# Livelihood and Social Entrepreneurship in Social Work:
## Understanding Livelihoods

### Component-I (A) – Personal Details

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<td>Livelihood and Social Entrepreneurship in Social Work: Understanding Livelihoods</td>
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<td>Module Id</td>
<td>Basic understanding about livelihood, social entrepreneurship</td>
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<td>To understand livelihood</td>
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<td>To understand livelihood and poverty reduction capabilities,</td>
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<td>To understand sustainable livelihood opportunities for the next generation</td>
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<td>Objectives</td>
<td>Generation of livelihoods, Poverty reduction, Capability, adaptation, vulnerability and resilience, Resource utilization</td>
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Understanding Livelihoods

Introduction

A person's livelihood is considered as the "means of securing the basic necessities -food, water, shelter and clothing- of life". In general livelihood is defined as a set of activities, involving securing water, food, fodder, shelter, medicine, clothing and his or her capacity to acquire above necessities through working individually or as a group using endowments (both human and material) for meeting the requirements of the self and his/her household on a sustainable basis with human dignity. The activities are carried out repeatedly. For instance, a fisherman's livelihood depends on the availability and accessibility of fish. Contextualizing livelihoods in tribal, rural and urban settings is also important in the study of livelihood. The access to resource is the primary component of livelihood. Different types of assets are identified in the beginning, which is required for livelihood. Further the access to those assets is verified through different structures and process such as state, market and civil society. The access to resources is modified by social relations, institutions and organizations. There is also changing context that affect the access to livelihood such as trends and shocks.

In 1992 Robert Chambers and Gordon Conway proposed the following composite definition of a sustainable rural livelihood, which is applied most commonly at the household level. It says, "A livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term". The sustainability is ensured through livelihood adaptation strategies such as mobility, storage, communal pooling, livelihood diversification and market exchange. They are composed of activities both natural resources and non natural resource based. Finally it leads to certain outcomes such as livelihood security outcome and environmental sustainability outcome. Thus the entire conceptual framework gives a method of livelihood promotion through availing resources to the needy people using different strategies ensuring sustainability. Discussion upon the social structure and livelihood will help to contextualize the need for livelihood and its promotion from a social work perspective.

1. Generation of livelihoods

Livelihood is more than job or employment. It includes all those methods of earning the basic necessities of life through different sources. It may be job under an employer, running a vegetable garden, go for fishing, engaging in craft work, animal husbandry or collecting
forest resources and selling to make a living. There are various indicators of livelihood. It starts with creation of working days. Secondly poverty reduction is a major indicator. Further it looks into the capability of the people to access the resources. The Livelihood adaptation, vulnerability and resilience is the fourth indicator and lastly the natural resources available for livelihood.

1.1 Creation of working days.
This relates to the ability of a particular combination of livelihood strategies to create gainful employment for a certain portion of the year. This may be on or off-farm, part of a wage labour system or subsistence production. Amartya Sen (1975: 5) notes three aspects of employment – income (a wage for the employed), production (employment providing a consumable output) and recognition (where employment provides recognition for being engaged in something worthwhile). In any livelihood generation how many days of employment could be generated is an important question to be answered. In terms of the income/production aspects, various target levels have been given, but 200 days a year appears to be widely used as a minimum level to create a livelihood (Lipton 1991; 1993). Overall, the number of livelihoods created will be dependent on the proportion of the population available for work.

1.2 Poverty reduction
The World Development Report 1990’s approach to sustainable poverty reduction is, it says, two factors, consisting of “...broadly based economic growth to generate efficient income-earning opportunities for the poor and improved access to education, health care and other social services so the poor can take advantage of these opportunities ”. Jodha’s paradox is an example based on a study in Rajasthan rural poor. Although the income is less the poor are in better standard of living economically and socially. The behaviour of the poor in spending, saving and the education they achieved and health consciousness and other factors contribute to this paradox phenomenon. There are various factors contribute to poverty such as disability (e.g. blind, crippled, mentally impaired, chronically sick), being widowed, lacking land, livestock, farm equipment, grinding mill, cannot decently bury their dead, cannot send children to school, having more mouths to feed, fewer hands to help, lacking able-bodied members who can feed for their families in the event of crisis, with bad housing, having vices (e.g. alcoholism), being “poor in people”, lacking social supports, having to put children in employment, single parents, having to accept demeaning or low status work, having food security for only a few months each year and being dependent on common property resources. To combat these situations of poverty is a major challenge of the governments and
professional in the journey to promote livelihoods. Thus poverty reduction is a major goal to be achieved in generating livelihoods.

1.3 Capabilities
The word capability has been used by Amartya Sen (Sen, 1989) to refer to being able to perform certain basic functioning, to what a person is capable of doing and being. It includes the situations such as adequately nourished, comfortably clothed, to avoid sickness, lead a life without shame, to visit and entertain one’s friends and to keep track of what is going on and what others speak about. Quality of life is in terms of valued activities and the ability to choose and perform those activities.

1.4 Livelihood adaptation, vulnerability and resilience
The ability of a livelihood to be able to cope with and recover from stresses and shocks is central to the generation of sustainable livelihoods. Such resilience in the face of stresses and shocks is key to both livelihood adaptations and coping (Davies 1996). Those who are unable to cope (temporary adjustments in the face of change) or adapt (longer term shifts in livelihood strategies) are inevitably vulnerable and unlikely to reach sustainable livelihoods. Assessing resilience and the ability to positively adapt or successfully cope requires an analysis of a set of factors, including an evaluation of historical experiences of responses to various shocks and stresses. Different types of shock or stress, may result in different responses, including avoidance, repartitioning, resistance or tolerance mechanisms (Payne and Lipton 1994).

1.5 Natural resource base sustainability
The rural livelihoods are reliant on the natural resource base to some extent. As per the opinion of Conway (1985), Holling (1993) and others, natural resource base sustainability refers to the ability of a system to maintain productivity when subject to disturbing forces, whether a ‘stress’ (a small, regular, predictable disturbance with a cumulative effect) or a ‘shock’ (a large infrequent, unpredictable disturbance with immediate impact). This means avoiding depleting stocks of natural resources to a level which results in an effectively permanent decline in the rate at which the natural resource base yields useful products or services for livelihoods. Measuring natural resource sustainability is very difficult, as it is critical to link indicators of resource depletion or accumulation (e.g. soil fertility levels, vegetation cover etc.) to both the temporal dynamics of system resilience (i.e. the ability to recover from disturbance) and livelihood needs (i.e. an assessment of whether natural resource change results in ‘effectively permanent declines in useful products or services’).
Clearly these five indicators of sustainable livelihoods are quite different in scope, with a range from very precise measures, amenable to quantitative assessment, to very broad and diffuse indicators requiring more qualitative techniques for assessment. However they are used to find out the strength and possibility of generating livelihoods in a given context. Further we need to find out different types of assets or capital necessary to develop livelihoods. Each of the asset is explained below with suitable examples.

2.  Assets or capital for livelihood

The ability to pursue different livelihood strategies is dependent on the basic material and social, tangible and intangible assets that people have in their possession. Considering it on an economic term, such livelihood resources may be seen as the ‘capital’ base from which different productive streams are derived from which livelihoods are constructed.

2.1 Natural capital

The natural resource includes stocks (soil, water, air, genetic resources etc.) and environmental services (hydrological cycle, pollution sinks etc) from which resource flows and services useful for livelihoods are derived. In a tribal livelihood forest is the major natural resource. For the fishing community rivers, lakes, ponds and sea are the natural resources.

2.2 Economic or financial capital

The capital base (cash, credit/debt, savings, and other economic assets, including basic infrastructure and production equipment and technologies) which are essential for the pursuit of any livelihood strategy. The equipments and technology may be traditional in a traditional trade like carpentry or goldsmith but modern in a digital printing press. The promotion of micro credit facilities has increased the possibilities of improving livelihood strategies among village population particularly among women.

2.3 Human capital

It includes the skills, knowledge, ability to labour and good health and physical capability important for the successful pursuit of different livelihood strategies. In developing countries the human capital is more compared to other capitals. For example the countries like India and China need to focus on skill building program to prepare the huge population in these countries for better livelihood opportunities. The ‘Charka’ concept of Mahatma Gandhi was based on human labour intensive livelihood promotion.

2.4 Social capital

It means the social resources (networks, social claims, social relations, affiliations, associations) upon which people draw when pursuing different livelihood strategies requiring
coordinated actions. For example, the women self-help group and livelihood promotion is a major social network unit. The micro credit unions and Grameen Bank of Nobel laureate Mohammad Yunus in Bangladesh is the success story of social networking in the development of livelihoods.

In order to create livelihoods, therefore, people must combine the ‘capital’ endowments that they have access to and control over. These may be made up of personal capabilities, tangible assets (e.g., stores and material resources) and intangible assets (claims and access) (cf. Chambers and Conway 1992). At any scale, livelihoods are composed in complex ways, with multiple and dynamic portfolios of different activities, often improvised as part of an ongoing ‘performance’ (cf. Richards 1989).

2.5 Resource utilization in livelihood

Following on from an analysis of livelihood resources, a checklist of key questions arises in the utilization of the available capital.

2.5.1 Sequencing

What is the starting point for successfully establishing a particular livelihood strategy? Is one type of livelihood resource an essential precursor for gaining access to others?

2.5.2 Substitution

Can one type of capital be substituted for others? Or are different capitals needed in combination for the pursuit of particular livelihood strategies?

2.5.3 Clustering

If you have access to one type of capital, do you usually have access to others? Or is there a clustering of particular combinations of livelihood resources associated with particular groups of people or particular livelihood strategies?

2.5.4 Access

Different people clearly have different access to different livelihood resources. This is dependent on institutional arrangements, organisational issues, power and politics. A socially differentiated view to analyse livelihoods is therefore critical, one that disaggregates the chosen unit of analysis – whether community, village or household – and looks at individuals or groups of social actors and their relationships, in relation to the range of relevant dimensions of difference (wealth, gender, age and so on) and the distribution of control over resources.

2.5.5 Trade-offs

In pursuing a particular portfolio of livelihood strategies, what are the trade-offs faced by different people with different access to different types of livelihood resource? Depending on
who you are, differential access to different types of capital may have positive or negative implications in terms of the success or otherwise in the pursuit of a sustainable livelihood.

2.5.6 Trends

What are the trends in terms of availability of different types of livelihood resource? How are different capital assets being depleted and accumulated, and by whom? What are the trends in terms of access? What new livelihood resources are being created through environmental, economic and social change?

Answering these questions will help in the better management and utilization of resources in the best possible manner while planning for livelihoods.

To summarise the relationship between capabilities, stores and resources and claims and access the following figure will help. There is a mutual give and take between each component and this interrelationship makes the livelihood possible a reality.

Figure 1. Components and Flows in a livelihood

People

Livelihood Capabilities

A Living

Stores and Resources

Claims and Access

Tangible Assets

Intangible Assets

3. Activities

There are various activities both tangible and intangible adopted in livelihood generation. Few of the successful livelihood activities are explained below with available statistical figures of its implementation.

3.1 Home-gardening: (Both rural and urban) and the exploitation of micro-environments.

Six studies in Indonesia reported the proportions of household income deriving from home
gardens as variously 10-30, 20-30, over 20, 22-33, 41-51 and 42-51 per cent, while another Indonesia study found the proportion higher among the poor, providing 24 per cent of their income compared with 9 per cent for the well off.

3.2 **Common property resources (CPRs):**
Fishing, hunting, grazing, and gathering in lakes, ponds, rivers, the sea, forests, woodlands, swamps, savannas, hills, wastelands, roadsides... for any of a vast range of fish, animals, fodders, wild foods, fibers, building materials, fuel, fertilizer, medicines and much else. CPRs are often a major source of livelihood for the poor: in his study of the poorest in three villages in West Bengal, Beck estimated that CPRs accounted for between 19 and 29 per cent of the household’s income. From his extensive study of CPRs in India, Jodha concluded that, in general, the rural poor obtained the bulk of their fuel supplies and fodder from CPRs and that CPRs, though likely to be underestimated, accounted for 14 to 23 per cent of their household incomes. The value of CPRs to the poor is heightened because they often provide varied safety nets in the form of remunerative activity or food, at times when other opportunities are lacking.

3.3 **Scavenging:**
(Mainly urban) and gleaning (mainly rural), including traditional rights and access to private residues (buttermilk, crop residues as fuel etc.) •

3.4 **Processing, hawking, vending and marketing:**
It includes produce from home gardens and common property resources. •

3.5 **Share-rearing of livestock:**
It is the process of where livestock are lent for herding in exchange for rights to some products and/or offspring. Some of the African countries report the success stories of livestock among the rural poor.

The core of a livelihood can be expressed as a living, with people, tangible assets and intangible assets contributing to it. The tangible assets commanded by a household are stores such as food stocks, stores of value such as gold, jewellery and woven textiles, and cash savings in thrift banks and credit schemes; and resources such as land, water, trees, livestock, farm equipment, tools and domestic utensils. The intangible assets are claims which can be made for material, moral or other practical support, and access, meaning the opportunity in practice to use a resource, store or service, or to obtain information, material, technology, employment, food or income.

3.6 **Other Activities**
Transporting goods with a horse, donkey, mule, cart, bicycle, or head or backloading; Mutual help: Including small borrowings from relatives and neighbours. Contract outwork: Weaving, rolling cigarettes, making incense sticks... Casual labour and piecework especially in agriculture. Specialized occupations: Barbers, blacksmiths, carpenters, prostitutes, tailors. • Domestic service: Especially by girls and women. • Child labour: Both domestically (collecting fuel-leaves, twigs, branches, dung, collecting fodder, weeding, herding animals, removing stones from fields and ticks from livestock...) and working in factories (making matches, candles, fireworks...), restaurants, people’s houses... • Craft work of many sorts. • Mortgaging and selling assets, future labour and children. • Family-splitting: Including putting out children to others. • Migration for seasonal work in agriculture, brick-making, urban construction... • Remittances • Seasonal food-for-work, public works and relief. • Stinting in many ways, with food and other consumption. • Begging, • Theft. • Triage: especially with girl children and weaklings. ...and so on.

The point of this incomplete list is to illustrate. Often, an individual or a household engages in many livelihood activities such as these over a year.

4. Livelihood promotion among the poor

There are certain factors helpful to promote livelihood among the poor proposed by Chambers.

4.1 Natural resources:

It is the sustainable management of natural resources, especially common property resources, and equitable access to them for the poorer.

4.2 Redistribution

It is the redistribution of private and public livelihood resources to the poor. •

4.3 Prices:

Marketing, prices and prompt payment for what poor people sell, and terms of trade between what poor people sell and what they buy.

4.4 Health:

Accessible health services for the prevention of disease and for prompt and effective treatment of disabling accidents and disease.

4.5 Restrictions and hassle:

It is the removal of restrictions on livelihood activities otherwise used to hassle and exploit the poor. •

4.6 Counter-seasonality and safety nets
It is for poor people at bad times, mitigating seasonal stress and enabling them to conserve their livelihood assets.

Thus livelihood is a major area in which the government, people and the organisations need to spend energy, time, money and human resources in a diligent manner to make use of the opportunity in promoting it across the Globe.

**Conclusion**

Understanding livelihood from its foundation enables the student to know the five key elements of livelihood, different resources or assets used in the generation of livelihood, both tangible and intangible. The resource utilization method is analysed framing various questions and finally various livelihood activities are mentioned to get a birds eye of the livelihood around us.