ECONOMIC DEVELOPMENT

Host and displaced communities report having rather similar sources of livelihood but self-employment is more widespread among host communities. An important proportion of respondents from both population groups (displaced and host communities) report day labour or casual labour as their primary source of income, indicating a lack of access to predictable and sustainable sources of income to meet their household needs. Further analysis bellows shows that there have been a significant increase in reliance on daily labour/casual work in displacement.

Graph 3. Most important sources of income disaggregated by population groups, % of households

![Graph showing the distribution of income sources among host and displaced communities in different cities.]

Photo: Woman in Kabasa IDP market, Dollow, Somalia. Credit: Axel Fassio/DRC
In all locations except Dollow, significantly more host community than displaced community respondents report business or self-employment as their primary source of income, which might indicate better access to start-up capital and higher level of economic integration.\textsuperscript{51, 52, 53} Conversely, displaced respondents are more prone to report being engaged in subsistence farming than their host counterparts in Mogadishu\textsuperscript{54} and in Kismayo.\textsuperscript{55}

It is also in Mogadishu where most respondents report contracted jobs as their primary source of income,\textsuperscript{12,19} which indicates that the capital city of Somalia has a more formal labour market (government jobs, institutions, NGOs headquarters, etc.) than the other survey sites.

The proportion of respondents (both displaced and host community) reporting humanitarian assistance as the primary source of income is higher in Dollow than other locations (notably absent in Mogadishu) indicating high levels of reliance on humanitarian assistance and the absence of income-earning opportunities.\textsuperscript{47,48}

An important share of surveyed displaced households have lost their livelihood and switched from subsistence farming to day labour or casual jobs, which are more adapted to the urban context but also provide a less sustainable type of income. A sharp decrease in subsistence farming and subsistence livestock production as the primary sources of income and household financial support can be observed in all locations, except Kismayo. Displacements have caused an almost twofold increase in day labour or casual work as the primary source of income, except in Kismayo where the increase was more moderate.

**Graph 4. Most important changes in primary sources of income of HHs before and after displacement, % of displaced households**

![Graph showing changes in primary sources of income](image-url)
The findings show a relatively mixed picture in terms of land cultivation and ownership or rental of land, with significant differences across locations and between population groups. The significant majority of all households across all locations report not owning or renting land for cultivation. For those that have reported, more host community households report owning or renting land for cultivation in Dollow (32% 22) than elsewhere. In contrast, there are more displaced households that report the same in Mogadishu than elsewhere (41% 21).

The high percentage of displaced households reporting to rent or own land in Mogadishu could be attributed by the fact that majority of them originate from Lower Shabelle region hence their more rural and agricultural lifestyle compared to the urban host community. It could also be explained that the land reported as owned or rented by displaced households is not in their current location but rather in the place of origin, given the scarcity of land in the urbanised context in Mogadishu.

Graph 5. Reported levels of ownership or rental of land for cultivation, % of households

The findings show a relatively low proportion of livestock ownership in all locations except in Dollow, where more respondents from both communities report higher ownership proportions (30% 23 for host community households; and 15% 24 for displaced households).

Graph 6. Levels of livestock ownership, % of households