industry unit in the town, which employed six

people and provided fibre throughout the year for yarn spinning, has been rehabilitated with an investment of LKR 150,000 (\$1,500). In addition, a coir mill was rebuilt, including replacing machinery and stock, through an initial cash grant of LKR 70,000 (\$700). More than 100 families benefit from this mill directly, and three-quarters of its employees are women.

## 6 Beyond recovery

'I felt like a bonded labourer while working for a contractor. Now, I can take care of my family and at the same time earn enough income, besides providing employment for seven people too.'

— Palaniamma, who worked as a construction labourer before the tsunami. She has now set up a coir-making unit in Parangipettai village, Tamil Nadu, India

As noted previously, many of the affected people were living in conditions of considerable poverty even before the tsunami. Oxfam believes that it is not enough simply to restore the same levels of poverty that were present before the tsunami, and that it is our responsibility to help people to improve their livelihoods. This is sometimes known as 'reconstruction plus'.

Oxfam is targeting some of the poorest people within the tsunami-affected regions in order to improve their livelihoods. This is a key focus of our work, because:

- many poor people (e.g. labourers) had few assets before the tsunami and so were not assisted by agencies whose aim was to replace lost assets, even though they had lost their means of earning;
- poor farmers, fisherfolk, artisans, and petty traders were often not registered with authorities, and so may not be entitled to support through official channels;
- people living in poverty are more vulnerable to conflict and natural disasters;
- poverty, vulnerability, and suffering are not pre-ordained, and are a morally indefensible injustice.

Improving people's livelihoods is a long-term process, because there are always many different reasons why people are kept in poverty. Overcoming these reasons requires a whole range of activities. These might include retraining, forming community groups, providing equipment, increasing access to markets, advocating for policy changes, and so on.

The process also involves overcoming deep-seated inequalities, none of which are more marked than those concerning women. Women in all the affected communities experience injustices, including a disproportionate work burden, poor earning opportunities, a lack of assets, and vulnerability to sexual and other forms of violence. Yet they

have always been economically active, playing an essential (though scarcely recognised) role in the economies of many households. Restoring the status quo is simply not enough (see Box 5).

**Box 5: Working with vulnerable women in Tamil Nadu**

Oxfam began working with women from a *dalit* community in Karaikal village, Tamil Nadu, India. They were amongst the poorest and most marginalised people in the area. Prior to the tsunami, these women were casual labourers on shrimp farms or in agriculture, and some also owned a small quantity of poultry. The shrimp farms were destroyed by the tsunami, the agricultural plots were salinated, and they lost their poultry. The 79 women involved in the work are all the main wage earners in their families, many of them having lost their husbands to the tsunami.

The women realised that they needed alternative ways of making a living after the tsunami. They got together and all contributed towards buying a small plot of land. Oxfam has assisted in constructing two coir-making units, each consisting of a shed, a concrete storage unit, and an office. Coir spinning machines were purchased, and the raw coir fibre used in the production process. The women are provided with on-the-job training and given stipends, because they are there from morning till evening, and so do not have the opportunity to engage in waged labour elsewhere.

The women have formed a coir marketing federation and have successfully managed to sell the coir yarn. They expect to make enough money from producing and selling coir yarn to be able to purchase more raw materials, as well as to provide themselves with an income.

Sometimes, improving the livelihoods of people living in poverty means identifying entrepreneurs who have a good business idea and a good business plan, and helping them to expand their business. They in turn create more work opportunities for other people, stimulating and diversifying the local economy (see Box 6).

**Box 6: A small business gets bigger in Aceh Besar**

The 'Cake Making Project' is run by a married couple, with the wife very much in the leading role. Prior to the tsunami, this couple had carried on the business in addition to their farming activities. Just before the tsunami struck, they had bought new supplies of flour and other ingredients. These were swept away along with their ovens and other household goods. The ingredients had not been paid for, so the couple were left with the debt and no way of paying it.

After the tsunami, they applied to Oxfam for a loan to start their business up again. The wife was given a loan of IDR600,000 (\$60). The business did well and they began to pay back the loan. However, they needed more money to buy additional gas ovens and to expand the business.

The husband applied for a loan of IDR2m (\$200). With the additional money they have been able to expand, and now employ six women on Fridays, the day when they bake.

The cakes, which are simply packaged on the premises, are marketed locally around the village, in Lambaro Market, and in other mini-markets and shops in Aceh Besar. The couple have no trouble selling them. The wife keeps written records of their transactions, and they hope to get a bank loan in the future to expand their business even further.

At other times, improving livelihoods requires the provision of training and equipment to individuals or groups, so that they can pursue new ways of making a living that will be more profitable than their previous ones (see Box 7).

**Box 7: Alternative livelihoods in the Andaman Islands**

The Andaman and Nicobar Islands are a remote archipelago in the Indian Ocean, lying some 1,200km from the Indian mainland. Many of the islands are populated by indigenous peoples. Over 3,500 people died when the tsunami struck and more than 5,000 are still missing. Some 40,000 people are living in transitional shelters.

With the logistical difficulties faced by all the agencies working there, it was soon realised that people would have to spend at least 18 months in transitional shelters. However, the early transitional shelters had been built with a much shorter timeframe in mind, and had only floors made of earth.

Oxfam started a cash for work programme that provided better flooring in 162 transitional shelters that it had constructed. This was done through full community participation. The community suggested that some of its members should be trained as masons to do the flooring work. Fifteen masons were trained, including two women, one disabled person, and one blind person. These masons, and the labourers who work with them (a total of 45 labourers, 13 of whom are women), are all from the tsunami-affected communities. Although work on these shelters has now finished, the masons are now being employed to do similar work by other NGOs and government agencies.

## 7 Looking to the future

Much has been achieved already in restoring and improving the livelihoods of people affected by the tsunami, but even more remains to be done, and progress can sometimes appear slow. It is worth bearing in mind that Bill Clinton, the United Nations Special Envoy for Tsunami Recovery, stated that full recovery in the hardest-hit areas would take at least two to five years, and in some places up to a decade. Complete reconstruction is expected to cost an estimated \$8.9bn, according to the governments of the affected countries.<sup>36</sup>

The international outpouring of goodwill and assistance that followed the tsunami was unprecedented. Experience from other disasters has shown, however, that initial pledges of support often go unfulfilled, as attention is drawn to other disasters or political events. So far, aid inflow to the tsunami-affected regions has, by and large, continued,<sup>37</sup> although a recent report warned that Sri Lanka had so far received only half of the money pledged by foreign donors.<sup>38</sup> Clearly, the continued fulfilment of pledges will need to be monitored and encouraged.

Spending more money is, on its own, only part of the solution. Improving people's livelihoods means working with individuals and communities, because it is only through working closely with communities, and discovering their needs, aspirations, and problems that their livelihoods can be improved. This is an ongoing process that is necessary before decisions can be made, and lies at the core of the way that Oxfam and its partners work.

It is also the best way to ensure that changes will be lasting, because they will be based on the needs and skills of the communities themselves. Without improving the access that poor people have to markets (for both products and labour), it is all but inevitable that people will remain in poverty, and that the fair wages paid during cash for work programmes will be replaced by the previous, and often grossly inadequate, ones.

Finally, with our commitment to working with the people living in poverty, Oxfam recognises one thing that the tsunami did not wash away – the political, social, and economic structures that marginalised and impoverished coastal communities in the first place. Changing these structures is a challenging ambition, and one that involves both supporting work in communities and advocating pro-poor policy changes with governments.

A case in point is the situation faced by women in the tsunami-affected countries. As mentioned previously, many women were severely disadvantaged before the tsunami, and suffered disproportionately during the disaster. Oxfam is consciously trying to address their rights, through strengthening collective initiatives and establishing the principles of equal opportunities and equal pay, which support women's own struggles to have their rights upheld. These efforts bode well for the possibility that the disaster may lead to long-term, positive changes for women.

## 8 Conclusions

The tsunami threatened to deepen the poverty of those who were already poor, and to plunge a further two million people into poverty. The donations and assistance given by so many people throughout the world have allowed aid agencies to help those affected begin to push back this wave of poverty. At least half of those who lost their jobs now have work. Fishermen and -women are fishing again, farmers are cultivating their fields, and small industries and traders are going about their business. Economies are showing the first clear signs of recovery.

There remains much to be done: not all of the affected people are yet able to resume their livelihoods, and many of the underlying reasons that kept so many in poverty in the first place have still to be addressed.

Oxfam recognises that overcoming these difficulties will take time, and that restoring and improving people's livelihoods after the tsunami is a long-term process. It is committed to working with tsunami-affected people and districts for many years to come.

## Notes

<sup>1</sup> A. Renton and R. Palmer (2005) 'A place to stay, a place to live: challenges in providing shelter in India, Indonesia, and Sri Lanka after the tsunami', Oxford: Oxfam International. Available at [www.oxfam.org.uk/what\\_we\\_do/issues/conflict\\_disasters/papers.htm](http://www.oxfam.org.uk/what_we_do/issues/conflict_disasters/papers.htm).

<sup>2</sup> All information on fatalities, missing and displaced persons is taken from the UN Office of the Special Envoy for Tsunami Recovery. Source: [www.tsunamispecialenvoy.org/default.aspx](http://www.tsunamispecialenvoy.org/default.aspx).

<sup>3</sup> 'Indonesia Human Development Report 2004. The Economics of Democracy: Financing Human Development in Indonesia', BPS-Statistics Indonesia, BAPPENAS and UNDP.

<sup>4</sup> 'Tamil Nadu Human Development', report by the Government of Tamil Nadu in association with Social Science Press, Delhi 2003.

<sup>5</sup> UNDP (undated) 'Kerala - Human Development Fact Sheet'. [www.undp.org.in/programme/undpini/factsheet/kerala.pdf](http://www.undp.org.in/programme/undpini/factsheet/kerala.pdf).

<sup>6</sup> World Health Organisation: [www.who.int/countries/fra/en/](http://www.who.int/countries/fra/en/).

<sup>7</sup> Asian Development Bank, United Nations, and World Bank, 'India Post-Tsunami Recovery Program. Preliminary Damage and Needs Assessment', New Delhi, India, 8 March 2005.

<sup>8</sup> Source: [http://hdr.undp.org/statistics/data/cty/cty\\_f\\_LKA.html](http://hdr.undp.org/statistics/data/cty/cty_f_LKA.html).

<sup>9</sup> ILO press release, ILO Online, 19 January 2005. [www.ilo.org/public/english/bureau/inf/pr/2005/3.htm](http://www.ilo.org/public/english/bureau/inf/pr/2005/3.htm).

<sup>10</sup> Asian Development Bank, 'An Initial Assessment of the Impact of the Earthquake and Tsunami of December 26, 2004 on South and Southeast Asia', January 2005.

<sup>11</sup> Asian Development Bank, Japan Bank for International Co-operation, and World Bank, 'Sri Lanka 2005 Post-Tsunami Recovery Programme. Preliminary Damage and Needs Assessment', 10–28 January 2005.

<sup>12</sup> Asian Development Bank, United Nations, and World Bank, 'India: Post-Tsunami Recovery Program', op. cit.

<sup>13</sup> FAO, 'Report of the Regional Workshop on Salt-Affected Soils from Sea Water Intrusion: Strategies for Rehabilitation and Management', April 2005. Available at: [www.fao.org/ag/tsunami/docs/salf-affect.PDF](http://www.fao.org/ag/tsunami/docs/salf-affect.PDF).

<sup>14</sup> [www.fao.org/ag/tsunami/assessment/indonesia-assess.html](http://www.fao.org/ag/tsunami/assessment/indonesia-assess.html).

<sup>15</sup> FAO, 'Report of the Regional Workshop on Salt-Affected Soils from Sea Water Intrusion', op. cit.

<sup>16</sup> The Consultative Group on Indonesia, 'Indonesia: Preliminary Damage and Loss Assessment. The December 26, 2004 Natural Disaster', 19–20 January 2005.

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<sup>17</sup> Ibid.

<sup>18</sup> FAO, 'Report of the Regional Workshop on Salt-Affected Soils from Sea Water Intrusion', op.cit.

<sup>19</sup> Asian Development Bank, United Nations, and World Bank. 'India: Post-Tsunami Recovery Program', op. cit.

<sup>20</sup> Asian Development Bank, Japan Bank for International Co-operation, and World Bank, 'Sri Lanka 2005 Post-Tsunami Recovery Programme', op. cit.

<sup>21</sup> The Consultative Group on Indonesia, 'Indonesia: Preliminary Damage and Loss Assessment', op. cit.

<sup>22</sup> Asian Development Bank, United Nations, and World Bank. 'India: Post-Tsunami Recovery Program', op. cit.

<sup>23</sup> World Bank, 'Update on the World Bank Response to the Tsunami Disaster', Vol. 1 of 1'. 22 April 2005.

<sup>24</sup> Oxfam International, 'Oxfam Tsunami Accountability Report, December 2005'.

<sup>25</sup> Data compiled for the Oxfam Accountability Report, December 2005. Figures for India combine data from mainland India and the Andaman and Nicobar Islands.

<sup>26</sup> Oxfam International, 'Tsunami External Bulletin #35 — An up-to-date account of activities until end of July 2005'.

<sup>27</sup> Sumanahalli is an Oxfam partner.

<sup>28</sup> Renton and Palmer, 'A place to stay, a place to live', op. cit.

<sup>29</sup> ILO Online, 19 January 2005, op cit.

<sup>30</sup> Asian Development Bank (2005) 'Asian Development Outlook 2005 Update'.

<sup>31</sup> 'TAFREN 'Progress: Fisheries and Ports', [www.tafren.gov.lk/news.php?cat=7](http://www.tafren.gov.lk/news.php?cat=7).

<sup>32</sup> Data from Government of Sri Lanka Ministry of Fishery and Aquatic Resources.

<sup>33</sup> FAO, 'Report of the Regional Workshop on Salt-Affected Soils from Sea Water Intrusion', op.cit.

<sup>34</sup> Covenant Centre for Development (CCD) is an Oxfam partner.

<sup>35</sup> BRAC is an Oxfam partner.

<sup>36</sup> UNDP, 'Six Months After Tsunami, UN Agencies Say Hardest Work Lies Ahead', press release, Office of the Special Envoy, UNDP. [www.undp.or.id/tsunami/6\\_months\\_after\\_tsunami\\_En.htm](http://www.undp.or.id/tsunami/6_months_after_tsunami_En.htm).

<sup>37</sup> Sigur Centre, 'The 2004 Indian Ocean Tsunami: Six Month Report', June 2005.

<sup>38</sup> Agence France-Presse (AFP), 'Less than half of pledged tsunami aid delivered in Sri Lanka', Colombo, 2 September 2005.

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