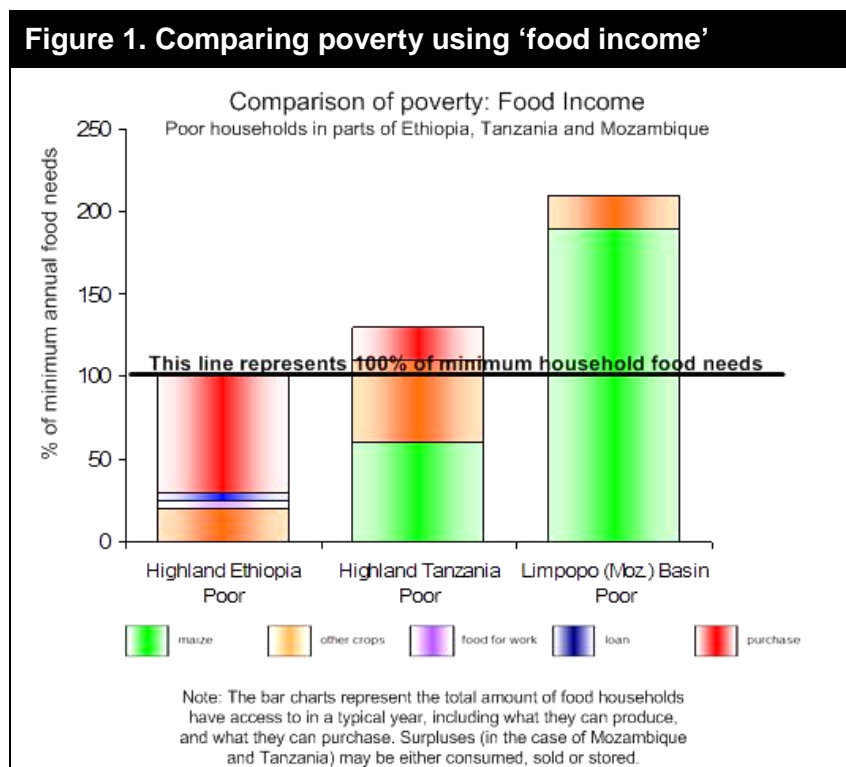


## USING HEA TO MEASURE LEVELS OF POVERTY

HEA can be used to measure and compare levels of poverty within and across geographic areas. Ultimately, wealth is a measure of how much people can obtain with what they have available. HEA helps get at this through converting all sources of food and income to a common currency – the ratio between calories required for the household, in annual terms, and those provided by the source of food or income. So, for instance, it is possible to express different ways of obtaining food (production vs purchase) and different types of crops (cassava vs maize) in the same terms (% of annual food needs met), which allows you to compare the relative importance (in food terms) of these different sources.<sup>1</sup>

This way of measuring poverty has distinct advantages over two other frequently employed methods: that of comparing against a minimum income threshold, and consumption surveys. Income in rural areas is often hidden, with local labour, gifts and petty trade often falling through the gaps. Consumption surveys, on the other hand, are a reflection of choice as much as access, and say little about people's assets and income sources. HEA captures the full range of reported income and food options, making it possible to see clear differences in real wealth between households.

There are two ways that HEA typically expresses this measurement. It can do so firstly in terms of 'food income', and secondly in terms of 'maximum access'. Food income simply means the total amount of food produced, purchased or received by the household in a typical year. Figure 1 provides an example of how this kind of analysis provides an interesting basic comparison of poor household wealth across very different country contexts.



While this is the simplest way to express the measurement, and can be useful in certain contexts, it leaves out most income and assets such as livestock, which together usually

<sup>1</sup> This document is an out-take written for F.E.G. and SC-UK by Penny Holzmann and Tanya Boudreau for a Guide to HEA, to be published by the Regional Hunger and Vulnerability Project in southern Africa.

comprise a substantial proportion of household wealth. Maximum access is therefore a more inclusive way of measuring poverty, because it takes account of all food produced, all income potentially earned, and all convertible assets. In other words, if all of a household's potential food production, income earnings and productive assets could be converted into food, maximum access shows how much of a year's food requirements this would cover for a household.

Figure 2 below, for instance, shows that poor households in the Eastern Livelihood Zone in Tanzania could potentially cover around 150% of their annual food needs if they maximised all of their livelihood strategies. We know that households do not maximise their access to food in most years, choosing instead to put assets in reserve for other purposes. Maximum access is therefore not meant to be an illustration of what people *actually* do, but rather a measurement of what they would be able to obtain if they had to. In that sense, it provides a useful tool for comparing household economic potential or wealth.

**Figure 2. Comparing poverty using 'maximum access'**

