Review

Counseling for sustainable livelihoods in developing national economy

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In considering, the contribution that rural local institutions (RIS) can make to sustainable livelihoods (SLS) two important concerns are brought together that emerged among development practitioners in the 1990s-2000s. In methodological terms, the consideration is grounded in the many influences of context and also the effects of policies, laws and external interventions. Livelihoods as a central concern in development planning and evaluation have added concreteness and urgency to government, donor and non-governmental organization efforts to reduce poverty. It was transparently observable in literature review that fewer rigors in dealing with this subject than anticipated were identified. While there have been some systematic, analytical treatments sustainable livelihoods, for the most part sustainable livelihoods are referred to rather abstractly usual in the aggregate and lacking any systematic typology. An important analytical element that is missing in the very fragmented literature that the researchers have been able to review on the relationships between rural local institutions (RLIS) and sustainable livelihoods (SLS) in some specification of what are the capabilities and functions of rural local institutions (RLIS) that can be expected and enhanced to increase the number, productivity and sustainability of livelihood opportunities.

Keywords: counselling, national economy, sustainable livelihood, rural local institutions

INTRODUCTION

Nearly about 64% of the world's poor live in rural areas, though urban poverty is gradually increasing surprisingly, besides the correlation between poverty and remoteness from urban centre's is strong in most countries and it is expected to remain so until perhaps the second decade of the next century. Therefore, the international development target of halving the member of people living in extreme poverty by 2015 would be achievable if the problem of rural poverty is confronted head-on. Rural people are not only isolated from economic opportunities, they also tend to have less access to social services such as health, sanitation and education, for instance, it is openly estimated that about one and half billion rural households in developing countries lack access to safe water supplies. Besides, knowledge of rights and information about the way governments function is notably lacking in rural areas. This makes it hard for rural people to exert pressure for change in systems which have often actively discriminated against them both in the allocation of resources and in pricing policies for their produce. This does not mean that rural areas have been neglected since Federal Government of Nigeria and other Donors have poured in money, mostly in the form of support to agriculture and rural resources. Observations indicated that the tacit equation of “rural” with “agricultural” has been a defining feature of donor support.

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over the past half of a century.

The focus of donor attention fell on increasing the production of staple crops through investment in agricultural research and related technical services. This was the basis for the “Green Revolution which was highly successful although its benefits tended to be skewed towards richer farmers and more favourable environments. Most developing countries were struggling at the time to really achieve food self-sufficiency and were emphasizing important substitution. In agricultural sphere this translated into supply-driven policies and parasitical monopolies of both input supply and output marketing. Low farm gate prices for food crops and overvalued exchange rates supported urban activities at the expense of agriculture. Towards the end of 1990s when the economic conditions faced by farmers changed relatively little, donors spending patterns shifted quite considerably. This was the decade of integrated rural development (IRD) a policy response to the recognition that income generation would remain important and that increased crop yields would not alone solve rural problems. Thus for the first time the complexity of rural life was taken into account. New donor’s projects encompassed social services and infrastructure in addition to agricultural production. The economic environment for rural people remained adverse; producers commonly received less than half the world market value for their export crops. They were in theory compensated through subsidies on fertilizers and credit, the value of these was most often captured by the richer farmers as their poorer counterparts used few inputs and had less access to subsidized services.

Fears have been raised by falling aid budgets for agriculture (from a high of $12bn-16bn in the late 1980s to about $10bn in the mid-1990s (FAO, 1996), accelerating rates of resource degradation (nearly forty percent of global crop land is now classified as degraded) and a price fall for food crops in 1995. Organizations like the FAO, at its 1996 food summit, and the international food policy research institute (in its 2020 vision) have stressed the need for new investment in both the technical and the policy dimensions of agriculture in order to keep up production and extend access to food to the poorest sections of the population. While this may not yet have elicited the hope-for response, it has at least refocused attention on the problems of the rural poor. The record is therefore mixed. The proportion of rural people classified as living a in poverty decreased in 44 countries between the mid-1960s and 1988 but increased in 26. Identifiable successes such as the yield increases of the Green Revolution have been off-set by notable failures such as collapsed rural credit schemes and research and extension systems which remain dysfunctional despite enormous investment over the years. For example, a 1994 review of World Bank (1994) extension projects found that 90 percent experienced recurrent cost funding problems and 70 percent were probably not sustainable. Since the Bank committed over $1.4bn in new loans to extension during the period 1988-1993 the magnitude of this under performance problem was significant (March and Rachell, 2006).

Most worrying is the fact that many of the old problems still remain, rural people especially in Nigeria, still suffer from inadequate public services, underdeveloped markets, poor communications infrastructure and poor health and education. Civil conflict and war continue to threaten their livelihoods and the old problems are now compounded by declining rates of yield growth, increasing conflict over natural resources and accelerating resource degradation.

What is Sustainability?

Sustainability has many dimensions all of which are important to the sustainable livelihoods approach. Livelihoods are sustainable when they:

• are resistant in the face of external shocks and stresses;
• are not dependent upon external support or if they are, this support itself should be economically and institutionally sustainable;
• maintain the long-term productivity of natural resources; and
• do not undermine the livelihoods of, or compromise the livelihoods options open to others (Marsh, 2003).

Another way of conceptualizing the many dimensions of sustainability is to distinguish between environmental, economic, social and institutional aspects of sustainable systems.

• Environmental sustainability is achieved when the productivity of life-supporting natural resources is conserved or enhanced for use by future generations.
• Economic sustainability is achieved when a given level of expenditure can be maintained over time. In the context of the livelihoods of the poor, economic sustainability is achieved if a baseline level of economic welfare can be achieved and sustained. (The economic baseline is likely to be situation-specific, though it can be thought of in terms of the “dollar-a-day of the international development targets.”)
• Social sustainability is achieved when social exclusion is minimized and social equity maximized.
• Institutional sustainability is achieved when prevailing structures and processes have the capacity to continue to perform their functions over the long term. Very few livelihoods qualify as sustainable across all those dimensions. Progress towards sustainability can then be assessed, even if full sustainability is never achieve, Welland and Copestake (2000).

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Why is Sustainability important?

Sustainability is an important qualifier to DFID’s view of livelihoods because it implies that progress in poverty reduction is lasting, rather than fleeting. This does not mean that any given resource or institution must survive in exactly the same form. Rather it implies accumulation in the broad capital based that provides the basis for improved livelihoods, especially for poor people.

What is a Livelihood?

Chamber and Conway (2002) said that the word “Livelihood” can be used in many different ways. A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base (Korten, 1980).

Sustainable Livelihoods’ Objectives

The sustainable livelihoods approach is broad and encompassing, it can however be distilled to six core objectives. DFID aims to increase the sustainability of poor people’s livelihoods through promoting:

• A more supportive and cohesive social environment;
• More secure access to, and better management of natural resources;
• Better access to basic and facilitating infrastructure;
• More secure access to financial resources and
• A policy and institutional environment that supports multiple livelihood strategies and promotes equitable access to competitive markets for all.

Local and rural as intersecting domains

Local refers to a level or levels, while rural refers to a sector that has both economic and geographic frames of reference. The term local will be used to refer to three distinguishable levels of decision-making and activity – the group level, the community level and the locality level. These three levels exist and operate above the individual and household levels and below the sub-district, district, provincial, national and international group. Community and locality are all levels.

(a) Where there is or can be face-to-face interaction on an ongoing basis and thus,
(b) Where potential for collective action exists that can mobilize resources and solve problems that individuals and households by themselves are less able to deal with.

That there is more than one local level complicates issues of institutional design. However, it also creates more options and opportunities to tailor policies and investment to buttress institutional capacity at the most appropriate levels for decision-making and action rather than pursue a one-size fits-all approach. While “local” refers to one or more levels of decision-making and activity, all three levels share the basic characteristics of face-to-face relationships and potential for collective action (Kydd, 2002).

The term rural is generally defined operationally as referring to non-urban areas. The word offers mostly a geographic delineation, although it has also an economic reference since certain economic activities, mostly agricultural are associated with rural areas. These boundaries are becoming more preamble and less distinct. The increasing heterogeneity of economic activity in rural areas is one of the trends that should be understood and capitalized on for enhancing sustainable livelihoods particularly for the poor are more likely to be enhanced by diversification of economic activities beyond the agricultural sector than by intensifying agricultural production in the world today.

Sustainable Livelihoods

In reviewing the literature on sustainable livelihoods, Agbaje (2001) found that much of the thinking and writing focused on sustainable livelihood approaches and he identified three analytical elements as giving rise to livelihoods, these are:

• the capacities that people have for engaging in productive economic activity;
• the activities that produce value-added and also income or other benefits that make people’s lives more satisfactory and secure, and
• The assets that underline these activities. The later have been delineated in terms of five different and complementary kinds of capital.

Natural Capital

This constituted from soil, water, flora and fauna, minerals and other things not created by human design but rather representing a finite endowment from nature, although some may be renewable and can be nurtured or enhanced by human activity.

Human Capital

This is overlapping with the category of capacities but representing the accumulated knowledge and other personal assets that people have which will make them
more productive and thus better able to obtain gainful employment.

Financial Capital

These are reserves of money or other assets that confer purchasing power to acquire other resources for funding productive activity that can earn additional income.

Physical Capital

These are material assets that enhance productivity such as equipment, tools, transportation or communication, infrastructure, housing and other facilities; and

Social Capital

These are relationships and norms that conductive to cooperation and sharing that give persons opportunity and security for economic and other well-being (Unriskopolis and John, 2004).

Local Institutional capacities and functions for supporting sustainable livelihoods

Relationship international services and support for sustainable livelihood can be identified thus

- Direct provision
- Facilitated access
- Creating favourable environments (Carney, 2002)

Information provision is a simple, low-cost but important service needed for sustainable livelihoods, these include:

- Input availability – information on capital, skilled and or unskilled labour or raw materials.
- Alternative/appropriate technologies that could be used for more successful production
- Market opportunities – information on kinds, places and levels of demand for certain products or services
- Regulations, relevant laws and taxes governing operations, expansion and so on.

Direct provision of resources or services and/or opportunities that enable enterprises to establish and maintain income-earning activities in rural areas are through access to capital, market facilities, skilled labour, land for constructing factories or ships and so on. These include:

- Market stalls/facilities, for sale or for lease
- Land for building production or sales facilities, industrial estates.
- Public utilities that are reasonably priced and reliable; water, electricity
- Credit or loans on favourable terms, loans guarantees

- Hiring halls (or equivalent) to get-quick and reliable access to labour
- Leasing or sale of rights to natural resources, renewable or non-renewable.

Facilitated access to reasons/services and or opportunities that facilitated local enterprises to establish and maintain income-earning activities in rural areas, by training persons who can then provide more productive labour, introducing or supporting activities like tourism that bring potential customer into the state, managing and maintaining renewable resources like forests that constitute inputs for enterprise such as:

- Maintenance or improvement of good transportation and communication infrastructure.
- Banking services for money transfer, secure saving and so on which is different from access to loans.
- Training programmes that upgrade skills of local labour
- Constituency services that give advice on business operations
- Regulation or management of renewable natural resources such as forests or fisheries to ensure adequate and continued availability of raw materials.
- Advocacy with authorities on behalf of local enterprises or their sector to get favourable government action or regulations (Chambers and Cordon, 1992).

Creating favourable environments for investment and entrepreneurship can expand enterprises which establish and maintain income-earning activities in rural areas by improving safety and security; enriching the local cultural environment; increasing shopping, schooling and other services that make an area more desirable to live and invest in, enhancing the future prospects of an area as attractive and secure, these include:

- Local regulatory environment that is known, stable and favourable for enterprises.
- Maintenance of a secure environment, ensuring personal and enterprise security.
- Protection against illegal or unwanted interference or extractions, maintenance of the rule of law.
- Maintenance of an attractive ambience that is good for attracting and keeping employees, customers, managers and so on.
- Creation of an environment that offers apparent long-term stability and satisfaction such that persons are well-disposed to make investments, recreation facilities, good communication access, education and cultural facilities, skilled support services, for example, for repairs.

Challenges for Advocates of Livelihood Approaches

After advocates of limited success in eliminating rural poverty, new ideas about rural development are
emerging. A number of prominent agencies are currently revising their rural development strategies in broadly similar directions. Livelihoods approaches work with people, supporting them to build upon their own strengths and realize their potential, while at the same time acknowledging the effects of policies and institutions, external shocks and trends. The aim so to do away with preconceptions about what exactly rural people are seeking and how they are most likely to achieve their goals and to develop an accurate and dynamic picture of them in their environment. This provides the basis for identifying the constraints to livelihood development and poverty reduction. Such constraints can lie at local level or in the broader economic and policy environment. They may relate to the agricultural sector-long the focus of donor activity in rural areas or they may be more to do with social conditions, health, education or rural infrastructure in their recognition of the complexity of rural life, the new approaches open up a fresh agenda for external support. Whether or not this support can be accurately targeted to reduce poverty depends upon a number of factors, not least the flexibility of development agencies and their partners, Ellis (2000).

These organizations usually operate and allocate resources along sectoral lines; the new approaches stress the need to cross these lines and to be more flexible about the way in which money is spent. The new approaches have appeal because they build upon the lessons of past rural development efforts and the findings of various research studies. Thus they would not become compelling until they have proved their worth at a practical level. The priorities are to develop tolls for their implementation and accurate ways of measuring the contribution that they make. Food security remains a key concern. Over 900 million people in the world are undernourished. It is therefore important to ensure that the new approaches contribute to improved agricultural productivity and that they help to increase the poor people’s access to food. The new approach stretches the importance of sustainability. Sustainable rural livelihoods can only be achieved if natural resources are themselves used in sustainable ways. Maintaining objectivity in decisions about what constitutes sustainable use is likely to be an enormous challenge, particularly in areas where people are already extremely vulnerable and have few options other than increased use of resources. Livelihoods approaches have little to say about distributional issues, though there is an implicit assumption that the emphasis will be on the poorest. It will be important to ensure that this focus is maintained by the incorporating broader lessons about reaching the poor into livelihoods analysis (Eshnaran, Rattan and Reich, 2001).

Livelihoods approaches with their holistic outlook and their emphasis on both the social and the economic dimensions of rural life, endeavour to explain key causal relationships and influences but in such a way that the information remains manageable. Key strengths are the following: They project a falterer picture of rural live and rural poverty, thus making way for better-targeted poverty-reducing interventions. Recent studies have revealed that most rural households rely on multiple income sources and adopt a range of survival strategies, (including various types of migration and straddling, whereby some members stay in rural areas while others live semi-permanently in urban areas). It is hardly surprising that the focus of pervious rural development policies on natural resources and their use has failed to maximize rural opportunities. They made a serious effect to understand the national and international linkages and the effects these have on people’s livelihoods. By contrast, the new approaches emphasize the importance of macro-level policy and institutions to the livelihood options of local communities and individuals including the poorest groups. Similarly, they also stress the need for higher-level policy formulation to be based upon insights gained at the local level. Livelihoods approaches have learnt from participatory assessments that vulnerability is a core dimension of poverty (Gilling, Stephen and Alex (2001).

CONCLUSION

The actual task of strengthening relationships and the ability to promote sustainable livelihoods is becoming one of the realities of life for preparing individuals for successful performance in an evolving environment and for “navigating the rapids change”. Something the environment is not evolving but rather seriously disruptive and even dysfunctional. The perspective put forward here underscores the importance of continuous learning and innovating, all the time being attentive and responsive to constituents (members, beneficiaries, customers, voters) as well as to peer institutions within that institutions broader arena of interaction. It is noticed from the literature review that the level of sophistication that exists now among rural local institutions compared within ten and twenty years ago is becoming ever higher. With this there is an increasing professionalism of the organization and capacities of rural local institutions. The emerging reality is that to be effective under contemporary conditions expertise is more important than before with the ability to communicate and cooperate across a spectrum of rural local institutions and with external agencies. There is, of course, significant danger that professionalism and relationships will become distanced and even alienated from their membership bases. This puts a premium on mechanisms of accountability and on having well-educated and informed members. The need for more forward-looking, decisive and persistent leadership at central and local levels is certain. The existence and potentials of rural local institutions represent a key element for tacking these problems along
with the opportunities created by our improving technology and healthier, better educated human resources.

The idea that institutions are all long-lived and essentially unchanging is becoming passé in a world of accelerated change. It is known that in current economics, people’s turnover of jobs is becoming greater, with the life-long career with a single employer become more and more uncommon. It is observed that organizations which have institutional qualities seem to merge or morph with more frequency than even before. An implication of this is that institutionalization may become more a matter of function than structure, with capacities individual and collective-developed in one setting being carried over to other settings, so that competence becomes the hallmark of institutional capacities more than longevity. Experience and skills in the basis organizational capacities of decision-making, resource mobilization and management, communication and coordination, and applied in various others. Institutional development thus may become a matter more of developing “the institution” perse. In the private sector, it is well known that successful businesses and businessmen often go through a succession of enterprises, which each fail for various reasons, with learning occurring that eventually culminates in business success. Sustainability usually implies that something continues for a long time in the form that it exists. One admirable conclusion drama after some years of experience is that sustainability in many situations, if not all, is highly dependent on capacity to change. Sustainability is not a result of intrinsic characteristics – of a technology, an organization, a culture – but of the extent to which that phenomenon (technology, organization, culture and so on) is able to adapt to changing circumstances, given that such change is pervasive. It is the “fit” between a phenomenon and its environment that enables the former to persist.

REFERENCES


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