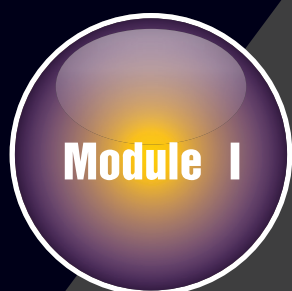


Training Manual for Local Governance and Women Group Representatives




**Rural Development
and
Sustainable
Livelihoods**

1. INTRODUCTION

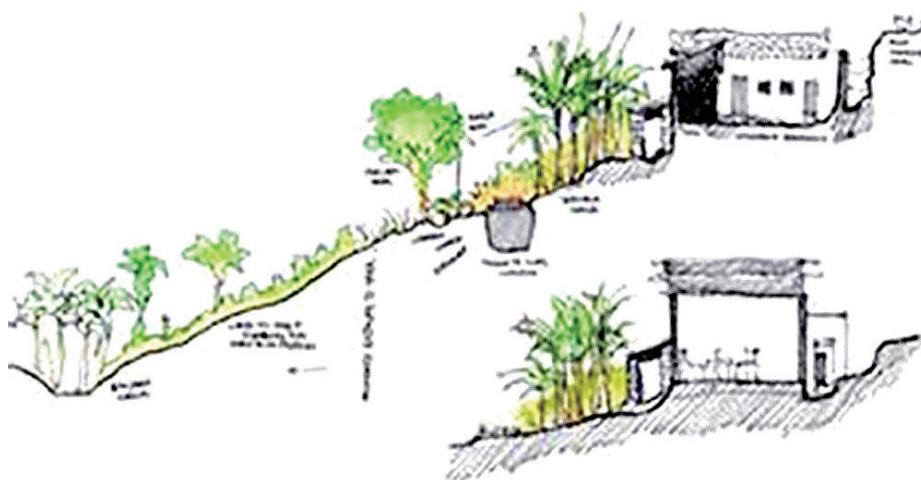
Module I explains the concept of rural development, sustainable livelihood and its relationship with the development of the community. The module describes sustainable livelihood opportunities and the process of analysing and designing livelihood interventions.

The module explains the concept of rural development, introduces an analytical framework for analysing rural livelihoods in terms of their sustainability and their implications for rural poverty.

Objectives

- After completion of this module you would be able to:
 - ▶ *Explain some important concepts and issues related to rural transformation, livelihood and skills development.*
 - ▶ *Describe steps and process of community needs assessment.*
 - ▶ *Describe why skills development programmes should be organised for improving the livelihood of girls and women.*
 - ▶ *Identify critical indicators for measuring sustainable livelihood of people and household in any community.*
 - ▶ *Identify livelihood opportunities and interventions.*
- The module contains the following:
 - Understanding rural community and development choices.
 - Getting to know your community.
 - Identifying sustainable livelihood opportunities.
 - Identifying sustainable livelihood interventions.

2. UNDERSTANDING RURAL COMMUNITY AND DEVELOPMENT CHOICES



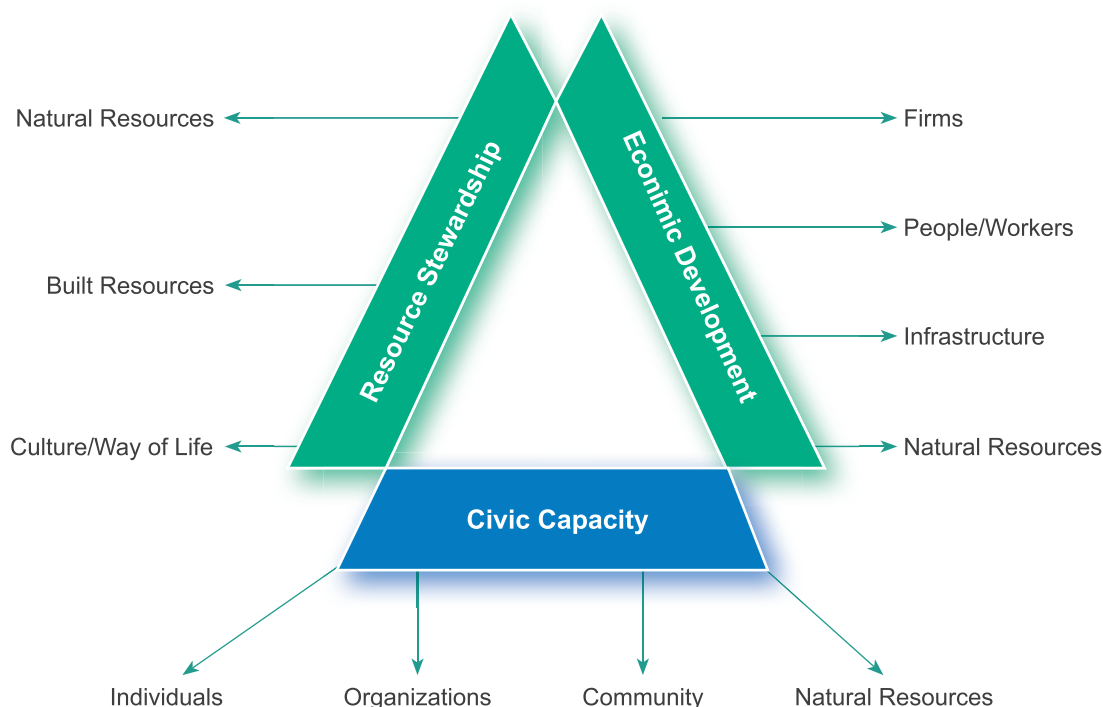
Rural development has been defined in several ways. In simple language rural development is the process and practice of creating and steering locally controlled endowment and resource-building programmes and efforts to improve rural livelihoods, economies and community vitality.

What do we mean by improving rural futures? Figure 1.1 shows the rural development triangle. It offers one picture that very simply illustrates the options people can engage in to advance rural communities.

The triangle shows three important components of rural development and how they relate to each other (RDPLN: 2002).

The first component is economic development. It covers development of the broad economic base as well as targeted economic opportunities for the disadvantaged people. Greater equity, in terms of the distribution of wealth and income, is an important core value to keep in mind and promote when making economic development decisions.

Figure 1.1: Rural Development Triangle: The Basics



The second component is resource stewardship. It means that natural resources, the resources built by people, and the culture and way of life of the community and its people be used well today and preserved for the use of future generations. A community must preserve and protect its natural resources and way of life – that is, nurture its culture and people – if development is to be maintained at a healthy and sustainable level over time.

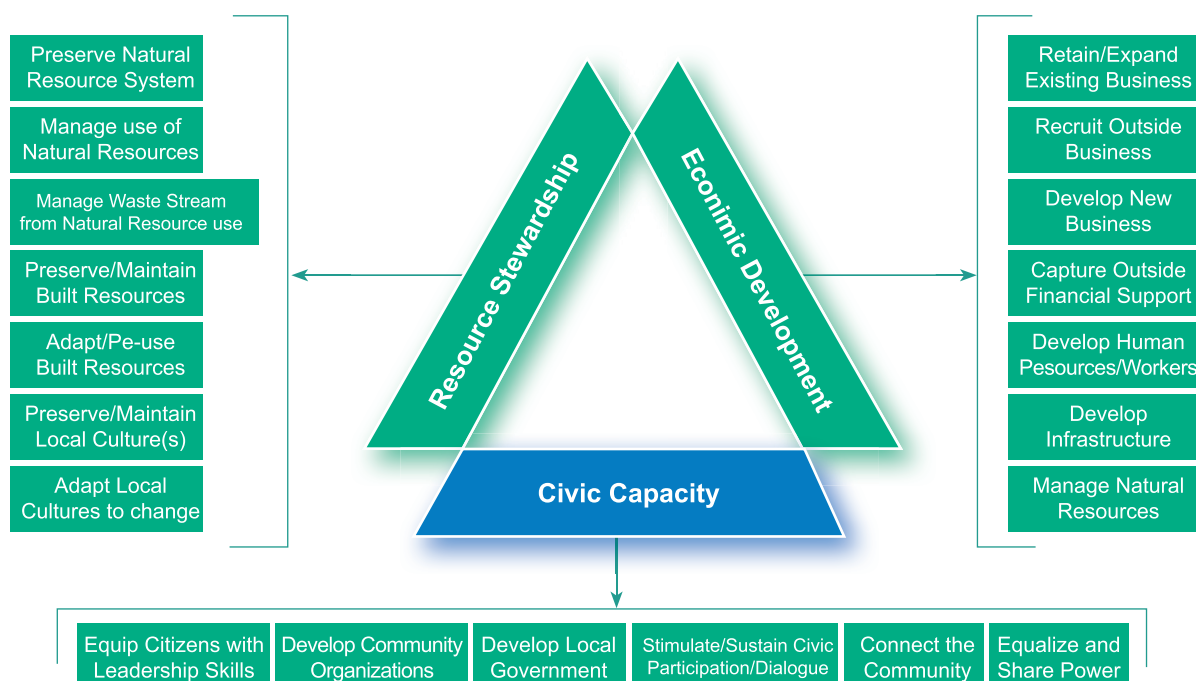
Economic development typically produces growth. But we should also know that growth is not always good. Sometimes it can cure what ails you; when children grow taller and stronger, they feel they can do new and better things. Other times, growth can just make a bad situation worse, like when we become overweight. For many communities, as for most people, there is a “right size” beyond which growth will take over the way of life, deplete resources and change the standard of living of many residents – some for the better, some for the worse.

Community stewardship is made possible when rural citizens acknowledge the value of their resources and engage in civic dialogue to determine how and which resources should be developed or preserved. In a healthy community development context, it is the people who live, thrive and survive in the community.

The third dimension is civic capacity. It refers to the ability of the members of a community to work together over a sustained period to shape a future. It includes building individual skills, organisational competence, and community connections and effectiveness. Civic capacity is the base from which development decisions and development actions take place.

Figure 1.2 which can help deepen our understanding of the many opportunities and choices that face us when trying to enhance economic security of low-income rural families and communities. Finding approaches that “hit” all three sides in a positive way tends to make development more healthy and sustainable.

Figure 1.2: Rural Development Triangle: Development Approaches



What does a healthy rural community look like? Most people think of a place's physical beauty or their standard of living when they are asked: "Is your community healthy?" In our mind, we might see a refurbished main street, a new river walk or a cleaned-up park with children using it; or we might think of some growing businesses, new stores, or a neighbour who just got a pay raise. These are important signs but they are signs of what happens if – and after – a healthy community makes good decisions. This is discussed in detail in Part II of this module.

- However, we should make every effort to design rural development programmes so that:
 - ▶ *Where good programmes exist, we support the organisations running them.*
 - ▶ *Where programmes exist that can be improved or strengthened, we need to enhance the capacity of existing organisations to do so.*
 - ▶ *Where no effective programmes or institutional structures exist, we should create new ones.*

2. GETTING TO KNOW YOUR COMMUNITY AND ITS NEEDS



This part of the module explains the basic features and the needs you should know about your community. It will equip you with tools and techniques for carrying out the needs assessments to make sure as to how the real needs of the community are addressed.

2.1 Why “Needs Assessment”?

A needs assessment (NA) is carried out to make sure that the real needs of communities are addressed by development programmes and projects. NA involves research and systematic consultation with community members and project beneficiaries before the project is designed and implemented. NA helps to identify problems and needs and involves the people who are meant to benefit from the project in deciding on the project design. Potential problems can be identified early. A good NA helps to measure reactions, preferences and priorities before any final decisions are made.

While undertaking the needs assessment we should make sure that NA must collect and combine the facts as well as the opinions of a representative sample

of beneficiaries and other stakeholders to ensure that their concerns are heard and included into project and policy formulation. The main purposes of a NA are to:

- Provide decision-makers and communities with facts and data to help them make correct decisions;
- Undertake systematic listening, which gives ‘voice’ to poor and other hard-to-reach beneficiaries; and
- Obtain feedback on preferences and priorities; so that local government can plan to use limited resources in the best possible way.

2.2 How Can We Assess the Needs of the Community?

Here we will focus on tools that you can use to assess your community needs. NA is the task that is usually carried out by a professional team of managers who collect scientific data and use other methods to assess needs. You should make needs assessments as realistic and accurate as possible by ensuring community participation.

Needs Assessment is done by investigation and evaluation that relies mainly on methods such as:

Research and data collection: Information is collected about the facts that will influence decisions. For example, if the project involves sanitation, facts will be collected about the number of people involved, the level of services that is affordable, the on-going operational costs, the availability of water and sewage works, etc.

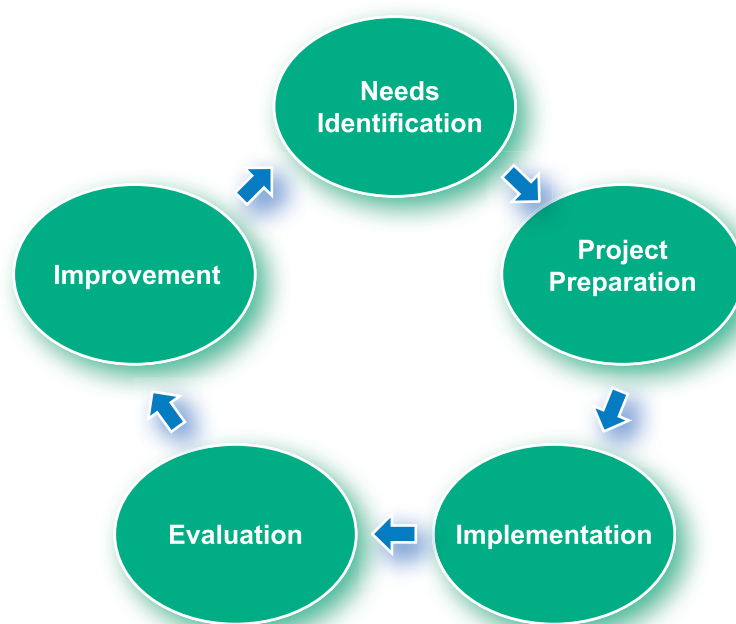
Structured surveys and interviewing, around key themes or topics: A good way of measuring community opinion is to do a survey or interviews with lots of people. We will learn how to design and undertake a basic survey that will provide scientifically reliable results.

Focus group discussions or consultations with sectors of the community: Sometimes it is best to have meetings with stakeholders/beneficiaries so that issues can be explained and discussed in detail.

Participatory rapid appraisal (PRA) and observation: Participatory appraisal is a set of tools that can be used to involve the community and get information from them. It is very useful in areas where much of the knowledge and facts you need are not written down anywhere. Needs assessments can be carried out before and during a project as shown in Figure 1.3.



Figure 1.3: Stages of a Project Cycle



In each of these phases, different tools can be used to make sure that the community is consulted, involved and remains on board.

2.3 Where Can You Get the Information?

Now you know what information is required to understand your area and its people. We will now look at: How we go about getting this information. We can get information from official sources, from NGOs and community organisations, through community consultation meetings, by doing structured interviews or through targeted “focus groups”. Here are some examples:

- Schools and Crèches can provide enrolment figures as well as gender breakdowns;
- Hospitals and clinics can provide details of admissions and details of the major health problems facing the community;
- The local Police Station can provide crime statistics;

- The Local Municipality can provide details on:
 - ▶ *Registered voters from the voters roll.*
 - ▶ *Plans to develop the area.*
 - ▶ *Payment levels for services.*
 - ▶ *Backlogs in the provision of services.*
- If the Municipality has updated its Integrated Development Plan (IDP), it may be able to provide fairly accurate details on population size, employment status and plans to develop the area.
- Village committees and community development workers (CDWs) should have done audits of what exist in the area and what problems are common.
- Consult with local non-governmental and government agencies for any recent studies conducted in the community you work in.
- Community meetings and research surveys can also be used to get information.

2.4 Techniques of Community Needs Assessment

Community Consultation Meetings

We can organise community consultation meetings to hear the views of local people on a particular issue. For example, a meeting of the community could be called to discuss the proposed closure of a school. The meeting can hear the views of the community and work out plans to resolve the issue, together with the local leaders, counsellor and education officials. Advertise the meeting properly with posters or pamphlets and also use your networking sheet to invite specific organisations.

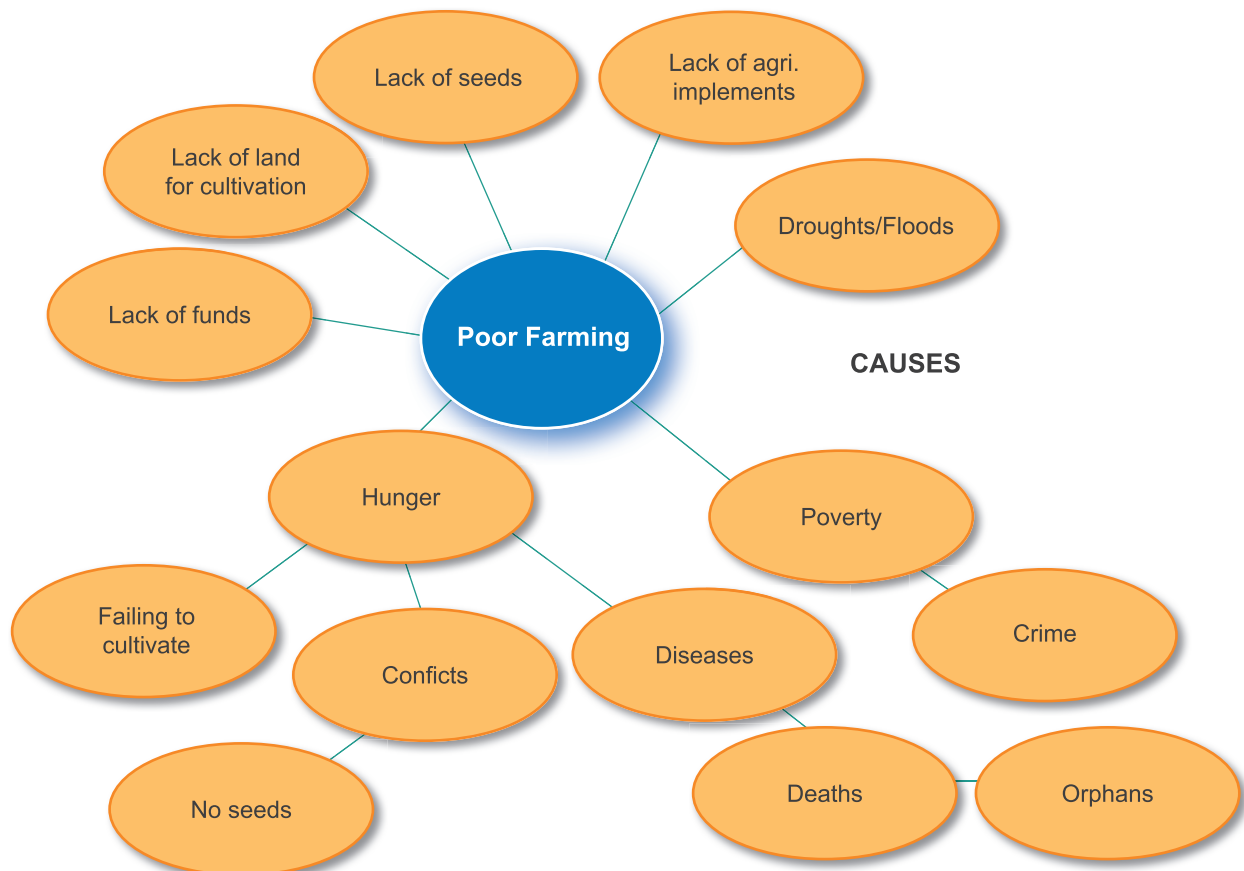
2.5 Flow Charts

We can show the results of our analysis through flow charts so as to make things simple to understand as well as to visualise. Figure 1.4 shows an example which shows the causes and effects of poor farming.

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Figure 1.4: Flow Chart Showing the Causes and Effects of Poor Farming



2.6 Direct Consultation Surveys

The best way of consulting the community is to go door-to-door and do proper survey where we ask everyone the same questions. We need to make sure that we speak to the women and not just to the men in the house. We can also send out questionnaires in the area where the council has an address for every voter, or use places like clinics or rent offices to ask people questions.

Needs assessment is very important to make sure that the real needs of the community are addressed. It provides us basic information on understanding the community; its mapping and identifying community links and support.

2.7 How Can We Prepare Our Community Profile?

We can only be successful if we understand the communities and the people we have to organise. We can only be effective if we go to the people we want to organise, learn from them, understand their conditions and work for change at a pace that they can accept.

We probably think that we know our area well and have many experiences about what people see as their problems and what their attitudes are. Remember that organisers and activists often see the world differently from ordinary people. It is very important that we do research to really find out what people see as their problems, how they see solutions and what their attitudes are to be changed.

There are many ways to do a community profile. It is best to write down everything we find out and to update it regularly – this should not just be a one-off assignment.

A good community profile will help us to make sure we address the correct issues in our area. Here is a broad list of the types of things we may want to know:

- The people in our village committee and the problems they experience;
- The physical environment;
- Access to government services; and
- Community life – what else is happening in the community?

3. IDENTIFYING SUSTAINABLE LIVELIHOOD OPPORTUNITIES

This section explains the process for designing and developing a framework for analysing livelihood choices in any community. The framework is important for analysing and systematically making choices needed for designing a livelihood intervention. It is also important for identifying basic tools and techniques that you can use to design such intervention.

The frameworks and formats used herein are indicative. These need to be adapted to meet the requirements of your particular area and the community. The formats are vital for investigating systematically the diverse livelihood opportunities and interventions. However, you may not find specific recommendations on how to promote livelihoods in different context. You will have to explore such opportunities by yourselves, drawing on the insights and techniques described in this section.

In particular, the section provides information to better understand the conceptual and analytical approaches; methodological tools; and practical and operational consequences of sustainable livelihood approach.

3.1 Why Livelihood Promotion?

A livelihoods perspective provides a broader understanding and examination of factors, institutions and processes that can explain the differing success with which rural households make a living.

The primary reason to promote livelihoods is to ensure equal opportunities to all the members of the community ensuring that a poor household has a stable livelihood which substantially increases its income. And over a period of time, it also increases asset ownership, self-esteem and social participation of the household.

Another reason for livelihood promotion is to promote economic growth. The poorest 4 billion out of the 6.3 billion people in the world do not have enough cash to buy even the bare necessities of life – food, clothing and shelter. But as they get regular incomes through livelihood promotion, they become customers of many goods and services, which then promote growth.

Further, promoting livelihoods means ensuring social and political stability. When people are hungry, they tend to take recourse to violence and crime.

Livelihood deals with people, their resources and what they do with these resources. It should however be noted that while gaining a livelihood, or attempting to do so, people may, at the same time, have to cope with risks and uncertainties. These risks and uncertainties can take the form of erratic rainfall, diminishing resources, pressure on land, epidemics such as HIV/AIDS, chaotic markets, increasing food prices, inflation, and national and international competition.

3.2 What are Livelihoods?

Livelihoods have been defined in various ways. For instance, the UK Department for International Development (DFID) defines a sustainable livelihood in the following way:

- “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 with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future”.

Rural livelihoods in this module have been explained in terms of:

- People’s access to five types of capital assets;
- The ways in which they combine and transform those assets in the building of livelihoods that meet their essential needs;
- The ways in which people are able to expand their asset-bases through relationships governed by market and civil society; and
- The ways in which they are able to deploy and enhance their capabilities to make living more meaningful.

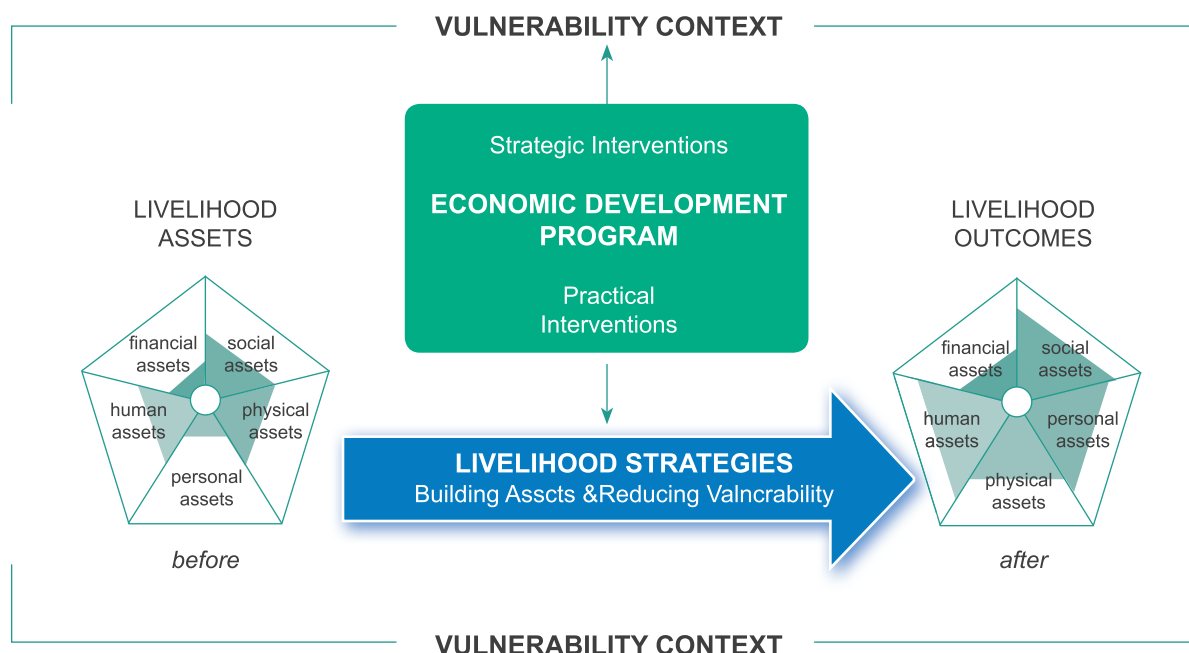
The livelihoods framework (Figures 1.5 and 1.6) is a tool to improve our understanding of livelihoods, particularly the livelihoods of the poor.

The sustainable livelihoods framework presents the main factors that affect people’s livelihoods, and typical relationships between these. You can use the framework in both planning new development activities and assessing the contribution to livelihood sustainability made by existing activities.

The framework is centred on people. Its aim is to help stakeholders with different perspectives to engage in structured and coherent debate about the many factors that affect livelihoods, their relative importance and the way in which they interact. This, in turn, should help in the identification of appropriate entry points for support of livelihoods.

The “sustainable livelihood” (SL) approach aims to help people achieve lasting livelihood improvements measured using poverty indicators that they themselves define. This, in turn helps to combat exclusion. It is people-centred. It recognises that people have certain rights but also certain responsibilities to each other and to society more generally. It recognises the enormous diversity among the 1.3 billion extremely poor people in the world, and stresses the strengths of these people. If we want to make a difference we must build on these strengths, helping people to move in the directions that they want to move.

Figure 1.5: DFID’s Framework for “Sustainable Livelihoods”



3.3 Rural Livelihoods

The word rural livelihood refers to the various ways in which individuals or households make sure that there is enough food for survival. It provides the basic necessities for a good life, such as clothing, a house, and blankets and so on. In rural areas, people usually achieve this in many different ways. For example, one household might have a cultivated field, a home garden, some cattle, goats and chickens. This same household might collect wood from a forest for cooking, while receiving money from a relative in the city to help pay school fees.

When people have more options, it is easier to cope with surprises such as drought, because when one activity fails, for example the crops, they are able to rely on other activities, such as money from relatives. When a household has only one option and that option suddenly disappears, that household is in serious trouble. Recognising that people pursue multiple livelihood activities is important to understanding changes in livelihoods.

3.4 Finding Indicators of Change in People's Livelihoods

A good starting point when deciding on indicators of changes in livelihoods is to consider the livelihood objectives. Essentially, a rural development project aims to increase the livelihood opportunities of the rural poor. Therefore, the following provides useful indicators of change:

- The diversity of livelihood activities being pursued by households before, during and after a project intervention;
- The skills and training provided during the project, their relevance and their use by people involved in the project;
- The monthly income of affected households before, during and after an intervention; and
- The amount that households are able to save before, during and after an intervention.

While trying to know and assess rural livelihoods you have to undertake a survey of the households in your community. The survey should start off by asking basic questions about household members, their gender, age and employment status. This is important background information that will help you understand responses to questions later on in the survey. For example, total household income will be expected to be higher if there are more family members over the age of 16 or 18 that are able to work. However, if there are 12 members in a household, then more income is required. Less income is required if a household has only two members.

After this background information has been gathered, the survey should ask about livelihood activities before, during and after the project intervention. After each of these questions, the survey should ask people to identify the most important activity, the ones which they could not survive without. This is important as it gives an indication of the reliance on the natural resource base compared to other sources of income.

The questionnaire then should go on to focus on the skills people are learning during the project. The reason for this question is that a given project aims to create more opportunities for people, and skills are an important part of creating new opportunities. For this reason, you have to ask people about their skills before you ask about expected livelihood activities after the project intervention. When people do not mention new activities related to their new skills, it is important to find out why it is like that. In many cases this might be because the skills are project specific. It is because of this kind of trend that it is important to monitor a project, so that the kinds of skills on offer can be changed to suit people's livelihood needs before the project is finished.

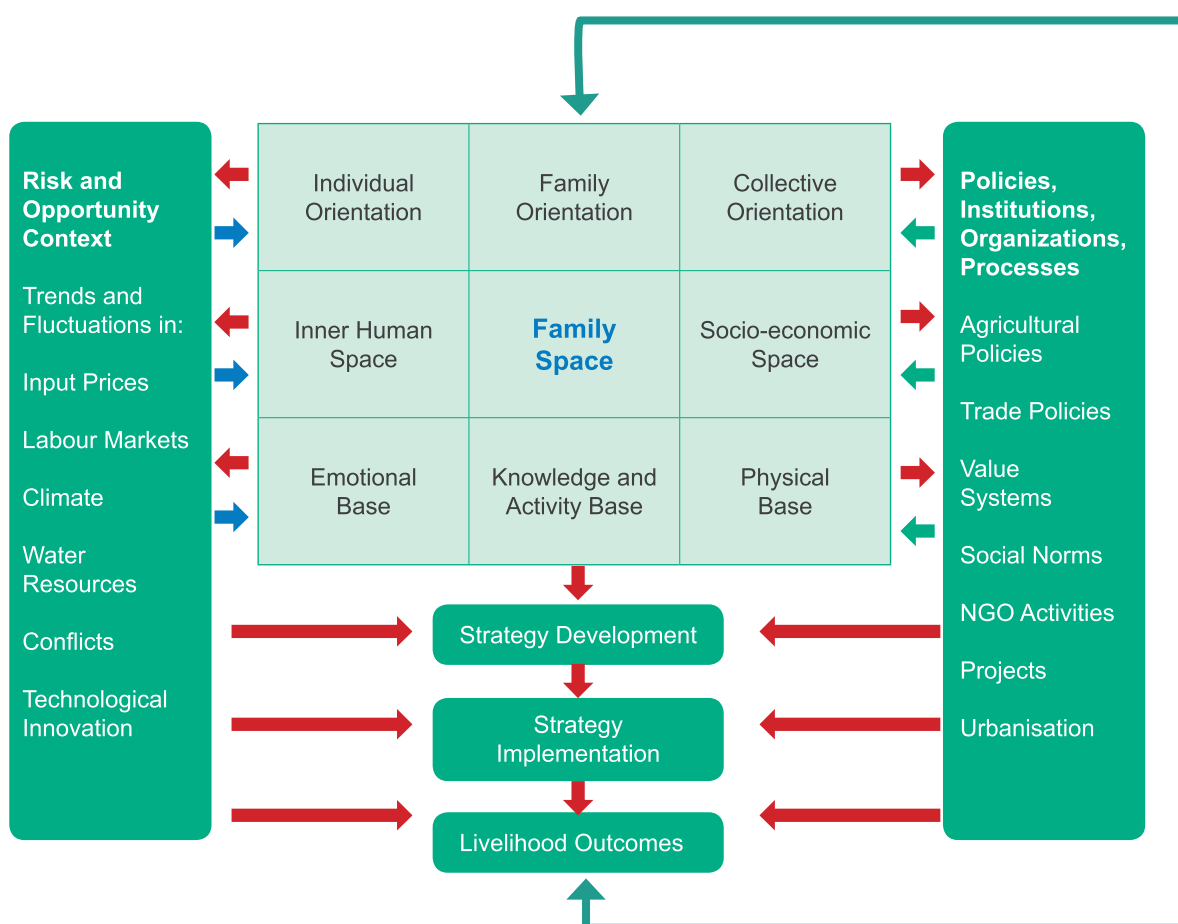
While recognising that monetary income is not the most important livelihood activity in many cases, in a country where social grants play an extremely important role in household food security, this is an important issue to consider. Therefore, the final sections of the survey should ask people about household level income before, during and after the intervention. Similar questions should be raised regarding savings.

Figure 1.6 shows the rural livelihood framework. In simple language, the framework is a way of looking at the complexity of people's livelihoods in our community. It seeks to understand the various dimensions of a person's livelihood, the strategies and objectives pursued, and associated opportunities and constraints.

Study the figure and see whether we can see possible relationships between the different variables listed in columns shown in the figure. Within this framework, some livelihood interventions have been discussed below for individuals and households of our community.



Figure 1.6: The Rural Livelihood Framework



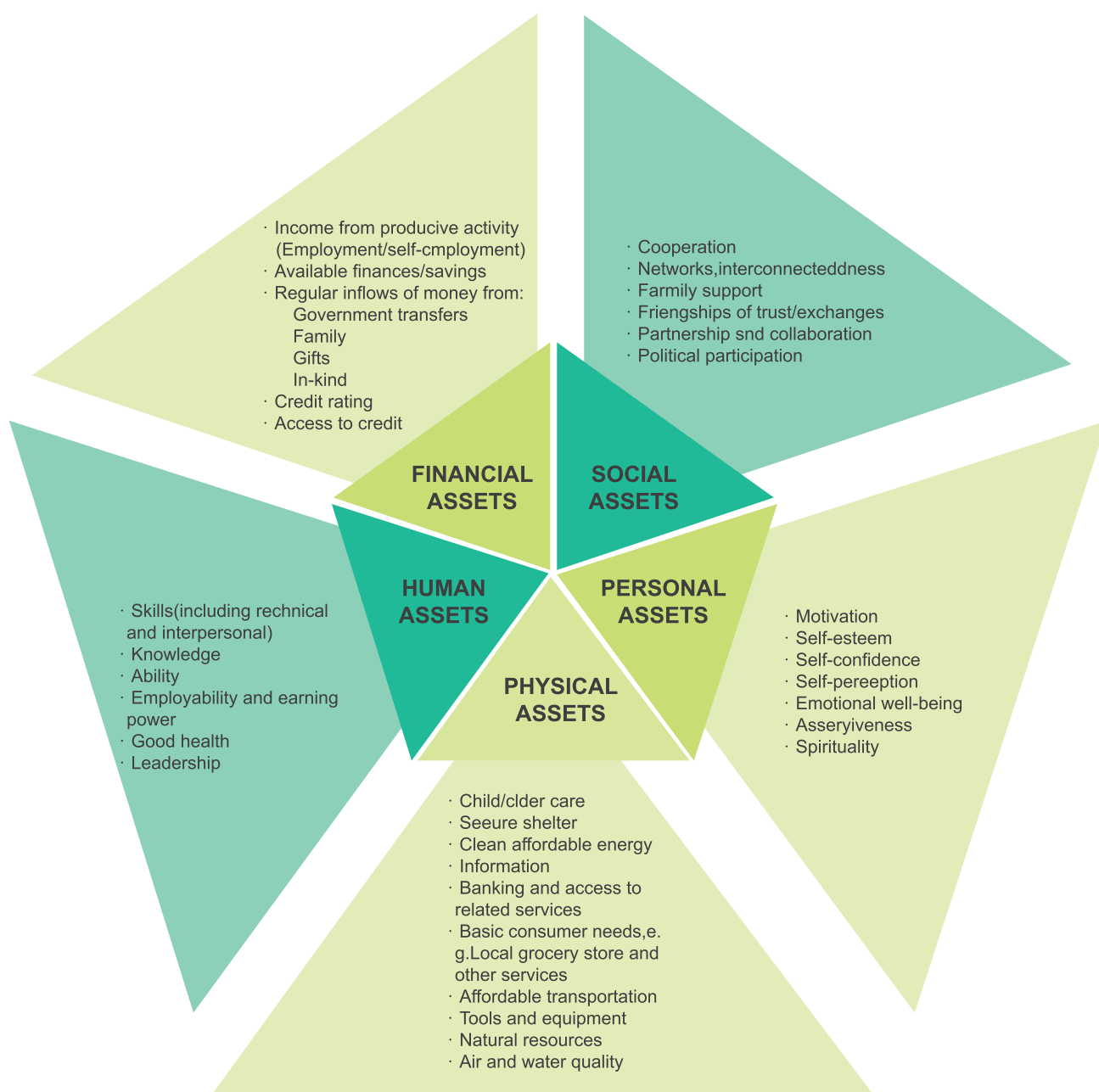
3.5 The Assets Building Blocks

Figure 1.7 shows five assets building blocks of a sustainable livelihood. Assets are the building blocks of a sustainable livelihood. By building assets, individuals and households develop their capacity to cope with challenges they encounter and to meet their needs on a sustained basis. The framework draws attention to the variety of assets that contribute to making a sustainable livelihood and to ways in which they are interdependent. Within five broad categories of assets it presents, it suggests a wide range of sub-categories.

Asset or capacity building model (Figure 1.7) focuses attention on developing the underlying resources and capacities needed to escape poverty on a sustainable basis. They depict the critical mass of assets needed to cope with stresses and shocks, and to maintain and enhance capabilities now and in the future. They recognise that everyone has assets on which to build and support individuals and families to acquire assets needed for long-term well-being. They may focus on a more limited (e.g., specifically economic) or a wider set of assets (e.g., personal, cultural, social, political).

It is a holistic asset-based framework for understanding poverty and the work of poverty reduction. It is an attractive model because it provides a simple but well-developed way of thinking about a complex issue. It is also attractive because it can be applied at various levels of detail – as a broad conceptual framework or as a practical tool for designing programmes and evaluation strategies.

Figure 1.7: The Five Asset Building Blocks



4. HOW TO IDENTIFY SUSTAINABLE LIVELIHOOD INTERVENTIONS?



You have seen above a framework for analysing livelihood choices. The rural livelihoods framework helps us analyse and systematically make choices needed for designing a livelihood intervention.

Here we will explain the process of designing a livelihood intervention and suggest some tools and techniques that you can use to design such an intervention.

Livelihood interventions are conscious efforts by an agency or an organisation to promote and support livelihood opportunities for a large number of people other than those directly or indirectly employed by them.

The basic process of designing a livelihood intervention involves:

- Stage 1: Observing and understanding the local economy;
- Stage 2: Selecting livelihood activities suitable for the poor in the area; and
- Stage 3: Deciding on intervention.

We have discussed in details the first two stages above. We will discuss the process of deciding an intervention in this section.

All livelihood opportunities of rural people are embedded in a village context. It is important for us to understand that context before we get down doing any livelihood intervention.

Before any livelihood intervention is planned it is important to know the present livelihood pattern of the people. Their culture, attitudes, skills and life-style shape the ultimate choice of livelihoods.

Figure 1.7: The Five Asset Building Blocks

From the following example you will understand why it is important to know the people.

Example: 1.1

A landless widow was delighted to receive a cow from an NGO promoting livelihoods. The NGO was pleased because milk enjoyed great local demand and the return earned from the sale of milk clearly was an addition to her income. When the NGO returned later to see how she was getting on, they were surprised to be greeted with wrath. She said, "Earlier, we moved to where the work was. Now you have tied this cow around my neck. How can I look after this wretched animal? I have to come back to feed it every day. It stops me from going out to earn my daily wage."

It is therefore very important for you to know the people of your area. You must know your target group very closely to ensure that you do not make the above mistake.

Since you are trying to promote livelihoods for poor people, it is important to understand the livelihood profile of your people well so that the proposed intervention fits into their daily and seasonal rhythm of life.

- First, identify three groups of people from within the group of people you would like to work with. These could be groups from three villages, or three communities you are working with.
- Go to these poor families and do a seasonality mapping exercise to understand their livelihood pattern throughout the year.
- Make a list of the various activities they are involved in at different points in time. Understanding the income from various sources may help us formulate the seasonality diagram. Often poor people find it difficult to assess their income. Therefore, we may try to understand their expenditure pattern to know their income pattern and draw the seasonality diagram.
- Also try to understand the major bottlenecks in each activity. Make a note of these.
- Make a note of the months in a year they are without work or migration.
- Consolidate the seasonality diagrams from different groups to develop a list of various activities people in the area are involved in, with an indication of their magnitudes.

Table 1.1: Various Information Sources for Understanding Local Economy

District Background	<ul style="list-style-type: none"> • Location • Average annual rainfall • Climate 	<ul style="list-style-type: none"> • District Economic Census • District Statistical Office • District Credit Plan • (published by the lead bank of every district)
Population	<ul style="list-style-type: none"> • Rural by sex • Urban by sex • Average annual growth rate urban – rural (%) 	<ul style="list-style-type: none"> • District Economic Census • District Statistical Office
Literacy Rate	<ul style="list-style-type: none"> • Rural by sex • Urban by sex • Adult illiterates – rural, urban; male, female 	<ul style="list-style-type: none"> • District Census Data. • District Statistical office
Participation Workers Rate	<ul style="list-style-type: none"> • Rural by sex • Urban by sex • Workers occupational classification 	<ul style="list-style-type: none"> • District Census Data. • District Statistical office

Land	<ul style="list-style-type: none"> • Land use classification • Cultivable land classification (small, marginal, medium, etc. both acre-wise and landhold-ing-wise) 	<ul style="list-style-type: none"> • Seasonal Crop Report • (District Agri. Office)
Agriculture	<ul style="list-style-type: none"> • Cultivable: net, gross and trend • Reasons for changes, if any • Major food crops: culti-vable area, productivity and trends • Major non-food crops: Cultivable area, pro-ductivity and trends • Availability of market infrastructure • Constraints in agricul-tural production and marketing 	<ul style="list-style-type: none"> • Seasonal Crop Report • Discussion with stakehold-ers
Water	<ul style="list-style-type: none"> • Irrigated land: net, gross, trend • Sources of irrigation 	<ul style="list-style-type: none"> • Seasonal Crop Report
Mining and Quarrying	<ul style="list-style-type: none"> • Major elements – mined/quarried • Production – in kind and in local currency • Employment opportuni-ties: scope 	<ul style="list-style-type: none"> • Directorate of Economic Statistics • Discussion with Stake-holders
Services	<ul style="list-style-type: none"> • Identify potential activ-ities by assessing cur-rent employment • Employment absorption capacity 	<ul style="list-style-type: none"> • Random Survey in at least five market areas.
Financial Services	<ul style="list-style-type: none"> • Scheduled Commercial Banks: loan outstand-ing sector-wise: ac-counts and amounts • Portfolio analysis 	<ul style="list-style-type: none"> • Central Bank report • Lead Bank Annual Report
Government Schemes	<ul style="list-style-type: none"> • Performance Status: various development schemes 	<ul style="list-style-type: none"> • Discussion with Govt. De-partments

The exercise above would have given you a fair sense of the livelihood portfolio of the people in your area. It may also have given you some sense of the livelihood capacities of the people in the area, and livelihood strategies used by them.

Now you will learn how to choose one-or-two activities to be taken up in your area and identify the exact intervention to be made in the selected activity.

Local people buy some of the things they need, like food grain in the local market. This is produced at home or by their neighbours. But some things are not produced locally, for example, the utensils they use. These come from outside and are sold in the local market.

The local people also sell some of the things they produce in the local market. For example, in local markets you will find people selling vegetables produced locally. Sometimes people in the area, who do not produce them buy them, sometimes traders from outside come and buy.

Therefore, you see the local economy both as a consumer (of utensils) and a producer (of vegetables). As a consumer, the economy creates opportunities (of buying utensils from outside and selling them to local people). As a producer, it generates some employment opportunities (working in the vegetable fields).

Both of these create livelihood opportunities. Therefore, one way of looking for livelihood opportunities is to start looking at the local markets and understand what opportunities it is creating. These opportunities are activities that essentially fill the gap between the producers and consumers in a local market.

While surveying the local markets, you also see the products and raw materials that are produced in plenty locally, for instance milk. A part of the milk may be consumed locally, but a large surplus may remain unconsumed. This surplus gives rise to an intervention opportunity where it can be exported out. Similarly, some other products, which are not produced locally, are imported from outside, this gap or deficit is also an opportunity that provides intervention ideas.

The best sources for this information are manufacturers, traders, warehouses, retailers, local brokers, government officials and of course the market itself.

Now your next task will be to evaluate all the data so far collected by you on demand and factor conditions and people as well as for your understanding of the internal context of the organisation for arriving at a list of an appropriate set of livelihood activities.

Here you will see how you can make this list shorter and more precise, and shortlist activities that are doable.

You will use the following Table 1.2 for this purpose.

- First, list out all possible livelihood opportunities observed by us in the Stage-I of our study in Column 1 of this table.
- Next, evaluate each livelihood activity on a scale of 1-5 (where 1 is highly unfavourable and 5 is highly favourable) on the parameters of:
 - ▶ *Its ability to generate employment in the area.*
 - ▶ *Its demand conditions: the nature of the market.*
 - ▶ *Its factor conditions: availability of resources required for its production.*
 - ▶ *Competence of the implementing agency to take up intervention in this area.*
 - ▶ *Its suitability for the poor in the area.*

Table 1.2: Overlaying Information on Suitability of Activity

	Employ- ment genera- tion ability of the activity	Suitability for the poor in the area	Favour- able demand condi- tions	Favoura- ble factor condi- tions	Compe- tence of the organi- sation	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Keeping dairy ani- mals	5	4	4	2	4	19
Vegetable vend- ing	3	4	3	1	2	13
Vegetable produc- tion	4	4				

Now you have a list of a few activities, which have favourable demand in the market. You also have the necessary resources to produce them locally, and are suitable for extent that, these activities can be managed by the implementing agency.

4.1 Getting to Know the Selected Activity: Deciding on Intervention

In Table 1.2 you short-listed a few potential livelihood activities in your area. But now the question is, can you take up all of these activities? Do you have the resources? Remember, it is better to take up one or two activities and do them well, rather than spreading your limited resources too thin by taking up too many activities.

Even within the selected activities, do you know what exactly to do? For example, if dairy looks like a potential activity in your area to be taken up, what exactly do you do in dairy? Do you work on providing veterinary services to producers? Or work on creating alternative marketing channels? Or undertake

advocacy to create an enabling policy? Which is the most crucial bottleneck? Is it pro-poor? Does it have any health or other environmental hazards?

We need to learn how to choose one-or-two activities to be taken up in any area and identify the exact intervention to be made in the selected activity. The first thing we have to do is to examine the external environment of an activity supporting livelihoods. The method is discussed in Table 1.3.

Table 1.3: Exemplar External Environment of an Activity Supporting Livelihoods

Activity/Industry	Dairy			Interviewer	
	Key Informant 1	Key Informant 2	Key Informant 3	Total	Average
1. Factor Conditions					
Availability of Raw Materials	4	5	3	12	4.00
Availability of Skilled Human Resources	3	2	3	8	2.67
Agro-climatic Suitability	3	4	3	10	3.33
Availability of Capital (credit/subsidy)	2	1	2	5	1.67
Availability of Infrastructure(power, water, roads, storage, etc.)	2	3	1	6	2.00
Sub-Total	14	15	12	41	2.73
B. Demand Conditions					
Size of Domestic/ Local Demand	3	4	3	10	3.33

Activity/Industry	Dairy			Interviewer	
	Key Informant 1	Key Informant 2	Key Informant 3	Total	Average
Number of Buyers (Large-5, Few-1)	4	4	5	13	4.33
Sophistication of Buying Process (with transparent quality/quantity measurement)	4	4	3	11	3.67
Growth of Domestic Demand (Increasing-5 or Declining-1)	2	3	2	7	2.33
Presence of External Buyers (Many-5, None-1)	2	4	2	8	2.67
C. Institutional Conditions					
Presence of efficient Promotional Agencies (Efficient-5, Inefficient/ Not Present-1)	2	2	3	7	2.33
Availability of Quality Training Institutions	4	4	3	11	3.67
Do people (can) have access to all physical/legal resources necessary for this activity?	4	5	4	13	4.33
Supporting/ Favourable Government Policies	3	3	4	10	3.33
Sub-Total	16	17	16	49	3.27
Grand Total	45	51	43	139	3.09

To find the average score you need to add up the scores given by different key informants on each element. Factors showing high scores are favourable whereas with low scores are unfavourable.

To compare the scores of different activities you need to:

- Place the scores obtained by different activities in column totals at the end of each column, and work out the averages of the score in the rows.
- Examine the column totals. Compare and see which activities have got high scores.
- The activities, which have scored high totals, are likely to have had favourable conditions for most of the elements. Poor people may find it easier to work in such a sector than the one where many conditions are unfavourable.

You can also identify bottleneck. For example the row that gets the lowest score indicates bottlenecks. Identifying the specific interventions that can help overcome a bottleneck is very important for you. For this you need to consult a variety of stakeholders, look at efforts done by other organisations. Many suggestions would have come during the interaction with the key informants. You need to consolidate these ideas.

For example, in the proposed intervention if credit is a major bottleneck identified, you could choose from the following:

- Making credit available through your organisation's micro-finance activities.
- Making credit available by collaborating with one of the micro-finance agencies working in the area.
- Making credit available by promoting a new people-owned micro-finance agency in the area.
- Making finances available by linking the producers with banks in the area.

Having generated the list of possible interventions, you need to check for yourselves, if you have the competence and the mandate to take up that intervention. You can use the following Table 1.4 to facilitate this analysis.

Table 1.4: Assess Organisation's Competence

Intervention	Human resources	Financial resources	Infrastructure	Total
1. Through our organisation's micro-finance activities.				
2. In collaborating with one of the micro-finance agencies working in the area.				
3. Promoting a new people-owned micro-finance agency in the area.				
4. Linking the producers with banks in the area.				

Let us remember that the mission of the organisation influences these choices. If the mission of the organisation is to extend “any service necessary for supporting livelihoods”, you could explore all the choices above. But if the mission is “to extend any non-financial service necessary for supporting livelihoods”, the choice will be limited to options 2 and 4 above. The Box 1.1 is an example of livelihood intervention in China.

Box 1.1**Rural Livelihood Intervention: A Case Study of China**

On March 6, 2009, over 30 villagers in Mingyue Village at Anxian of Sichuan – near the epicentre of the devastating 2008 earthquake – gathered at the village committee’s meeting room. They were coming together, almost a year after their first participatory planning workshop to discuss how to re-start productive activities in this earthquake-affected community. Representing all of the 485 households in the village, participants included village leaders, women’s organisations representatives, and ordinary villagers. Some of them just finished rebuilding their houses that had collapsed in the earthquake, while the rest were still in the process of rebuilding. However, most of them had one problem in common: rebuilding their homes was costly, most of their money, if not all, was now gone, and they were having difficulty resuming agricultural activities. They all knew it was unlikely they would get government support any time soon to assist them in rebuilding their livelihoods. Anxian was one of the 10 worst hit counties in China, according to the central government; the local government’s initial focus was on reconstructing the country’s major infrastructure facilities in the county.

A workshop was organised by the Sichuan Academy of Social Sciences (SASS) with support from The Asia Foundation through the Give2Asia China Earthquake Recovery Fund. It is a major activity under the one-year programme called Community Participation in Rural Development in Earthquake-affected Sichuan. Since December 2008, the programme has aimed to promote public participation in rural communities’ recovery decisions in Sichuan. After the needs assessment and participatory planning workshops, it provides initial funding to pilot villages to carry out the plans developed by the villagers, and encourages them to seek relief funds from other sources to complete the rest of the necessary activities identified in the workshops.

With support from SASS, villagers from Mingyue actively and openly debated for over three hours on how to best jumpstart their local economic recovery. Some thought it was important to first repair the irrigation system that was damaged in the earthquake. Others believed that they should switch to grow new varieties of oranges, because a market no longer existed for the current variety. And some shared eco-agriculture models they had seen on TV and in newspapers. Throughout the debates, many of them repeatedly emphasised that they needed quality and practical technical support on agricultural activities. Women, the majority in the village, asked for development plans tailored to their needs (most of the men have left villages in Sichuan to work in eastern and southern coastal areas of China).

The Mingyue villagers finally agreed on an eco-agriculture model: to utilise the existing orange orchards to raise a native species of chicken and promote home-stay tourism. The initial funding provided by the programme would cover fees for technical experts, expense for villagers' study tours, cost of purchasing chickens, and paying for materials such as feeds, immunisations, and pesticides for orange plants. The villagers also decided that the village women organisation should lead this effort. The Anxian local government has been behind the project in the Mingyue Village; the Agriculture Bureau and Animal Husbandry Bureau have become involved daily with the project team. While the central government has called for public participation in the reconstruction efforts, such community participation normally remains a substantial challenge. Many officials shared that they were already doing their best, but acknowledged that capacity for participatory recovery at both the local government and community levels was weak. They were enthusiastic about this project, saying customised relief efforts are essential for successful long-term rehabilitation and reconstruction.

*Source: retrieved from China: Women-led earthquake recovery,
Source: <http://asiafoundation.org/in-asia/2009/05/13/from-china-women-led-earthquake-recovery/#more-1848>.*

5. CONCLUSION

Economic development refers to development of the broad economic base as well as targeted economic opportunities for the disadvantaged people. Greater equity, in terms of the distribution of wealth and income, is an important core value to keep in mind and promote when making economic development decisions. If development is to be maintained at a healthy and sustainable level over time, a community must preserve and protect its natural resources and way of life. It means that natural resources, the resources built by people, and the culture and way of life of the community and its people be used well today and preserved for the use of future generations.

In a healthy community development context, it is the people who live, thrive and survive in the community. Community people should acknowledge the value of their resources and engage in civic dialogue to determine how and which resources should be developed or preserved.

To design appropriate livelihood interventions for the communities, it is important to analyse livelihood choices of the communities. We need to select appropriate tools and techniques to design suitable interventions. Individual skills, organisational competence, and community connections and effectiveness are important to take development decisions and actions to work together over a sustained period to shape their future.

We can only be successful in designing appropriate livelihood interventions if we understand the communities and the people we have to organise. We can only be effective if we go to the people we want to organise, learn from them, understand their conditions and work for change at a pace that they can accept.

6.

FOLLOW-UP

Please discuss your learning from reading the contents and information of this module with your colleagues and relate it to your experience. Identify activities and make a plan which you can individually or jointly implement.

7.

CONTENTS OF MODULE II

In the next module “**Poverty, Rural Hunger and Migration**” we will focus the following major topics:

- Why rural people are hungry?
- What are nutrition and healthy foods?
- Why household and community food security?
- What are the causes and consequences of food insecurity?
- What are the causes and remedies of food losses and food waste?
- How can we maintain food safety and security?
- What are the causes of migration and its impact?

