

SUSTAINING LIVELIHOODS ON MONGOLIA'S PASTORAL COMMONS¹

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Abstract

Under the socialist regime that prevailed until the start of the 1990s, Mongolia made great progress in improving human development indicators, and poverty was virtually unknown. Through innovative service delivery mechanisms to nomadic pastoralists, almost universal coverage of primary health care services was achieved and adult literacy reached 97%. Political and economic transition in the 1990s ushered in a rapid rise in asset and income inequality, and a third of the population have been defined as living below the poverty line since 1995. The dramatic shake-out of labor from uneconomic state-owned enterprises has been absorbed largely by the extensive livestock sector in rural areas and the growing informal economy in urban areas. A dramatic reversal in net rural to urban migration led to a doubling in the number of herding households between 1992 and 1997, which now account for around half the population, herding more livestock on Mongolia's pastoral commons than ever before in recorded history. In such a context, sustainable management of the pastoral commons is central to the mainstream challenge of national economic development. This paper presents preliminary results from a country-wide participatory poverty assessment, which seeks to elicit people's own experiences of poverty, well-being and deprivation in a rapidly changing economic environment. Drawing on a blend of quantitative and qualitative data, it describes the main elements of an integrated approach to building secure and sustainable livelihoods both on and off the pastoral commons. Adoption of the 'sustainable livelihoods' lens draws attention to the full range of assets and capabilities that the poor may potentially command (including human, social and natural capital as well as physical and financial capital), and to the importance of strategies to reduce or manage the risks and vulnerabilities that poor households face.

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Introduction

Pastoral livestock production has always been the mainstay of the Mongolian economy. Under recent economic transition, however, it has been growing rather than declining in importance, in spite of its relative neglect at the level of national policy and in the attention of international donors. The dramatic shake-out of labor from uneconomic state-owned enterprises has been absorbed largely by the extensive livestock sector in rural (and urban) areas and the growing informal economy in urban areas. A dramatic reversal in net rural to urban migration led to a doubling in the number of herding households between 1992 and 1997, which now account for around half the population, herding more livestock on Mongolia's pastoral commons than ever before in recorded history.

At the same time, the period of economic transition has seen a dramatic rise in the incidence of poverty in Mongolia. Under the socialist regime that prevailed until the start of the 1990s, Mongolia made great progress in improving human development indicators, and poverty was virtually unknown. Through innovative service delivery mechanisms to nomadic pastoralists, almost universal coverage of primary health care services was achieved and adult literacy reached 97%. Political and economic transition in the 1990s ushered in a rapid rise in asset and income inequality, and a third of the population have been defined as living below the poverty line since 1995. The consequences of deepening poverty and widening inequality can be seen in changing livelihood profiles, such as the growing significance of inter-household transfers among the income sources of poor people. But they can also be detected in other realms, such as the increasing incidence of domestic violence, alcohol abuse, livestock theft, and conflict over pastures.

The central premise of this paper is that these issues are not unrelated: sustainable management of the pastoral commons is central to the mainstream challenge of national economic development. The composition of economic growth, and the distribution of gains from such growth, are of profound relevance both for the prospects for eliminating poverty, and for the future of the pastoral commons themselves. An assessment of the future of Mongolia's pastoral commons therefore requires a detailed understanding of the

current livelihood profiles of urban as well as rural populations, and of the changing constraints and opportunities they face.

The final version of this paper will present findings from a country-wide participatory living standards assessment (PLSA), which seeks to describe the range of livelihood profiles prevailing in contemporary Mongolia, and to elicit people's own perceptions and experiences of poverty, well-being and deprivation in a rapidly changing economic environment. In this light, the changing significance of Mongolia's pastoral commons will be viewed through an analytical lens that focuses attention on the livelihood strategies of those who directly or indirectly rely on pastoral livestock production for a living. The paper will draw on a blend of quantitative and qualitative data, and will describe the main elements of an integrated approach to building secure and sustainable livelihoods both on and off the pastoral commons. Through an understanding of the real constraints and opportunities which people face as they seek to earn a living for themselves and their families, it is argued, a more contextual appreciation will be gained of the place of Mongolia's pastoral commons in the livelihoods of present and future generations of Mongolians.

The present version of this paper, which is only in working draft, has been prepared in advance of the completion of the PLSA. The fieldwork and subsequent analysis and synthesis of findings from the PLSA are not due to be completed until early June 2000. Following synthesis and analysis of the complete fieldwork findings during June, the paper will be revised to highlight the relevance of changing livelihood profiles and strategies of various socio-economic groups for the management of the pastoral commons in Mongolia. The paper is organized as follows. The first section provides an overview of Mongolia's economic transition, including a brief discussion of the significance of the pastoral commons during this period. This is followed by an overview of the 'sustainable livelihoods' approach to poverty diagnosis and identification of entry points for public action to reduce poverty, and a brief account of how this is being applied in Mongolia. Next we discuss poverty trends and analysis in Mongolia. The approach being taken in the ongoing PLSA is then described, together with a brief account of some preliminary findings from the first round of fieldwork during March-April 2000.

Economic Transition in Mongolia, 1990-2000

Mongolia entered the 1990s with free and open democratic elections for the first time in its history, following the break-up of the Soviet Union and the collapse of COMECON which included all of Mongolia's main trading partners. The then ruling Mongolian People's Revolutionary Party embarked on a program of political, economic and legislative reforms with far-reaching consequences including the adoption of the 1992 Constitution. However, the sudden loss of external subsidies from the Soviet Union exerted an economic shock equal to around a third of GDP by 1993, and following three consecutive years of economic contraction, a positive rate of GDP growth was only regained in 1994. Inflation reached a high of 325% in 1993, as measured by the consumer price index, but was brought under control and fell to 66% in 1994.

The degree of restructuring required to turn the economy around resulted in severe retrenchment in state sector employment. While much of the shed labor force was absorbed by the extensive livestock sector and, more recently, the growing informal economy, the average rate of official unemployment still rose to 9% in 1994. The collapse in the state budget led to drastically reduced provision of basic health and education services and investment in basic infrastructure. These trends resulted in a rapid rise in levels of poverty, and a marked decline in key social development indicators².

Poverty is thought to have been virtually unknown in Mongolia until 1990, and inequality was certainly very low. By 1995, 36.3% of the population fell below the poverty line, and inequality had risen significantly. The maternal mortality rate doubled between 1991 and 1993 from 13 to 26 per 10,000 births. School enrollment rates declined and drop-outs increased, in part owing to the increased demand for labor (particularly boys) in livestock production. As a result, it is estimated that literacy rates have fallen by 1% a year over 1990-98 to around 87%. It was in response to these problems that the

² Improvements in social development indicators had been among the most impressive achievements of the socialist period. Life expectancy at birth increased from 47 years in 1960 to 63 years in 1990. Adult literacy rose to 95%. Virtually the entire population had access to basic health services; 98% of pregnant women received prenatal care.

National Poverty Alleviation Program (NPAP) was formulated in 1994, although it did not become effective until two years later.

Various newly emerging democratic political parties, most with a largely urban base dissatisfied with the pace of reforms, had gained sufficient popular support by 1996 that a Democratic Coalition government was elected in June of that year. The coalition government embarked on an ambitious economic reform program to complete the transition to a market economy, focusing on macroeconomic stabilization, further reduction in the size of the public sector, and private sector development. Tight monetary policy continued to control inflation, which declined from 53% at the end of 1995 to 6.5% by the end of 1998, although this has risen to around 8-10% by early 2000. Structural reforms included extensive tax reforms and the start of a significant process of decentralization in public administration. Improvement in the macroeconomic situation helped raise average real income from \$334 per capita in 1994 to \$452 by 1998, although the overall poverty headcount remained more or less unchanged at 35.6% by mid-1998. Progress has been made in reversing the decline in primary and secondary school enrollments (which increased from a low of 82% in 1996 to 87% by 1998) and the rise in maternal mortality (which declined from 24 per 10,000 births in 1994 to 16 by 1998), although by the end of 1998 these had still not regained pre-transition levels³. Infant mortality, which had been high even prior to economic transition, fell from 62 per thousand live births in 1993 to 35 by 1998.

Over 1998-99, however, there was been a marked downturn in economic trends and political stability. Export earnings over 1998-99 fell by around 15% of GDP owing to the simultaneous collapse in international market prices of Mongolia's three main exports: copper, gold, and cashmere. Terms of trade deteriorated still further owing to a doubling of oil prices in 1999. The budget deficit, having been more or less in balance over 1990-95 (except for 1991 when it stood at 7% of GDP), grew to equal 11% of GDP by 1998. The fall-out of the East Asian and Russian economic crises represented a further shock

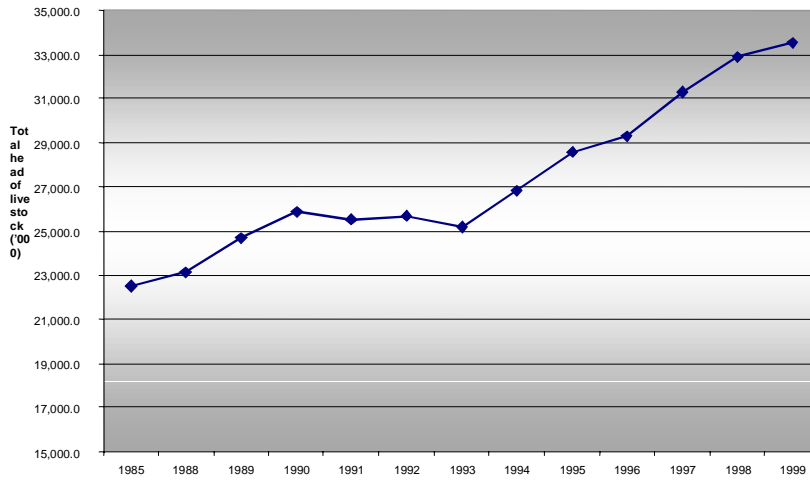
³ Public spending on health, education, and social security accounts for two-thirds of the state budget. However, an unusually high proportion of this spending is spent on heating (around 12% of the health budget and 20% of the education budget), and the remaining expenditure on social sectors is less than the average for low-income economies.

accounting for a 9% decline in GDP over 1998-99. Underlying problems in the banking sector reached crisis proportions over the same period: three large insolvent banks went into conservatorship, and at least a third of outstanding debt is reckoned to be doubtful or lost to non-performing loans. Meanwhile, the ruling Democratic Coalition has fractured through in-fighting, and there were three changes of government in 15 months. Under current trends, it is widely expected that the opposition MPRP will win a landslide victory at the next general election on July 2, 2000.

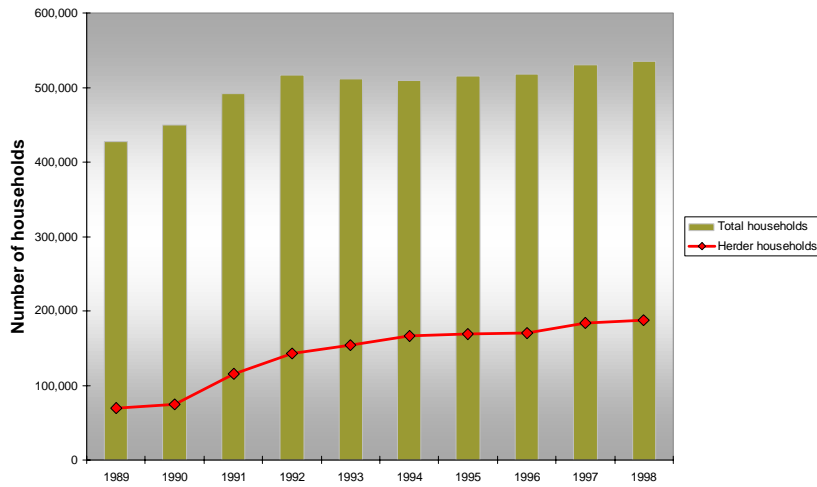
We now consider what has been the changing significance of the pastoral livestock sector in Mongolia throughout this period of economic transition, both in terms of its role as a source of livelihoods for a growing share of the population, and as an economy-wide safety-net; and in terms of factors influencing its own sustainability. Figures 1-3 summarize some of the basic trends. Total livestock numbers have been rising steadily since 1993, and by the end of 1999 numbered 33 million head. This figure has since fallen, owing to high rates of livestock mortality in the *dzud* of winter 1999-2000. At the time of writing, mortality had exceeded two million animals; total mortality is expected to reach 3-4 million head by summer 2000. Nonetheless, prior to this natural 'corrective', livestock numbers had reached historically unprecedented levels by the end of 1999.

The second striking trend throughout the 1990s has been the growing share of total households who are classified as 'herder households' (i.e. deriving the most significant share of their livelihood from livestock). Herder households have risen steadily as a proportion of total households from 17% in 1990 to 35% by 1998. Many of the newcomers to herding were previously salaried employees of state-owned enterprises, and although some had herder backgrounds, many were unskilled and inexperienced as herders. The final trend to note is the marked rise in inequality among livestock owners, or a widening gap between rich and poor. Seventy percent of livestock-owning households had holdings of 30 animals or less in 1990, while fewer than 10% of livestock-owning households had more than 50 animals, and virtually no-one owned more than 200 private animals. By 1998, 30% of livestock-owning households still owned fewer than 50 animals, and 80% fewer than 200 animals, while 2% owned more than 500 heads of livestock, and 33 households owned more than 2000 animals.

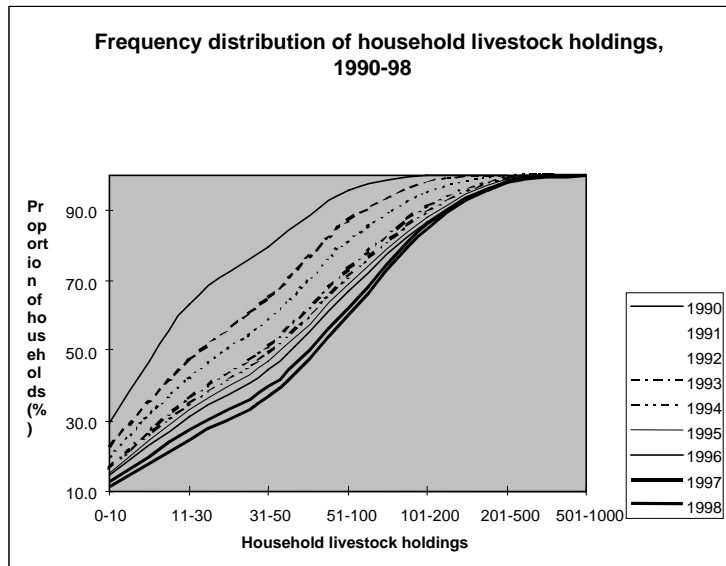
Total Livestock in Mongolia, 1985-99



Herder households as share of total in Mongolia, 1989-98



Frequency distribution of household livestock holdings, 1990-98



A sustainable livelihoods approach

A sustainable livelihoods framework is increasingly used to analyze poverty, the strategic responses local people make to it, and the ways government, civil society and donors can assist. A working definition of sustainable livelihoods is:⁴

A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope and recover from stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base.

The livelihood approach allows a wide range of influences to be brought into a single frame of analysis. Situated in particular *settings* (historical, environmental, policy and other), particular assets or forms of *capital* are accessed by households, and used to construct *livelihood strategies*, which result in positive or negative *outcomes*. The role of *institutions and organizations*, which determine in large part the access of households to resources and strategies, is critical.

In this analysis, five categories of capital are building blocks for household and group strategies: *natural capital* (natural resource stocks and flows, and environmental services), *physical capital* (physical infrastructure, production equipment and technologies), *financial capital* (cash, credit, savings), *human capital* (the body of skills, knowledge, good health needed to produce effectively), and *social capital* (social networks, claims, associations and social relationships more generally, including consensual norms and relationships of legitimate authority).⁵

Sustainability is a key quality of successful livelihoods. Sustainability means both the ability of the livelihood system to deal with and recover from shocks and stresses, by means of coping (short term, reversible, responses) or by adaptation (a longer term change in livelihood strategy), and also the ability of the livelihood system and the natural resources on which it depends to maintain or enhance productivity over time.

⁴ I. Scoones, 1998, 'Sustainable Rural Livelihoods: A Framework for Analysis.' *IDS Working Paper 72*, Brighton: IDS.

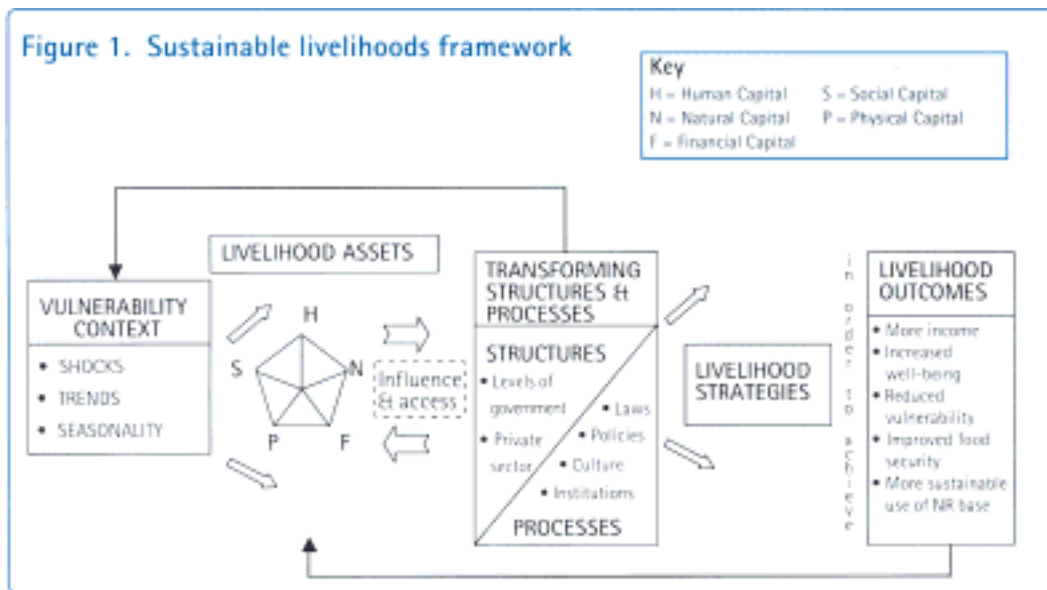
⁵ Scoones, 1998, *op. cit.*, D.Carney, 1998, *Sustainable Rural Livelihoods: What contribution can we Make?*. London: DFID.

In a sustainable livelihood approach, *institutional arrangements* (understood in the very broad sense of rules and norms which govern individual and group behavior) play a critical role, since they determine the access of individuals and households to key resources (capitals). Institutions range from customary and local rule systems, determining for example how a herder camp relates to others in use of pasture in a river valley on a day to day basis, to formal laws and administrative procedures governing the use of former state farm crop land. Such rule systems determine all levels of access to resources, but may be fuzzy: different institutional systems may overlap, creating competing jurisdictions. Individuals and groups manipulate various types of institution to construct their own strategies of resource access.

In a rural context, households may construct four main categories of livelihood strategy:

- livelihood *intensification*, where the value of output per hectare of land or per animal is increased by the application of more labor, capital or technology;
- livelihood *extensification*, or where more land or more animals are brought into production at the same levels of labor, capital or technology;
- livelihood *diversification*, where households diversify their economic activities away from reliance on the primary enterprise (livestock or cropping), typically seeking a wider range of on- and off-farm sources of income;
- *migration*, where people move away from their initial source of livelihood, and seek a living in another livelihood system.

Typically, households pursue a combination of strategies together or sequentially. Institutions, and the settings in which they take place, may facilitate or constrain each of these strategic choices. A diagrammatic representation of the relationships among the elements of the sustainable livelihoods framework is shown in Figure 4 below.



Sustainable livelihoods and poverty alleviation in Mongolia

Many elements of a sustainable livelihood approach are relevant to a comprehensive approach to poverty alleviation in Mongolia. In particular, in rural Mongolia:

Setting. Livelihood options open to rural people now are constrained to a large degree by the historical pathway followed by the Mongolian rural economy, by Mongolia's geographic position and by the present macro-economic situation and policies. The most promising strategies are those which fit within the specific historical and geographic context of recent Mongolian development, rather than radically different and new strategies.

Access to the five types of capital. Access to natural, physical, financial, human and social capital is necessary for households to construct viable livelihood strategies. Endowments of different capitals are unequally distributed: physical and financial capital are scarce, human capital has been well distributed by the standards of a poor country but levels have been reduced by the transition process, and social capital is probably more widely distributed than is generally realized. A sustainable livelihoods project can act

directly to raise levels of physical, financial, and human capital, although there are trade-offs between different types of capital. It is still unclear whether projects can raise levels of social capital but, by recognizing its importance, a project can probably avoid further eroding social capital. Institutions play a key role in determining access to all the forms of capital.

To take one example: experience under existing pilot herd restocking schemes in Mongolia (financed by FAO, IFAD, and SCF-UK) illustrates the instrumental importance of social capital in household livelihood strategies. Most existing schemes consider only those poor households who are members of a *khot ail* – the basic unit of cooperating households in herding society – as eligible for receiving in-kind credit in the form of animals. More experienced herders within the *khot ail* must agree to provide guidance, mentoring, and technical assistance to the restocked household in their *khot ail*, to ensure that they do not fail and are able to repay their loan. Moreover, access to grazing and to winter livestock shelters is generally mediated through *khot ail* and kin-network membership.

Livelihood strategies. The four strategies represent alternative, and in some cases complementary, pathways individual households can adopt in attempting to construct a sustainable livelihood, or alternately to prevent further degradation of an existing position. Livelihood strategies are important since they represent the agency of households and individuals, who are seen not as passive performers of unchanging tasks, but as initiators of dynamic processes of economic, social and environmental change. All four potential livelihood strategies listed above are relevant to the Mongolian countryside:

- *livelihood intensification* has taken place in the past, in the livestock economy especially, with technical inputs to animal husbandry (breed selection, haymaking, veterinary medicine), reorganized herding including specialization of herding labor and capture of economies of scale;
- *livelihood extensification*, involving especially opening up new areas of more remote pasture including that made accessible by construction of new wells or

rehabilitation of existing wells, or bringing new land into cultivation with existing technology;

- *livelihood diversification*, including new activities (for example, vegetable growing around *aimag* and *sum* centers, processing animal products);
- *migration*, away from existing livelihoods towards potential new ones: in the last decade, the main migration movement in Mongolia has in fact been away from towns towards the countryside, although there has been a counter movement of poor households from the herding economy towards *sum* and *aimag* centers. In many cases this has not created new livelihood forms, but has simply relocated poverty to a new site. In the longer term, as the urban economy grows, there is likely to be a continuing low level of rural to urban migration.

Sustainability. Livelihood sustainability in the Mongolian context has two main components. First, in a highly variable and risky environment, the ability to cope with and recover from shocks (both environmental shocks such as freezing snow, and economic and social shocks like those persisting from liberalization), is a key determinant of a sustainable livelihood. A project should enhance the ability of poor people to cope with shocks. Second, sustainability means that coping with shocks should not be carried out to the detriment of the long term capabilities of the natural resource base. Although there is little evidence for long term, large scale environmental degradation in Mongolia, there have certainly been pressures on natural resources at particular pressure points such as peri-urban and roadside pastures. A sustainable livelihoods project needs to address these questions through institutional and other reforms.

Institutions. In a sustainable livelihood approach, institutions are seen as the key mediating factor between people and the building blocks (different forms of capital) with which they construct their particular livelihood strategies. In Mongolia, the institutional mix is complex. For some resources and activities, the customary institutional mechanisms of Mongolian herding society are still determining, although these may compete with institutional forms laid down during the period of central planning; this is

the case with much of the institutional setting surrounding rural natural resource use. In other areas, contemporary formal institutions, deriving from legislation or recent administrative decision, are more important. However in almost all cases there is some institutional overlap or imprecision, with competing jurisdictions surrounding access to a particular resource. Different actors are able to manipulate institutions with varying degrees of success. Institutions are particularly important in a poverty-oriented approach, since in general poor households are institutionally disadvantaged in access to resources. A sustainable livelihoods project needs to address these institutional issues in priority.

Urban-rural linkages. A sustainable livelihood approach applies as much in urban as rural settings, although the ways different capitals are accessed, the strategies followed, and the institutional mediation of access are different in detail. Given the permeability and fuzziness of the urban-rural divide in Mongolia, it is important to look at livelihoods as a whole across the two sectors. In Mongolia, as elsewhere, the relationships are not merely those of spatial linkages; rather, extended families and kin networks consciously choose to exploit livelihood opportunities across the urban-rural 'divide'.

Scope of a sustainable livelihoods project. One of the merits of a sustainable livelihood approach is that it takes a broad and inclusive view of the many influences playing on the ability of particular households to construct particular livelihood strategies. This is important in analytic terms, and in long term policy-making. However, it does not imply that all the required elements of a strategy to promote secure and sustainable livelihoods need be brought within the framework of a single project or program. Such a strategy also needs to include efforts to influence macro-economic policy, the national budgeting process, land tenure legislation and so on in 'pro-poor' directions, while addressing other constraints as appropriate through project-specific investments.

There is considerable prior experience of how such an approach might be operationalized in Mongolia, from which lessons can be learned. This includes the activities of sectoral ministries, the National Poverty Alleviation Programme (supported

by the World Bank, UNDP, various bilateral donors, and NGOs) the FAO/TCP poverty alleviation project in Arkhangai, the IFAD Arkhangai/Khuvsgul poverty alleviation project, and the activities of NGOs, especially Save the Children Fund (UK).

The respective contributions of the four major elements in the World Bank-supported anti-poverty program in Mongolia (see Box 1, p.2) are summarized in Table 1 below, in terms of the aspects of the sustainable livelihoods framework that each addresses, and in terms of their scale of intervention or analysis.

Table 1 Complementary tasks in World Bank-supported Mongolia program that contribute directly to secure and sustainable livelihoods for all

Activity	Aspects of SL framework addressed	Scale of intervention or analysis
Poverty Alleviation for Vulnerable Groups Project (SIL)	Human, physical, financial capital	Provincial, district, household
Sustainable Livelihoods Project (proposed APL)	Physical, financial, natural and social capital, vulnerability context	Community, household
Community-Based Sustainable Land Management Project (LIL)	Natural and social capital, transforming structures and processes	Community
Participatory Living Standards Assessment (AAA)	Social capital, vulnerability context, livelihood strategies and outcomes	National, regional, community, household, individual

Box 1: Complementary tasks in World Bank-supported Mongolia program that contribute directly to secure and sustainable livelihoods for all

1. **Poverty Alleviation for Vulnerable Groups Project:** under supervision (1996-2000), a \$10 million IDA credit (Specific Investment Loan or SIL) that forms part of the multi-donor, \$19 million National Poverty Alleviation Programme (NPAP), and which aims to mitigate the adverse impacts of economic transition on vulnerable groups (e.g. women, children, and women-headed households in particular) through a social-fund type mechanism to facilitate income generation schemes and investments in rural health services, basic education, and labor-intensive public works to create small-scale infrastructure;
2. **Community-Based Sustainable Land Management Project:** in preparation, a \$2 million IDA credit (Learning and Innovation Loan or LIL) to support the pilot-testing of community-based institutional mechanisms for pasture land use and management. The approach rests on an appropriate sharing of rights and responsibilities between local herding communities constituted as 'grazing associations', and local authorities, with a particular focus on negotiated pasture land tenure and management plans, alternative forms of conflict management, and participatory monitoring and evaluation (including monitoring of pasture condition);
3. **Sustainable Livelihoods Project:** currently at identification stage, an IDA credit of around \$20 million (proposed Adaptable Program Loan or APL) to build on and continue the strengths of NPAP while learning from its weaknesses. The strengths are in having successfully piloted a highly decentralized mechanism for channeling funds to locally identified development priorities. The weaknesses lie in financial management, inter-agency coordination at central level, sustainability of some of the income-generation activities, and in failing to reach significant target groups such as the rural poor. Proposed components of the project include restocking of poor herding households through in-kind credit in the form of livestock, with supporting pastoral risk management activities; continuation of the Local Development Fund for investments in community-based infrastructure and rehabilitation of remote clinics, schools, and school dormitories for children of nomadic herders; and continued support of income generation/ livelihood diversification activities through innovative micro-credit delivery mechanisms and institutions;
4. **Participatory Living Standards Assessment:** based on primary fieldwork, analytical and advisory (AAA) work planned for completion by June 30, 2000 with five broad objectives: (i) to deepen understanding of poverty in Mongolia with respect to the multiple dimensions, causes, dynamics, and perceptions of poverty; (ii) to integrate such understanding with existing household survey data and poverty analysis (1995 and 1998 Living Standards Measurement Survey data, World Bank 1996 Poverty Assessment); (iii) to strengthen local capacity to conduct such integrated analysis in the future; (iv) to broaden public debate on poverty in Mongolia; and (v) to bring this deeper understanding of poverty to bear on national policy formulation. The PLSA will also serve as a building block for the preparation of Mongolia's Poverty Reduction Strategy Paper (PRSP), with joint World Bank/ IMF support.

Poverty trends and analysis

The most reliable data on poverty trends in Mongolia are derived from the Living Standards Measurement Survey (LSMS), first conducted by the National Statistical Office (NSO) in 1995 with World Bank support (World Bank 1996) and repeated in 1998 with UNDP support (NSO 1999b)⁶. Over this period, the poverty headcount has remained more or less unchanged at around 36%. The geographical distribution of poverty incidence (headcount) over 1995-98 has seen a slight decline in Ulaanbaatar, a very slight decline in rural areas, and a slight increase in aimag centers, although these changes were in the order of 1% or less. Changes in the depth and severity of poverty have been relatively more significant⁷, suggesting a widening of income differentials between the poor and the poorest. Overall income inequality increased slightly between 1995 and 1998 as measured by the change in the Gini coefficient from 0.31 to 0.35 (although this remains relatively low by international standards).

Some have interpreted these data to indicate that the NPAP has had little or no overall impact on poverty, or that efforts to reduce urban poverty rather than rural poverty should be given higher priority. This would be a mistake. First, overall poverty incidence has been a moving target: while some measures have been taken to increase employment opportunities for the poor, this must be seen against the background of macroeconomic trends and policies that have worsened income distribution. Second, while it is likely that urban-based employment opportunities for the poor, particularly in the informal sector, have expanded to a greater degree in Ulaanbaatar than in aimag centers, caution should be exercised in making too much of slight differences in the data. Moreover, spatial dynamics in the incidence of poverty owing to internal migration are very imperfectly understood, and LSMS methodology is unable to shed much light on this matter. For example, interpretation of the data suggests the possibility of a trend of

⁶ Other important sources of poverty-relevant information and analysis for Mongolia include: Anderson (1997), Government of Mongolia (1999), Griffin (1995), Harper (1994), IFAD (1997), NSO (1999a), and UNDP (1997).

⁷ The depth of poverty (measured by the poverty gap index) indicates the degree to which the welfare levels of poor households fall below the poverty line; while the severity of poverty (measured by the Foster-Greer-Thorbecke index) places higher weights on the welfare levels of the very poor as opposed to those living very near to the poverty line.

net migration of the poorest (who lack the support of kin relations) from rural to urban areas, and of the less poor or non-poor from urban to rural areas⁸. Continued or intensified public action to fight both urban and rural poverty, including the prevention of both urban and rural households from falling below or further below the poverty line, appears to be of high priority.

Third, while local capacity has undoubtedly been enhanced in the measurement, monitoring, and analysis of income- or consumption-based poverty (particularly within NSO), with attention also paid to access to social services and other public goods that influence human capital development, there is a pressing need for a broadening of public discourse on poverty in Mongolia. Public debate on poverty turns largely on distinctions between deserving and undeserving poor, and anti-poverty strategies are more widely conceived as social assistance and safety-nets rather than focusing on enhancing the capabilities of poor and vulnerable groups to sustain their own livelihoods. There is little understanding at the central level of the multiple dimensions, causes and consequences of impoverishment and vulnerability; of differentiation among the poor, and the implication that very different forms of public action are required to reach different groups of poor people; of poverty dynamics and distinctions between chronic and transitory poverty; or of how the poor themselves perceive the distinctions between poverty/ deprivation and well-being. Although there has been a significant amount of participatory research and analysis in particular localities throughout Mongolia, and strengthening of local capacity to carry out such analysis, these skills have not to date been brought to bear on national-level understanding of poverty.

Existing knowledge of poverty in Mongolia

In this section, we review selected findings from existing literature on poverty in Mongolia, with a principal focus on the 1995 and 1998 Living Standards Measurement Surveys (LSMS), each based on a national sample of around 2000 urban and rural

⁸ A further difficulty in inferring any such trends from the 1995 and 1998 LSMS data is that district (*sum*) centers are included within the rural population, while the urban population is taken as that of only the provincial (*aimag*) centers and the capital (Ulaanbaatar). This is an anomaly: district centers in Mongolia are clearly regarded as urban. They are not 'villages', regardless of their often small population size by international standards.

households. According to the 1998 LSMS (NSO 1999), at the national level, one third of all household income is derived from salaries, pensions, benefits and other premiums; 20% from agricultural and other business activities; 30% from production for household consumption; 10% from gifts and 'free' consumption. In UB more than 60% of household income is derived from salaries, pensions and benefits and 16% from non-agricultural and other business activities. In aimag centers, salaries, pensions and benefits constitute 40%, agricultural activities 15%, production for consumption 10%, and gifts and other free consumption income 20% of household income. In sum centers almost one quarter of household income comes from salaries, pensions and benefits, 40% from production for own consumption, and 9% from gifts and free consumption. In rural areas only 7% of household income is derived from salaries, pensions and benefits, while 60% is from production for own consumption, and 8% from free consumption.

Income sources for urban households: salaries (53.3% for the poorest; 40.5% for wealthiest), Business income (6.4% for p.; 23.5% for w.), pensions and benefits (19.1% and 4.5%), own consumption (4.5%, 3.8%), unearned and other (16.7%, 27.6%). Income sources for rural households: salaries (16.8% for the poorest; 8.9% for the wealthiest), business income (16.7%; 21.2%), pensions and benefits (9.2% and 4.6%), own consumption (41.3%; 54.4%), unearned and other (15.9%; 10.6%)

Poor urban groups rely mostly (in descending order) on salaries, pensions and benefits and transfers, smaller proportion of their income being derived from business activities (although these are most probably widely under-reported) and self-provisioning. While richer urban groups derive larger share of income from business activities (i.e. are able to succeed better at entrepreneurial activities due to higher human, social, financial capital), although salaries are still a significant source of income. The level of 'unearned and other' income is very high for wealthier urban households suggesting possibly due to high levels of social capital.

In rural areas, the poorer groups rely more on salaries and pensions (and other benefits) than wealthier groups, and less on business activities and self-provisioning. Poor rural groups appear to rely more on transfers than richer ones. Self-provisioning

appears to be an extremely important livelihood strategy, especially for the rural population. After the rapid privatization of livestock in 1992-93 there emerged a vast number of small herders (another vulnerable group identified by the government) who constitute the bulk of the rural poor. Poor rural households are on average younger, have higher dependency ratios and less herding experience than more wealthy households. Poor herders have not only smaller herds, but also a less diverse herd structure (thus more vulnerable) and fewer large stock for herding and transport.

Although herd size has increased overall among herding households, the terms of trade for livestock and livestock products vis-à-vis consumption goods (e.g. sugar, flour, tea, textiles) have deteriorated significantly. Furthermore, the livestock infrastructure (winter shelters, functioning wells, marketing systems, veterinary services, winter/spring feed supplementation) has deteriorated in quality and coverage, thereby exacerbating vulnerability of all herders to environmental shocks (*dzud*, drought), animal disease, and macro-economic risk, and small herders are particularly vulnerable.

The importance of social capital has emerged not only in terms of coping with risks, but also in terms of access to other types of capital, such as credit and transfers (e.g. in restocking schemes and informal credit for self-employment) and access to wells, pastures, winter shelters and other natural and physical capital, which are often regulated to varying degrees of success within neighboring groups of *khot ails*. Small herders are especially vulnerable unless they have access to such networks. Newcomers who have migrated from aimag centers and UB, usually with little herding experience and insufficient knowledge and appreciation of local customary arrangements, appear to have assimilated poorly into already established local social networks which in turn has adversely affected their livelihoods and often forced them to return to aimag centers (contributing to the increase in poverty level in aimag centers).

Social capital appears to be also important in urban areas in terms of access to employment and other livelihood sources, as well as in terms of level of private transfers. Around three quarters of all households receive remittances accounting for around 10% of total per capita expenditure. The rural poor receive an estimated 15% of their income

from gifts (inter-household transfers), compared to around 12% for the urban poor. Overall, the impact of private transfers on the reduction of poverty and inequality is much more significant than government and donor-supported transfers.

The expansion in the number of livestock in 1993-96 has not resulted in the creation of new sources of livelihood to the same extent as during 1990-92 period. This would seem to indicate that there has been an increasing concentration of livestock wealth in rural areas, along with a consolidation of herds, with some smaller herders going out of business and moving back into aimag centers, thereby contributing to the increasing incidence of poverty in these areas.

According to the LSMS data, Female-headed households constitute 25% of the very poor households, 18% of the poor households and 13% of the wealthiest group. The share of women-headed households in urban areas is higher than in rural areas. A third of the urban poorest group is headed by women, where as in rural areas this figure is around 15%. Female-headed households in rural areas, owing to their shortage of labor, tend to have less diversified and smaller herds, making them more vulnerable to risk. These women often work for richer neighboring herders in exchange for food and other in kind remuneration. These women tend to be young, semi-skilled and have young children.

About 70% of the poor are children and adolescents. There are an estimated 4,000 street children (30% are female), 60% of whom live in Ulaanbaatar. Many street children come not only from poor households, but also broken, violent and disrupted homes. According to a 1997 nationwide sample survey of all children, adolescents and young adults aged between 10 and 20 years conducted by Ministry of Health and Social Welfare, 13% had been physically beaten, of which nearly two-thirds by a parent or guardian; around 5% had attempted suicide of which a quarter more than once (those likely to be less socially integrated, such as street children and unemployed adolescents had a greater tendency towards suicide attempts); and over 2% have abused toxic substances, a third of whom were street children.

One third of divorced women cited alcoholism as a reason for the divorce. The proportion of divorced women citing the husband's alcoholism and domestic violence as reasons for divorce in UB was 23%, in aimag centers 50%, in sum centers 14% and in rural areas 20%. Eleven per cent of UB street children left home specifically due to the drunken behavior and abuse of a parent or step-parent (mainly fathers).

Participatory Living Standards Assessment

Against this backdrop, a Participatory Living Standards Assessment (PLSA) is currently being conducted by the National Statistical Office (NSO) of Mongolia with World Bank support⁹. It has five broad objectives: (i) to deepen understanding of poverty in Mongolia with respect to the multiple dimensions, causes, dynamics, and perceptions of poverty; (ii) to integrate such understanding with existing household survey data and poverty analysis (1995 and 1998 LSMS data, World Bank 1996 Poverty Assessment); (iii) to strengthen local capacity to conduct such integrated analysis in the future; (iv) to broaden public debate on poverty in Mongolia; and (v) to bring this deeper understanding of poverty to bear on national policy formulation. The findings will be particularly timely for the incoming Government following the general election of July 2, 2000.

Terminology

The reason for the different choice of name between the proposed PLSA and what in international practice are more commonly termed Participatory Poverty Assessments (PPAs) (Robb 1999, Narayan et al. 2000) is important. There is widespread hostility among many policy makers in Mongolia to the use of the term and concept of 'poverty' as an entry point for public action. A frequently held view is that the poor are poor as a result of their own inability or unwillingness to work, and that public support for the poor therefore reinforces the attitude of dependency on the state carried over from the socialist system. In addition, there is a widespread perception that a focus on 'poverty' is donor-driven. While the more extreme versions of these views may ignore real structural factors underlying the incidence of poverty, it is incontrovertible that opportunities are currently being missed to foster sustainable livelihoods by addressing ways to strengthen self-

⁹ UNICEF-Mongolia and Asian Development Bank are also each contributing one staff member or consultant to work with the PLSA team.

reliance among 'poor' and 'non-poor' people alike. The proposed PLSA includes significant involvement of the media to help stimulate public debate on what makes for 'good' and 'bad' living standards. In this context, senior policy makers are concerned that the use of the term 'poverty' in this context would reinforce the popular perception that future donor-assisted, government programs to improve living standards will reward the poor simply for being poor, rather than rewarding those who strive to improve their own means of living. For this reason, the more neutral term 'participatory living standards assessment' has been chosen in place of the term 'participatory poverty assessment', although the overall objectives of the PLSA are otherwise identical to those of many conventional PPAs.

Methodology

The PLSA makes use of the full range of methods developed over the last twenty years or so under the auspices of rapid and participatory rural appraisals (RRA/PRA), or what are now commonly known as participatory learning and action methods (IIED 1998-date). Such methods include matrix ranking and scoring, including wealth or well-being ranking; and mapping and other diagramming techniques; combined in carefully designed sequences with semi-structured interviewing with individual informants or focus groups.

The 'toolkit' of participatory research methods is wide and intentionally flexible, so as to allow field research teams to respond as appropriate to issues that may arise during the course of fieldwork and that might otherwise be missed by a highly structured survey format. Nonetheless, it is important to strike the right balance between this desirable level of flexibility, and the need to ensure coverage of a minimum or core set of issues using common research methods, so as to maximize comparability across the findings of research teams working in parallel and between communities engaged in sequence. This is essential if, as intended, the new qualitative and quantitative data arising from the PLSA are to be integrated with existing quantitative data from LSMS and other surveys. Each team is working from a semi-structured interview checklist that specifies the issues on which data should be elicited at a minimum, and a suggested sequence of research methods to be used. The checklist is presented in Annex 1.

Sample selection

The selection of provinces (*aimags*), districts, and communities that will participate in the PLSA is guided by three principles: (i) the need to ensure complementarity and comparability with existing quantitative data; (iii) the need to capture as much as possible of the diversity in living conditions among rural and urban communities; and (ii) the need to balance sample size (number of participating communities) with depth of analysis.

Following these principles, the PLSA is being conducted in the capital city, Ulaanbaatar, and the following seven aimags, representing Government of Mongolia's regional classification based on petrol prices: Gov'altai and Khovd (western region); Arkhangai and Khovsgol ('middle' region); Dornod (eastern region); Omnogov' (southern region); and Tov (central region). This follows the broad-level sampling frame used for the 1995 and 1998 Living Standards Measurement Surveys, which remain the most rigorous and comprehensive source of quantitative data on living conditions in Mongolia. This sampling frame also covers all of the main ecological zones, which are characterized by distinct patterns of herder mobility.

Within each aimag, the field teams are conducting four community-level studies, at the aimag center, at a district (*sum*) center, and in two rural *bags*. The unit of analysis in most cases is the *bag* (sub-district), although in some more densely populated rural areas, the appropriate unit of analysis may turn out to be a herding community below *bag* level that customarily share the same set of seasonal pastures and water sources (known by locally varying terms such as *neg nutgiinkhan* (people of one place), or *neg jalgynkhan* (people of one valley), etc). In the case of Ulaanbaatar, four urban sub-districts (*khoroos*) have been selected.

Sampling of households and individual informants within communities is guided by participatory wealth ranking. This technique permits the stratification of the community according to locally relevant parameters of difference in levels of wealth or well-being among households. These parameters are elicited in the course of conducting the technique itself. Using the resulting stratification as a sampling frame, individual

households (and individuals within them) may then be randomly selected within each stratum, to generate a purposive-random sample. This method combines the advantages of purposive sampling to ensure that the full range of diversity in living standards is represented, with some measure of random sampling.

Timing and approach

The PLSA began with training of the research teams over a two-week period in early March, 2000, led by an international trainer with extensive experience of PPAs. The training included four days of classroom sessions and brainstorming, and fieldwork pilots in two communities in or close to the capital, Ulaanbaatar.

Fieldwork itself began in mid-March and is due to be completed in mid-May, 2000. Four field teams of four persons each are conducting fieldwork in parallel. They spend one team-week in each community, allowing for four days of fieldwork and two days of writing time per community. Each team will therefore cover four communities in a single *aimag* each month. A total of 34 communities will therefore be covered overall, including the fieldwork pilots. Tov, Omnogobi, Dornod and Khovsgol aimags were covered in the first round of fieldwork; and Khovd, Gov'altai, and Arkhangai aimags, plus Ulaanbaatar, will be covered in the second round.

The research teams came together for a mid-term workshop in mid-April to share initial findings and experiences, and to motivate them for the second round of fieldwork. Following the second round of fieldwork, a 5-day synthesis workshop will be held in mid-May, during which the research team members will share findings both verbally and in preliminary written reports among themselves. At this stage, the whole team will decide on the overall framework for analysis and presentation. Preliminary findings will also be shared with policy makers prior to the finalization of analysis and report-writing. The final draft will be presented to policy makers for their feedback in a 1-day workshop in late June, 2000. A media strategy has also been developed to ensure maximum dissemination of findings and to promote public debate.

Summary of preliminary findings

Preliminary findings highlight the following causes of poverty:

- **Unemployment:** Unemployed middle-aged people see the solution in reviving industry with the subsequent provision of jobs, whereas young people want to have access to credit which would allow them to set up their own businesses;
- **Remoteness from markets:** Communities complain about being ripped off by ‘changes’ buying up their produce locally at low prices. Remoteness from markets, exacerbated by poor infrastructure and insufficient and expensive transportation, also perpetuates and intensifies inequality, as richer households are able to access distant markets where they can sell their produce at higher prices, while poor households have to sell cheaply and buy basic necessities at higher prices locally;
- **Alcohol abuse:** All communities have stated that there is a pressing need for government action to deal with this growing problem. Many communities have identified ‘*real poor*’ as distinct from the ‘*irresponsible poor*’. The former have fallen into poverty due to unavoidable circumstances, such as death of the main breadwinner, whereas the latter have fallen into poverty due to their own lack of responsibility, which in most cases translates into alcohol abuse by one or more members of the household;
- **Local administration:** Communities perceive a lack of accountability and transparency in the actions of the local government, and insufficient communication with the people. Communities across different aimags voiced to the survey teams their appreciation of being listened to, and consulted with, and wished that their local administration would do the same. The examples cited included lack of transparency in credit and job allocation, as well as in the way privatization has been carried out, all of which led to higher inequality. People have also complained about pensions, allowances and salaries for public sector employees not being paid on time, which forces them into vicious circle of growing indebtedness. All communities have

identified a pressing need for better access to up-to-date information on markets, and economic, social and political developments and opportunities, as well as on laws and regulations. Apparently, decisions by the central government that they read about in newspapers do not get implemented in their local communities. Livestock theft, both local and across international borders (e.g. from Tuva), was identified as a major problem. Herders criticized what they perceive to be ineffective and sometimes corrupt local police in connection with this problem, and called for greater involvement from local and national government;

- **Health:** Insufficient and expensive health services result in an illness of a household member becoming a major shock affecting the well-being of the entire household. Common problems across aimags have been insufficient supply of medicines at local hospitals forcing people to buy expensive medicines often without any guarantee of quality, inadequate medical equipment and training of local doctors, insufficient number of beds and poor food (or complete lack of it) in local hospitals, high cost of medical services even for people with health insurance. Access to medical services is further complicated by poor road infrastructure and transportation;
- **Education:** Ability to educate their children has been cited by people as an essential part of their well-being. Common problems are: lack of trained teachers, and teaching materials, poor food supply and insufficient space in boarding schools, and long distances to schools. All of these problems lead to higher school-drop-out rate which is also caused by inability of poor families to meet the cost of schooling and tendency by many herding families to use child labor.

Communities have also indicated multiple linkages between many of the problems cited above. For instance, unemployment, remoteness from markets, poor health and education services at local level, and livestock theft in combination exacerbate trends of migration to Ulaanbaatar (and Darkhan and Erdenet to a lesser degree).

Overgrazing is identified as a major problem in all aimags. Informants perceived that overgrazing is not just a consequences of larger livestock holdings, and the increased

number of households herding livestock. It is perceived to be directly related to the breakdown in livestock infrastructure (e.g. wells, shelters) and higher transportation costs precluding people from moving further in search of pasture. The concentration of herding families around marketing outlets, health and education services, infrastructure and water sources, all of which have been declining in spatial coverage, exacerbates overgrazing which in turn results in conflict over pasture. This leads to a breakdown of customary rules over pasture use resulting in erosion of trust between neighbors leading to difficulty of collective action all of which results in further overgrazing as people move to their (or others') winter pastures out of season. Overgrazing in Tov aimag is further exacerbated by large-scale in-migration of wealthy herders from western aimags, in Khovsgol aimag by migration of people away from border areas to escape the threat of Tuvan livestock thieves, and in general there is trend of migration of herders from western aimags to the central region. In Omnogobi overgrazing was made worse by Dundgobi *dzud* migrants. In Dornod regular steppe fires originating across the border in Russia also destroy pasture land, thereby temporarily exacerbating overgrazing.

Another example is the vicious circle of unemployment and poverty leading to alcohol abuse which leads to crime, violence, divorce, school drop-outs, illness, which in turn results in further poverty, crime, unemployment, and alcohol abuse. Informants in urban communities stated that the poor state of infrastructure such as insufficient power supply, among other negative consequences on well-being, also prevents people from setting up small enterprises, and children from being able to study in the evenings, thus lowering their educational standard and future income-earning potential.

Kinship networks have been identified as a weakening but still important aspect of household coping strategies. The poorest depend almost entirely on support from family members. This dependency seems to decline with rising household asset and income levels; for wealthier groups, kinship networks involve a higher degree of reciprocity, and are characterized more by collaboration than by dependency. Growing inequality has modified the nature of kinship networks, turning them more into patron/client relations, as poorer relatives offer their labor to the wealthier kin in exchange for food and other goods.

Commonly mentioned triggers or proximate causes of a household falling into poverty included: loss of job due to closing down of farms and factories (due to privatisation and/or bankruptcy); breadwinner falls ill, dies, is imprisoned or divorces; Increase of the household size; livestock runs out (is 'eaten away', bartered for other necessities, e.g. flour); being cheated, 'ripped off' by someone (e.g. cashmere brokers in Omnogobi have disappeared with the annual stock of cashmere of 23 households); livestock disease; indebtedness (owing to high interest rates, especially charged by pawn-brokers); pensions and salaries are not distributed on time which leads to indebtedness; sudden price increases (especially for petrol).

Commonly mentioned consequences of poverty included: alcohol abuse often leading to domestic and other violence, illness (or vulnerability to illness), lack of confidence in the future, depression, stress, children poorly brought up, school drop-outs, female-headed households created due to illness and death of the male head or due to tensions in the family and divorce, crime.

The number of female-headed households was believed by most informants to be either static or declining over the last 5 to 8 years. Female-headed households fall into all well-being categories; however, they tend to fall in the mid-level category if they have kin and/or friends' support, and fall into poor or very poor categories if they lack such support and if the household head is unemployed. Very few women-headed households fall into the wealthy category. The well-being of members of female-headed households depends largely on total household size and on the number of household members able to work. They usually become better off as their children grow older and are able to support themselves and/or their mother. Rural female-headed households state that their biggest problem is to perform heavy physical tasks, e.g. preparing firewood and moving. They usually have to ask someone for assistance (kin if available); in any case they become indebted to whoever has helped them. Female household heads also find it difficult to transport their produce to remote markets, since they are unable to leave children unattended, and are therefore forced to sell locally at lower prices. Female household heads and their children feel insecure, and vulnerable to insults and abuse from outsiders.

Single-male headed households were identified as being as vulnerable as female-headed households, although it has been noted that men generally find it easier than do women to find jobs, especially in rural areas. However, children in female headed-households are considered to be better cared for, and their homes more comfortable, than children in households headed by single men.

Livestock theft was identified as a significant problem in all four aimags included in the first round of fieldwork, especially in Khovsgol (originating from Tuva) and Tov (locals selling stolen livestock in UB). In Dornod, the most common form of theft was that people would fail to return someone else's horse, having borrowed it (with or without the owner's knowledge) for transportation. In Omnogobi, livestock theft tended to be conducted across sum boundaries, but ceased once the thieves were prosecuted. In the rural communities visited in Tov aimag, conflict over land and access to water has become commonplace between herders and vegetable growers. Vegetable growers complain about the livestock destroying their crops, whereas herders complain about their cattle being killed as 'compensation' without any agreement with the owners.

Theft came up as the main form of crime in all aimags. Livestock theft was the most common form, along with harvest theft in vegetable-growing areas, and home robberies were commonly cited in aimag and sum centres. In all cases, the police were judged to be inefficient in their response, and in some cases also corrupt. In Khovsgol, Tuvan livestock theft poses a threat not only to livelihoods but also people's lives. It also disrupts social cohesion in the community, since informants suspected some of their neighbours in collaborating with the Tuvans, as thieves appear to know exactly where wealthier households with fewer members are located at the moment. Tuvan livestock theft also leads to large-scale migration away from border areas which leads to pasture deficit and conflict over pasture resulting in yet further disruption of social cohesion. People feel helpless to deal with this problem without assistance from government (some suggested the need for a bilateral agreement with Russia), as Mongolian law forbids them to use a gun in the border area, and the border guards release the thieves as foreign citizens even when herders manage to catch them.

Conclusion

The ways people make a living, and the constraints and opportunities they face in doing so, can profoundly affect the status and management of common-pool resources. In Mongolia under economic transition, low-external input, pastoral livestock production has provided a primary source of livelihood for a growing share of the total population, in urban centres as well as in rural areas. For some, especially recent entrants to livestock production, this has been an option of last resort: there were simply no alternative livelihood sources to fall back on. But for a significant share of Mongolia's households (though perhaps 25% rather than the current 35%), pastoral livestock production is likely to remain their future as well as their past.

The growing demands that have been placed on the pastoral livestock sector, without concomitant investments being made, have begun to threaten its sustainability in significant ways. The rising perception among herders of localized overgrazing, endemic conflict over pasture and water sources, the increasing incidence of livestock theft, and declining trust in neighboring herding families and even one's own kin, may all be understood as symptoms of this incipient decline in sustainability. Yet they are also symptoms and outcomes of rising 'poverty' – although this is a peculiarly uni-dimensional word for a multi-dimensional problem.

Approaches to the sustainable management of the pastoral commons in Mongolia must therefore take account of the central challenge: namely, to foster sustainable livelihoods for all in Mongolia. This will require public and private action at multiple scale levels from national legislation and policy, through investments in infrastructure and institutions, including support for civil society, and so on. The overarching aim should be to ensure that herding and non-herding households alike may achieve secure and sustainable livelihoods. In this preliminary working draft, the intention has been simply to provide background information in order to help enrich and contextualize discussion on how specifically to address this challenge. No attempt has been made directly to link the insights being gained into the changing livelihood profiles of Mongolian households with the changing prospects for sustainable management of the pastoral commons. This is left to the final version of the paper, and to others.

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Checklist of Issues and Methods
Mongolia PLSA
March 2000

THEME	ISSUES FOR DISCUSSION AND ANALYSIS	KEY METHODS
Local perceptions of well-being, ill-being, poverty and vulnerability	<p>How do people define well-being/what is well/ill being</p> <p>How many categories does the community divide the households into, and based on what criteria</p> <p>How do the people divide themselves in these categories, how many households are there in each of these categories</p> <p>Are there any seasonal variations in well/ill being?</p> <p>Are there any gender differences in perceptions of well being (do men and women define wellbeing differently)</p> <p>Are there differences in well-being according to gender</p> <p>Are there poor communities and better-off communities in the area?</p> <p>What are the causes of poverty?</p> <p>What triggers-off poverty?</p> <p>What is/are the impact/consequences of poverty?</p> <p>What are the things/ aspects of life that would make someone content in life?</p> <p>How do households from different groups interact with each other?</p>	<p>Well-being/wealth ranking</p> <p>Social map</p> <p>Census map</p> <p>Seasonality analysis</p> <p>Cause - Impact analysis</p>
Female headed households	<p>Number and composition of female headed households</p> <p>Which wellbeing categories do the FHHs fall in?</p> <p>Changes in number of female-headed households during the last ten years. Explain reasons for change.</p>	<p>Wellbeing ranking</p> <p>Social map</p> <p>Census map</p> <p>Trend analysis</p>

Changes in well-being	Have there been any changes in the categories and the number of households in the last five to eight years? What has changed?	Trend analysis Wellbeing/wealth ranking Cause-Impact analysis
	Has anyone become better off? How many? How? Can others also become better off?	
	What are the ways by which a person/household can improve their situation?	
	Has anyone become worse-off? How many? How? Can others also become worse off?	
	In what ways has the situation improved over the last 5-8 years? For whom?	
	In what ways has the situation worsened in the last 5-8 years? For whom?	
	What actions can a community take to improve the situation of the poor/vulnerable?	
	Have any outside agencies provided support to the poor/vulnerable in the past 5-8 years?	
	What changes would the people like to see in future?	
Livelihood analysis	Main sources of livelihood for the community	Listing Ranking/scoring Household livelihood analysis Seasonality analysis
	Which sources of livelihoods are more important than the others? Why?	
	Detailed household livelihood analysis for at least two households from each of the wellbeing categories	
	Seasonal patterns in livelihoods	
	What are the periods of stress in livelihoods?	
	Are some livelihoods more secure than the others are? Why?	
	Are some livelihoods more prone to risk? What kinds of shocks do they face?	
	How do people cope with these shocks?	
	Who, in the community, is best able to cope with shocks? (can be a group and/or individual)	
	What is the impact of shocks to livelihoods? What is the impact of the different coping strategies?	

	Are there any changes in household livelihood strategies in the last ten years? In the last five years?	
	Are there any gender differences in livelihood strategies?	
	What are the main livelihood sources of, and constraints faced by, female headed households?	
Livestock ownership	Size and mix of livestock owned by different categories of households	Census map Social map Trend analysis
	Are there any changes in livestock holdings in the last ten years? In the last five years? Why?	
	What are the main constraints faced by livestock owners?	
	Type and location of veterinary facilities available	
Mobility patterns	Where do people travel to? For what reasons?	Mobility maps Scoring ranking Trend analysis Seasonality analysis
	Is there movement from rural areas to urban centres? Urban to rural areas? For what reasons and for how long?	
	Do families move together or do individuals move separately?	
	Are there seasonal aspects to migration?	
	Are there any changes in patterns of mobility in the last ten years? In the last five years?	
	Is there any gender difference in mobility?	
Problems and priorities	Prioritised list of community problems and concerns	Listing Ranking/scoring Trend analysis
	Have these problems changed in the last eight years? In the last five years?	
	Are there any new problems?	
	How have the earlier problems been resolved (if any)?	
	Are there any gender differences in the perception/experience of problems?	
	Do different categories of households face different problems?	
	What are the problems expected to be faced in future?	

Education	Proportion of girls and boys attending school	Census map Social map Scoring
	Which schools do they attend? (location, distance, mode of travel)	
	Proportion if girls and boys completing school	
	Reasons for drop-outs from school	
	Proportion of girls and boys going for higher education	
	Is there any change in education patterns in the last eight years? In the last five years?	
Health	Type and location of healthcare facilities available	Social map Mobility map Ranking of main health problems Treatment sequence matrix Seasonality analysis
	How do people rate the healthcare facilities	
	Are there any changes in the facilities in the last eight years? In the last five years?	
	What are the main health problems faced by the community?	
	Seasonality of health problems	
	Are there any changes in the health problems in the last 5 - 8 years?	
	What types of treatments do people seek?	
	Are there any gender differences in health problems?	
Institutional analysis	Which institutions (formal/informal) are important in people's lives? Which institutions have an influence on their lives?	Venn diagrams Ranking/scoring Trend analysis
	Which of these institutions are easily accessible?	
	How do people rate these institutions?	
	Do people feel they have any control or influence over these institutions?	
	Which institutions would they like to have more control and influence over?	
	Which institutions support people in coping with crisis? What kind of support do they provide?	
	What kind of support would the people like to receive?	
	Are there any gender differences in access to institutions?	

Access to credit, and indebtedness	Do people have access to sources of credit? Is the level of access different for different households?	Scoring Cause-Impact analysis		
	Why do people take credit?			
	Is indebtedness common in the community?			
	What is the impact of indebtedness?			
	Are there gender differences in credit needs and sources of credit?			
Social cohesion and security	What are the types of social networks that exist in the community	Scoring Cause-impact analysis Trend analysis		
	What kinds of transfers and support systems work within these social networks?			
	Are these networks different for different categories of households?			
	How do people define security?			
	Have levels of security/insecurity changed during the past 5 – 8 years? Why? How?			
	What causes insecurity?			
	How can security be increased?			
	Is there any form of crime and violence in the community?			
	Has the level of crime and violence increased/decreased in the community during the last 5-8 years? Why? How?			
	Are there gender differences in perceptions of security, crime and violence?			
	Do men and women face different types of insecurities and violence?			
	General information		Community characteristics and key features	Social map Resource map Census map Mobility map Time line
Location				
Population-mix and ethnicity				
Available natural resources				
Nearest school				
Water				
Health facilities				
Electricity				
Telephone				

	Distance to the nearest town/aimag centre	
	Places where people meet and socialize (men and women)	
	What are the main changes witnessed in the community in the last ten years? In the last five years?	

All the listed methods, with the exception of individual/household livelihood analysis are to be used during Focus Group Discussions. Separate discussions should be held with groups of men women and youth.