Planning for Urban Livelihoods

Considering Home-Based Economic Activities

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Introduction

This paper will be focusing on the subject of Livelihood in relation to Urban Shelter and poverty. It will argue that how the urban poor make a living is crucial when discussing and designing shelter. However, the issue of livelihood is a very complex one, constantly evolving. It has an is being been researched extensively and so this paper will review some of what has been written on the subject and try to discern possible strategies for enabling sustainable livelihoods for poor urbanites through planning and design guidelines. For the

purpose of this paper a sustainable livelihood will be defined as put by Chambers and Conway (1992):

> *"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, while not undermining the natural resource base."*

The paper is based on a comparative study of literature in the field of poverty alleviation and livelihood strategies in the so called Global South. It will be focusing on one category of livelihood, Home-based Economic Activities (HBEAs from now on) and relate that to an Asset Vulnerability Framework (as described below).

Literature Review

Introducing the Assets and Vulnerabilities Framework

In a world that is experiencing rapid urbanization, largely due to people migrating to cities in search of better opportunities to make a living, many cities face the increasing challenge of lacking housing and sustainable livelihood opportunities for their inhabitants (Jenkins et al.). In 2011 14,5% of the world's population lived below the 1.25$/day poverty line (almost the double, some 2 billion people, lived below 2$/day) (World Bank). However, when discussing livelihood, it might be appropriate to expand the concept of poverty beyond the narrow monetary definition concerned only with income and consumption. One such expansion has been refined and presented by Caroline Moser in a report for the World Bank, called the Asset Vulnerability Framework (1998). In the report a larger set of capitals or assets is looked upon when determining relative poverty (1998). Moser (1998) defines vulnerability as:

> *"...insecurity and sensitivity in the well-being of individuals, households and communities in the face of a changing environment,and implicit in this, their responsiveness and resilience to risks that they face during such negative changes."*

> and adds: *"Environmental changes that threaten welfare can be ecological, economic, social and political, and they can take the form of sudden shocks, long-term trends, or seasonal cycles. With these changes often come increasing risk and uncertainly [sic!] and declining self-respect."*

To complement the vulnerability part there is a set of assets as listed by Moser (1998):

> *"-Labor: commonly identified as the most important asset of poor people.*
> *-Human capital: health status, which determines people's capacity to work, and skills and education, which determine the return to their labor.*
> *-Productive assets: for poor urban households the most important is often housing.*
> *-Household relations: a mechanism for pooling income and sharing consumption.*
> *-Social capital: reciprocity within communities and between households based on trust deriving from social ties."*

To look at poverty through this framework is to consider the assets of for instance a household combined with it's ability to convert these assets into sustenance and necessities as well as to use them to manage it's vulnerabilities (Moser, 1998).

Home-Based Economic Activities

One common strategy in the so called Global South used to cope with the insufficiency of formal labour or income is to operate a so called Home-Based Economic Activity. Basically an enterprise or a small business run from within the home. HBEAs can be used as examples to highlight different important factors when considering planning for livelihoods in an urban context. In the case of this paper, HBEAs are considered to be carried out at least partly in the homes of it's operators. HBEAs can overlap with for instance street vending in the sense that when the operators home is used for lets say the production or storage of merchandise that is then sold on the street, it is also considered as a HBEA. Across several cities in the so called Global South studies have shown that HBEAs can be found in as many as 20-49% of poor urban households (Gough, 2010). Even though no consistent figures concerning the

prevalence of households engaged in home-based street vending where found it is included in this comparison because it enables the discussion of the public sphere in relation to livelihood issues.

Comparing to the Asset and Vulnerabilities Framework

By looking at livelihoods in the light of Moser's (1998) five types of Assets: Labor, Human capital, Productive assets, Household relations and Social capital, some observations have been made which will be presented below.

Labor and Human Capital

The first asset Labor is inherent to the practise of these types of livelihoods as they are a way of turning the asset into an income. For this reason it might well be included in the Human capital category as suggested by Rakodi (1999). Viewing Human capital as both quantitative and qualitative allows for more relevant observations since a household's ability to exercise labor then is connected to the health and education of it's members as well as to infrastructure and gender-related issues.

Several studies performed in the different regions of the so called Global South point to the fact that HBEAs are mainly run by women (Tipple, 2005; Sinai 1998; Gough et al.,2003). This is widely considered to be a result of HBEAs being perceived of as low-status work or because of socio-cultural notions preventing women from working outside of the home. It is also largely due to gender inequality preventing women from accessing employment and being inherently in charge of childcare and household chores (Kellett, Tipple, 2000; Tipple, 2006; Gough et al., 2003; Sinai 1998). Measures have been taken by women HBEA-operators to provide daycare services or drinking water for neighbors, thus enabling them to free up time for labour, and in doing so generating some income for themselves but it remains a widespread problem (Moser, 1998; Tipple, 2005).

Productive Assets

Housing is considered by many researchers to be the most important Productive Asset in the case of poor urban dwellers (Moser, 1998; Rakodi, 1999). This is closely connected to housing

as a platform for income generation (Rakodi, 1999). Kellett and Tipple (2000), elaborate on the subject presenting a range of strengths of working in the home such as flexibility between pursuing productive and reproductive work as well as the lesser need for capital when engaging in HBEAs. Through research in Chawama, in Lusaka, Zambia; Cisne Dos, in Guayaquil, Ecuador; Commonwealth, in Metro Manila, the Philippines; and Angyalföld, in Budapest, Hungary Moser (1996) derived that

> *"The success of such [home-based] enterprises, however, also depends on access to assets that complement home ownership, such as electricity, water, skills, and credit."*

In addition to being a potential space for economic activities having a formal home also firmly reduces the sense of extreme vulnerability felt by many who do not posses security of tenure or a legal title (Moser, 1998). In cases where such housing-security is achieved households are much more likely to invest both in the housing itself and in an enterprise conducted at home (Moser, 1998).

For the purpose of HBEAs basic infrastructure such as accessible roads, access to water and electricity are of great importance both for production and for maximizing labour (Rakodi, 1999; Wigle, 2008).

In rural agricultural areas the access to land is a undebated Productive Asset. In the case of urban settlements less attention has been paid to this issue but as argued by Rakodi (1999) and Moyo (2013) urban agriculture has proved to be an important way to complement sustenance and food security in times of economic recession. Furthermore studies in Armenia and Bangalore, India have concluded that not only does vegetation in slums have a positive impact on livelihoods, greening cities can also be a viable livelihood in itself (Gopal & Nagendra, 2014; Knuth, 2006).

Household relations and Social Capital

The concept of Household Relations as an asset can be summed up in the expression 'strength in numbers' meaning that the members of a household can pool their resources together or change their roles in order to tackle vulnerabilities or economic stress (Moser, 1998).

Applications of this asset might be multigenerational households or living with extended family in other configurations so as to enable additional labour by pooling together and helping with childcare or other reproductive activities (Moser, 1998). Starting a HBEA can be a way to utilize the asset of Household Relations. By shifting the responsibilities of reproductive work or using the unpaid labour of another household member additional income can be made (Gough et al., 2003). However aforementioned, several studies show that HBEAs are predominantly run by women (Tipple, 2005; Sinai 1998; Gough et al.,2003; Ghafur, 2002). Although HBEAs are considered by researchers to have a pivotal role for women's access to the job market there is also research shows that though women take on basically the same amount of productive work as men, men do not tend to adapt and take on more reproductive responsibilities, resulting in a substantial inequality of work burden between men and women (Gough et al. 2003; Tipple, 2005; Moser, 1998, Bose, 2007).

Similar to Household Relations, Social Capital is derived from the 'strength in numbers'. Being able to lend money from a neighbour in times of need or to act together with a neighbourhood organization negotiating with local government for improved infrastructure are examples of how to utilize this asset (Moser, 1998). As with Household Relations and the case of gender inequality there is a risk of conflict rendered from drawing too heavily from this asset (Moser, 1998). With the decline of Social Capital in times of economic crisis and high rates of unemployment HBEAs, as well as the communities they are situated in, risk suffering from increase in crime and violence a described by Gough et al. (2003) and Moser (1998).

Discussion

Home-based Economic Activities are a part of a global urban trend of informality stepping in where the state and the market cannot or will not adjust to the rapid urbanization. This paper will not go into depths discussing the right or wrong of informality but suffice to say that the vast spread of these enterprises across the globe, keeping people without access to the formal labour market out of absolute poverty, alone serves as basis to question whether policies on informality need to be reconsidered.

That said, in the case of my objective with this paper to result in some guidelines to use when planning and designing for sustainable livelihoods I must perhaps admit defeat. The field is huge and the situations in which such guidelines would be used each have their own intricate circumstances determining the proper approach. However I have come up with a list of important issues, not only relevant to households engaged in Home-Based Economic Activities, that need to be considered. A most important issue, I argue, is the right to security of tenure in order to address the feeling of vulnerability and lack of control, that poor people describe as a central thing of poverty[1]. As shown in the section above this can also have positive effects on peoples will to invest in their housing and in their livelihood.

Another important issue is that of gender inequality. It is arguably so that poor women pay the highest price of poverty just because they are women. I believe this is a grave injustice that will take a lot of effort and time to correct and so it should always be given high priority. Two possible measures to be taken, as described above, are to ensure a working system of daycare and to provide easy access to drinking water to reduce the workload on women. I agree with these measures but recognize the need for more and thorough work on this subject. The access to clean water is also important for hygiene and health reasons, so is proper waste management and along with electricity, good transportation they are also essential to enable livelihood opportunities as argued for by Werna (2001). Werna also suggests, and I concur, that recognizing the importance of HBEAs when planning and supplying housing for the poor by allocating proper space for them on the lot or in the housing unit itself (2001).

Based on several of the studies reviewed for this paper it is clear to see that livelihoods such as HBEAs are often very local in the sense that they rely on a customer base of trusted neighbours or a very local demand of a service for instance (Gough et al., 2003; Kigochie, 2001, Tipple, 2005). I would argue that this makes them extremely susceptible to negative effects of relocation. In an interview that we conducted, during our field trip to Metro Manila,in the Smoky Mountain housing project one resident told us that she felt very insecure and uncomfortable in the building because she did not know or trust her neighbours since they had all recently been relocated to their new homes. She even said, could she, she would move back to the danger zone from where she had been relocated.These questions of trust,

[1] as described by Moser (1998).

familiarity and locality I reason are of the essence when planning to relocate existing homes and Home-Based Enterprises. A way of addressing this might be through participatory planning allowing the affected community who know their own social assets the best to influence their coming circumstances. Another strategy that has shown good results with HBEAs is Slum Upgrading rather than relocation whenever it is possible (Kigochie, 2001).

This all touches upon the role of architects in the field of urban shelter and so I conclude that when taking on this field we are obligated as professionals to be well read and aware of the questions of the field but come with an open mind willing to learn from the experience of colleagues and clients alike. I strongly promote humility but also being an unwavering advocate for the voice of those that do not get a say in their own situation.

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