

# Quality Of Life, Poverty And Wellbeing In Rural Households: A Case Of Tanzania

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**Paper Abstract:** The concept of quality of life and wellbeing for all population it is one of national development strategy in Tanzania, but poverty is still remain a challenge, especially for rural households who largely depend on Agriculture for their livelihood, their incomes come from farming and the Government has put in place a number of efforts to improve the agriculture sector. This paper examines the terms of trade for agriculture with its relation to wellbeing of the people. An index of the terms of trade (ITT) between agriculture and non-agriculture sectors are used to measure the relative change in the prices received by the farmers for the produced sold in relation to the change in the prices paid for commodities purchased for final consumption, intermediate consumption and capital formation, a value of greater than 100 indicates a favourable terms for agriculture sector, that is improvement of price, income and quality of life and wellbeing. On the other hand, a value of ITT less than 100 would indicate adverse terms of trade for agriculture, that is, the increase in the prices received by the agriculture sector has lagged behind the increase in the prices paid by this sector. Data used in this research paper comes from different source of household based surveys, conducted by National Bureau of Statistics. The index of terms of trade will help the Government in formulating price policy with the need to protect the farmers from excessive fall of price due to bumper harvest and thus improving the wellbeing of farmers.

Keywords: Quality of life, Poverty and wellbeing, Index terms of Trade and Poor Households