

Capitals

Natural Capital

Natural capital is all that the God has given the human kind for its survival. It includes land, water, air, trees, animals, birds, insects, and natural light. Here we attempt to look at each of these in detail so that we are conscious of the myriad ways in which the poor interact with all these elements. The environmental and ecological contextual factors, which enable or hinder the use of natural resources, are also covered. Land includes the land on which the house is constructed, the land where the shrubs that give us firewood grow, and more importantly, the land for agriculture. It would include the quality of soil, and soil depth. The small worms present in the soil are also important.

Everyone knows the role played by the slope of the land in our lives. Some places give us discontinuous structure in the land – it is rocks for 10 feet and for the next 8-10 feet and again rocks. In some other places, we see alluvial plains for miles together. These differences cause different outcomes in livelihoods of people.

Water is present in various forms like running water, ground water, rain, fog, dew, ice/snow and moisture in the air. Differences in these are starkly visible between the deserts and the coastal plains fed by rivers. But, even small differences could lead to different livelihoods outcomes.

The different characteristics of air like wind speed, direction of wind, dust present, other pollutions present, and temperature of the wind. For example, if the wind is blowing with a lot of speed, sun drying papads or spices for powders could become difficult. Similarly, if the moisture in the air is higher, then making pickles or jellies could be difficult.

The diversity of trees, their density, the age of the forest and knowledge of these to the local community could lead to different livelihoods outcomes. The trees would also include shrubs, grasses and weeds.

The help that the domestic animals render to the human beings cannot be underestimated in any manner. Even other animals also help or hinder the livelihoods of the poor. The news of the elephants coming on rampage and destroying hectares of fields are common from Orissa and Karnataka.

Farmers in several fields have to guard their fields against eating of grain by the birds. On the other hand, we also know the role played by the birds in naturally destroying the pests during land preparation stage.

Similar is the case with insects. The termite menace in some areas makes storage of agricultural produce difficult. The help that the honey bees and butterflies render in pollinating is well known. The irritation caused by flies

and mosquitoes could reduce the efficiency and quality of human work, apart from these insects spreading various diseases.

The natural sun light (and the heat that accompanies it) is a good fungicide. It also helps us dry our crops and various other products. Covered with fog, the Himalayan areas experience low sunlight even during the summers. This hinders the drying of nuts like apricot and their commercial exploitation.

Physical capital

While natural capital is every given by the God and their variations, the **physical capital** is man made.

Among the man-made items, constructions are easily seen. These include buildings such as houses & community spaces, production facilities, service centres, service delivery connections, etc.

Not only the house, but also the type of the house, influences the livelihoods options of a household. Huts generally increase vulnerability. In the absence of appropriate light and air in some huts, even such simple processing as shade drying of objects may be out of reach for some families. The use to which community buildings can be put to during social mobilization and dialogue with the community is much appreciated in the development sector.

Factories, industries, power plants, milk collection centres, bio-gas plants, vermi-compost pits lined with bricks, shelter for animals, are all examples of production facilities that support various livelihoods. Roads, kerbs and sanitation are also part of this capital. Similarly, the fences play an important part in using or not using the existing natural resources and in protecting small ruminants from wild animals.

Several service centres exist in the community; though some could be defunct at the time of investigation. These include schools, colleges, dispensaries, hospitals, veterinary dispensaries, temples, churches, post offices, police stations, other government office buildings, laundry shops, repair shops, retail shops, water tanks for water supply, etc. Several of the services that we enjoy require service delivery infrastructure. Examples include electric power, water, cooking gas, telephone, internet, radio, TV, etc.

Apart from the above, we need constructions to use or restrict the natural resources. Sea and wind breakers, dams to stop the rivers, tanks to store rain water run-off, irrigation systems and related channels, are all examples of such constructions. Others in this category are the hydro-electric plants, wind turbines, and mines. Several constructions help us to store our produce (both normal and cold storage) in which several agricultural products are stored also impact livelihoods. The household storage bins also come under this capital.

Another important category in the physical capital is the tools – those used by the artisans and self-employed repair people, as also those used in the large factories. We know that access to good tools can make a lot of difference to artisans; though of course, the skill to use the tools also plays a big role. Such simple interventions as introduction of a simple drudgery reduction tool can improve the efficiency of women and lead to gender equity. Experience indicated that mere possession of some tools by the workmen awaiting work in the labour addas increases his wage rate. Very simple interventions like the introduction of carborundum stone to regularly sharpen the carpenters' tools in the tribal area helped him service more clients, which in turn had several benefits. The vehicles we use in our daily life can also be considered as tools for productive purposes.

The household items are also man-made. The quicker these items get spoilt at a family, the better it is for the livelihood of the sales person. A household with a LPG based stove is obviously better placed than a household that needs to spend some hours every week getting the wood from the nearby shrubs. The time chart and seasonality among the women belonging to these two households would be entirely different.

The important issue related to the physical capital is its quality, in addition to ownership and availability. The aspects of quality are the quality of structures, supply adhering to certain standards, availability at the right time and season, and regularity of supply/readiness for use.

The issues related to the physical capital that complicate its analysis are the maintenance schedules and costs and the externalities involved in several of the common assets. Due to the externalities involved, the costs of maintenance are not necessarily borne by those who use the services. Hence, these externalities need to be detected, and managed towards internalizing the costs.

An important aspect of the physical capital is that it not only aids livelihoods but also leads to some obstructions – physical and attitudinal/skill-based. When a simple irrigation canal is dug, it can increase the distance between one's home and his field by over 4 km. Similarly, the adoption of motorized boats calls for an increased dependence of the fishermen on skill that is not in abundant supply in their area.

Social Capital

Social capital is the third capital in the livelihoods framework. Social capital is more like air, in the sense that it can be felt but not seen. Just as the subtle aspects of the breeze go unnoticed by many, the subtler aspects of the social capital are difficult to recognize and articulate by the community. Some dialogue, familiarity and capacity building of the community could be of help in assessing the existence and use of the social capital.

Broadly, social capital is the support that a person/family receives due to the ties that exist between the families in a community. Understanding the social capital becomes clear when the supports are visualized and classified. This is a capital as one needs to invest time and energy in forging relationships. These investments can be leveraged later to provide the necessary supports in future.

The first of such support is the result of bonding that exists between the people of a neighbourhood. The neighbourhood plays a critical role in several emergencies, small and big, and stressful situations that a family faces. On a daily basis, there are several exchanges of goods and services between the neighbours to even out some irregularities in consumption. A small glassful of sugar or milk when some guest arrive unannounced; some help in domestic work during severe illness; taking care of children when their mother goes out for errands – are all examples of such small helps without which the life would not have been easier. The role played by the community during fire accidents, death in a household or a missing child is all well known.

This bonding, exhibited strongly among neighbours, also extends to the entire village or area and benefits an individual. Interviews with several migrants revealed that they came to know of the information regarding labour opportunities in cities and sites of migration through their friends and relatives staying in the migrants village. They also stated that the success or failure after migrating depends to a large extent on the support provided by the near and dear at the site of migration towards shelter and food. This bonding creates the required networks that are the backbone of entrepreneurial success in many cases.

The extent of interdependencies forged (with a robust reciprocity), the extent of good and sad moments shared and a pride in belonging to the community determine the extent of bonding. However, many more factors like the inter-generational conflicts, leadership concentration and acceptance, the political and caste-based divisiveness also influence the bonding. Another feature influencing the bonding is the distance between the home and place of migration. For example, though coming from different states of India, the bonding between the Indian in US could be higher. In contrast, within India, the bonding may be based on a specific state or specific region in a state.

The second important aspect of the support received from the community is the voluntary advise and work. We know of several cases where a graduating student helps the other students in their 10th class for exam preparation. In the past, the experienced elderly women used to provide support during the child birth. The consultations with a range of persons before finalizing a marriage alliance is commonly seen. In several cases, people have supported the Panchayats in settling disputes and in making plans. The children of the SHG leader are seen helping the SHGs maintain their financial records. In all these cases, we see that persons with generalist or technical expertise support others voluntarily.

In many cases, the villagers decide to take turns and stand guard during rainy days to detect breaches in the tank. In another case, the managers of the road transport corporation agreed to run a bus to a remote village on an experimental basis. However, they made it clear to the group of villagers that met the manager in this connection, that if the collections remained poor for the first 10 days, then the facility would be withdrawn. The villagers recognized that this was a pump priming issue. If the bus was regular and its timings became known to the villagers en route, they would use the service. But, this propaganda would take time. Hence, the villagers decided to take turns and travel in the bus in groups of 10 people in each trip of the bus. The bus became popular in no time, and the people could stop boarding the bus only to maintain the service after the sixth day. But for such collective support to the cause, the maintenance of the facilities by some central authorities could be very different.

The quality of the advice coming forward in a community is determined by the number of persons with such skills; the level and diversity of skills; the volunteer spirit in the person proffering advice and the gracefulness with which the recipient considers the advice.

The third support by social capital is in the realms of managing the collectives and enforcing obligations. A strong society is able to make rules relating to the usage and renewal of collective properties. Such society not only settles the disputes between persons amicably, but ensures that the obligations are met. Certainties in human relations result from this support.

The political and economic institutions are also part of social capital. For example, the presence of strong institutions promoting representation (like labour unions) and collective bargaining (like labour cooperatives) can contribute a lot by providing support to their members at the time of distress. The economic institutions like land lease and its terms impact livelihoods forcefully. The role of government in maintaining law and order cannot be underestimated in the present society.

As in the case of the other capitals, the social capital can also hinder the livelihoods of the people. In one case, a household took to rearing pigs as an economic activity after making all necessary inquiries. However, the family had to sell all the pigs it bought due to ridicule by the neighbourhood. A strong social capital, based on inequitable norms, binds the persons to traditional/family based occupations and restricts movement across the economic strata. Such institutions could work to the advantage of only a few. Several cases exist where the extended families have restricted the migration to distant places in search of employment. It has also been postulated that a strong social capital discourages innovation. The presence of a strong social capital that hinders livelihoods of the marginalized could therefore require a much intense campaign and long drawn interventions, than otherwise.

Human capital

Human beings, with their skills, knowledge, abilities, attitudes and aptitudes, are instrumental in contributing to the livelihoods of the individuals and also drive the progress of countries. It is these attributes that make human beings into human capital.

The human capital is important as it converts/combines/uses all other capitals to produce livelihoods outcomes. There are several examples to illustrate this point. Farmers on the banks of the river Krishna in Raichur district of Karnataka did not know much about the potential offered by lift irrigation, before PRERANA intervened. Thus, the knowledge was crucial in using the good natural resources present in the surroundings. Similarly, while the benefits of the SRI method of cultivation of rice are known, the adoption of the practice is limited among the farmers due to scepticism. Such attitudes come in the way of using the existing resources towards better livelihood outcome. Thus, the human capital plays a pivotal role in any effort to improve the livelihoods.

The human capital existing outside the household is as important as that existing within the household. Each livelihood is dependent on a set of complementary and supplementary skills that are required to be present in the society. This understanding is important to analyse the existing livelihoods and suggest any improvements. For instance, supporting the purchase of milch animals without ensuring adequate access to veterinary health services and training to the beneficiaries to tend to the improved breeds resulted in several of the animals being sold out by the beneficiaries. Mechanization of agriculture, without any nearby service personnel, has only resulted in a limited use of the machinery supplied; thus wasting huge subsidies.

Even entrepreneurial activity suffers due to the absence of such complementary human capital in the community. An entrepreneur started a coconut fibre (coir) factory in an agriculturally rich area. There was a lot of coconut available in the area. To make profit, the factory needed to be run for at least two shifts a day. But the labour got abundant opportunities in agriculture and were not interested in the second shift. Labour would not come to work even for a small community celebration/ household function in the village. These attitudes among the work force, while were consistent with the agricultural society, were not compatible to industrialization. The factory went into losses and had to be closed. In another case, a farmer procured a diesel pump-set to use the water present at shallow levels. However, he had to call repair persons from over 80 km for every small repair. This proved costly and the machine became idle after about a year of purchase. Thus, the human capital existing in the environment outside the household also influences the livelihoods outcomes.

There are several vocational skills like those related to agriculture, artisan activities, teaching, industrial and non-industrial trades, medical and para-

medical professionals, community animation and facilitation, etc. A combination of these myriad skills make possible, and assist, the livelihoods present in the community and the progress of civilization. The soft skills of finding an acceptable solution to complex problems, setting a purpose and infusing it among others, directing others' efforts towards a goal, and holding a group together are all required for livelihoods to prosper. The communication skills of making a representation, negotiation, arguing convincingly, appraising others of the situation in the least possible time are all required in the pursuit of several livelihoods, not just a management career. The skills associated with learning also play a part in improving the livelihoods and enhancing the livelihoods options.

Another set of skills make the continued existence of human conglomeration in the present form a possibility. Examples include the skills possessed by the entertainers and people tending to religious needs. The entertainers could be of various types and hues from the street dancers to the maestros of classical music. In these cases, there is a two way relationship. The religious and entertainment needs fuel some persons livelihoods, while these livelihoods perpetuate by creating further needs for their services.

A lot of knowledge exists in the society and supports the livelihoods. This knowledge could relate directly to the skill (like the knowledge of acids for blacksmiths), or could relate to the environment in which they live (like the local medicinal herbs and traditional medical practices). This knowledge could also relate to the markets – both local and distant, and also be the basis for networking with other communities. This collective knowledge can result in a better appraisal (as compared to that of an individual) of any option before the community. The knowledge acquisition could be both direct or vicarious.

Some knowledge is passed down the generations by custom, tradition or rote memory. However, it needs to be constantly tested for application where possible and if the circumstances change. Merely sticking to such knowledge may harm the community in the long run. On the other hand, such traditional knowledge is helpful as the new generation need not invent the wheel and go all round again. A scientific temperament and spirit of enquiry, with adequate reverence for the age old tradition, need to exist for the traditional knowledge to be most useful.

The ability of the human beings to use the skills dictates the extent to which the skills actually contribute to the livelihood outcomes. Many times, it is the ability that brings out the skill possessed by a person. Even the most skilled goldsmith would not be able to turnout a good work if he cannot hold his hand steady or examine the finer aspects of a design on an ornament made by others. As a general rule, a person that lacks energy and vigour (of both the body and mind) may not be able to accomplish much.

The abilities are of various kinds and the requirements could change with the job in hand. The person who ensures quality at a tea factory may need totally

different abilities than a person who is in-charge of maintaining a warehouse. The ability to bring the mind to attention for a long time could be important not only for book keepers but also for data entry operators. Disabled are engaged in both these vocations. Therefore, we need to understand the abilities relevant for the livelihoods at hand or those inherent in the proposed livelihoods interventions and ensure the presence of the same. We should not be bogged down by healthy body alone.

A person's aptitude for or comfort with learning new concepts and application of known concepts is important as the livelihoods are changing constantly in these fast paced times. Newer methods of cultivation, newer designs in craft, newer places of sourcing, newer methods of organizing the production – all need to be learnt and learnt as quickly as possible. The more persons in the target group have these aptitudes, the easier is it for the intervenor to animate the community and facilitate interventions.

All the work these days involves team work, which involves certain way of thinking and feeling about the others. These attitudes need to be inculcated/promoted, by which the human capital can be improved. The attitudes towards newer/ industrial/ service livelihoods are important for interventions promoting rural non-farm sector. The inability of several youths to adjust to the constraints placed on them by the organizations leads to several costs, both to the individuals and the organizations. Such difficulty is more pronounced among the youth in the migrant families of urban areas and restrains several livelihoods opportunities.

Financial Capital

To live, a human being needs to consume several goods and services, which he obtains by four methods.

- He collects some of these that are dispersed in the nature and consumes them. Examples include the fruits, roots and game available in the forests and fishes available in the rivers and seas. Some rudimentary processing may be required to enable the consumption of some of these items. But, essentially these are available for free and he only needs to collect them to consume.
- To obtain a few other goods, he works on some thing, produces it and consumes it himself. Examples for this set include agriculture, backyard poultry, kitchen garden, etc. The core characteristic of this set is production for self consumption.
- He obtains yet a few more by entering into an informal give and take relationship. The relationship in this case is not a pure exchange in itself – there is no clear one to one relationship between the items exchanged. He has some excess papayas from his kitchen garden, and they are not so many that he can take the trouble of marketing them. So he gives some to his friendly neighbour, who might respond by sharing a few lemons in the future. There is no strict one to one correspondence in these exchanges.

- To get some other goods and services, he has to depend on the market. In the beginning, this dependence was by way of barter. At some later point in time, the money became the main means of exchange. In this manner, money enables the interaction of a person with the market.

Financial capital (or money and its access) can be used to influence the four arrows, via this route of enabling interaction with the market. However, in the absence of other capitals, markets themselves are underdeveloped and money alone may be able to neither sustain the livelihoods nor result in the four arrows. For example, if a billionaire were to crash land somewhere in the Sahara desert, all of the money that he is carrying cannot bring him relief from the heat of desert or quench his thirst.

Financial capital has two important characteristics: stock and flow.

Stock is the amount of financial capital one has or can access at any given point of time. This not only includes ready cash, but all the deposits that can be converted into cash. In rural areas, these also include the small ruminants like sheep and poultry that have ready market, apart from gold and other valuables that can be used as a guarantee for accessing credit. The reputation one enjoys in the credit markets, and the ease with which one can access it, are also part of the stock. The **flow** is the periodicity, regularity and predictability of the money inflow into the household. These flows could come from my doing some thing: marketing agricultural surpluses, working for others, offering services, selling and merchandising, etc. They could also come from my entitlements like pensions, interests on investments, trust disbursements, etc. The remittances of migrants received by the households are also part of the flow.

When the flow matches the requirements, the risks are lowered. One could more easily use the financial capital to access markets and using some other capitals, can achieve livelihoods outcomes. An assured flow also enables/facilitates the draws from the stock (or makes it easy to draw from the stock).

Three issues, among others, influence the ability of a household to convert the financial capital into livelihoods outcomes. They are:

1. Time of access
2. Ease of access
3. Security of stock in transit

Money is valuable only if it is available to a person at the time of need. This is clearly brought at the time of mismatch between the timing of receivables and payables. A person would need money at the time of sickness, and he can't wait till the harvest about two months down the line to go to a doctor. Unavailability of money at the time of need decreases the ability of the person to participate in the market effectively, reduces his chances of income, and increases the costs of consumption and the risks.

Money should not only be available on time, but one should find it easy to access the available money. A case in the point is the situation of woman in several households. She has to come forward and ask, which in itself could be an emotionally stressful exercise in some homes. The woman may have saved some money here and there. But, she may be hesitant to take it out before her husband or in-laws and spend it. Hence, though money is available, it may not be easily accessible to her. This hinders her ability to use the money.

Another issue that hinders the ability of a household to convert the financial capital available into the livelihoods outcomes is the security – which related to both the stock of money held and during transit. The security is at the core of several ills seen among the platform dwellers and migrant labour. As the platform dwellers cannot safely save it for a later day, they spend it in present on all vices. This increases the costs of emergency services when they require it – they have to borrow money and very high interest rates of up to 5% per day have been reported from Delhi and Ahmedabad. Similarly, the migrant labour in Hyderabad spend a lot of their money as they don't feel that the money can be securely transferred to their homes back in Orissa or Bihar.

Among the LEAP tools, social map provides us information related to the credit institutions present, the money lenders present in the village, and the general stock of sheep or backyard poultry available with them. The SHGs and other savings institutions present are also known in the social map/institutional analysis. The income and expenditure statements of individual households give us insights into the stocks and flows of financial capitals, as also the time of access. The same is also verified with the help of traded-out and traded-in. The focus group discussions and social analysis can bring out the ease of use of money and market participation.

Spiritual Capital

The focus of the development worker has always been on ensuring impact. As the partial provision of capitals and partial changes in the contexts have not resulted in the desired impact, the focus shifted on understanding all the important factors that impact development and providing/making changes in the same. Despite such analysis of the capitals into five categories and understanding the contexts (which were partially captured in the 'PIP' box in DFID's framework), ensuring impact was difficult.

A lot of cases were studied to identify the missing element in ensuring the impact. The study included households that improved and those that did not improve. Further, to get a fair picture, cases included both the households that took up an initiative on their own and those that benefited from an intervention by development organization.

The cases indicated that several elements, not specifically covered in the five capitals and the four contexts, were involved in the success. Moreover, the

absence of these aspects also explained the failure of interventions. Some of the cases are given below to highlight the elements.

Case 1: Old couple from a big village, Visakhapatnam district.

The village is situated about 9 km from National Highway. However, as it was at the bank of a river and the road ended in the village, the village did not have a good road and transportation and hence was difficult to reach even in the day time. The main crops in the village were sugar cane. A lot of labour commuted daily to the nearby market town - Anakapalle - using the railway station that was about 6 km away. Being interior, the village was slow on the development and consumption path.

An old couple, who were poor, sensed that the facilities that offered breakfast in the morning and snacks in the evening were highly inadequate, and saw a business opportunity here. As the woman was a member of the SHG, she approached the SHG for a loan of Rs.3,000 and started a canteen serving breakfast in the morning and snacks in the evening. Being old, the couple found it difficult to do all the work on their own and by the end of the first month, employed another youth to get the items from the shops and do the harder tasks. By about third month, the business picked up and the couple were making a profit of over Rs.3,000 per month. Having realized that she was making profit (which was handsome by all imaginations, when a bank employee in RRB from the village got Rs.6,000), the woman decided to serve small additions for free to her customers. In addition, she started making snacks that had a longer shelf life, particularly aimed at the school going children. Being old and unable to labour hard, she decided to spend only two mid-days for these products. The youth engaged by the couple became the sales agent and would supply the snacks to shops in the nearby vicinity. By the end of the sixth month, the profits stabilized at Rs.4,000 as she began to realise economies of scale and started enjoying free credit period of 15 days from the shop keepers in the nearby market town.

Early on, the old lady understood that the secret in the trade is to keep the facility open on all days. Further, she learnt that the business could not be left to the youth and one of the couple had to be present in the shop during business hours. She faced a lot of troubles in keeping the facility open with the business not being left to the youth. During the second month, her daughter and son-in-law visited her. The son-in-law was upset that his in-laws were not at home when he came. The upset son-in-law had to be managed. Next came a marriage (held at a distance of about 50 km) that the family had to attend. The couple started at about 10 am and were back by 3 pm, the time to start the preparations for the afternoon snacks. This resulted in the ridicule of the couple by several of their relatives. The greatest test to the lady in keeping the facility open and business running came in the fourth month when her husband fell ill and had to be hospitalized for three days. Braving all odds, the lady worked extra hours to ensure that the business was as usual without depriving her husband of the necessary nursing.

Thus, the success for the old couple came after they faced their share of hardships. The community described the reasons for success of the couple as involving (a) keeping the business running despite all problems, (b) working a little extra when needed; and (c) ignoring the rebukes of the neighbours and relatives, as they believed that they were not doing any wrong. The organizer who observed the growth in the economic status of the couple described the reasons for success as (a) knowing how & where to use the young man; (b) striving to understand the business before they entered it; (c) cultivating a relationship with the shop keeper to get the goods on credit; (d) the couple being clear as to why they wanted to do this particular business; and (e) the suggestion for activity coming from them. Reacting to the discussions in the SHG, the lady stated: "We did not think that the transformation from wage labour to being an entrepreneur was so difficult. We had to adopt to a lot of changes, which we did not anticipate at the beginning. The mutual support that I and my husband enjoyed saw us through at several times since we started the business."

Case 2: Landless labour in Anantapur

All the 65 inhabitants of a village were the landless households that worked for a big landlord, whose lands were irrigated off a huge tank that existing within the land. In a participatory analysis, these people identified dairy as a priority area for reducing their poverty and the requested the project authorities to give them some milch animals. The poverty alleviation project, which worked for their social mobilization, appraised their request. It found that most of these people herded the cattle of the landlord; there was enough fodder to sustain the animals proposed; and the milk collection van could be asked to visit the village each day. As all the prerequisites were present, the request for milch animals was approved. Each family used the money to procure the cross-bred animals of their choice.

After about three months of the purchase, the monitoring team that visited the village found that only six families still had the cow given by the project. All the others were disposed off and the money diverted by the beneficiaries towards consumption. The coordinator had a lot of difficulty in explaining their behaviour. He ensure that these people got good prices for the milk and that the milk bills were paid regularly by the dairy. The regular visits of the veterinary doctor was ensured. He, along with several other motivators from neighbouring villages, visited door to door pleading them not to sell the animals. Big posters were made to display the top 5 earners during each fortnight. Special efforts were made to retain the milk transport vehicle for a longer duration, so as to cater to the late comers.

During the community meeting held to discuss the issue, one person articulated the reason for the sale of cows thus: "What else do we do? These cows took all our free time and bound us to the house after we come back from our work. There was no way I could visit my in-laws house along with my

wife for the festival with these loitering around. I could not even go to a film show along with my wife till I could sell off the animal!" He was so displeased with the activity that he used several unparliamentary words in his discourse as to why the animals had to be sold off. During the informal interactions, several members referred to the cows as unholy animals! These cows led to several fights between the wife and the husband! Another woman stated, "Since the cow came in, my daughter-in-law has become spoilt. She has prioritized the care of the animal more than heeding to her husband's wants! What use is the cow if my son has to get a secondary treatment than the cow?"

The reactions of the community in this case were almost exactly opposite to that of those in the above case. The beneficiaries were not willing to change and sacrifice; could not withstand the adverse reactions from their relatives. Most essentially, tenacity and the will to continue with the activity in the event of adversity appeared to be absent.

Visit to this village after another six months indicated that several other efforts by the coordinator like promotion of kitchen gardening, adult education centres, skill training for grafting and nursery raising, etc., came to nought. Thus the aspects explaining the failure of one intervention had the power of explaining the failure of several other interventions as well.

Case 3: Settlement colonies in irrigated areas, Raichur and Kurnool Districts.

People sell their meagre agricultural lands in prime agricultural belts to purchase larger extent of lands in areas where canal irrigation facilities are likely to come up under some dam. People who migrated from the same locality generally stay together and establish new settlements/colonies. Visits to such areas indicated that the migrants had overall better yields compared to the local people. The migrants enjoyed a diversified livelihoods portfolio and a better labour participation ratio among women. Though not staying in the main villages, the children of these migrants were enrolled in the schools. Interviews with the teachers indicated that these children, as a whole, performed better in the schools than those of the local people.

Interactions with the community indicated that the willingness to change, which was strongly exhibited by their moving out of their original place, and staying on despite low initial yields till the lands were won over and irrigated, contributed to their success in new place. On the other hand, the locals were not willing to change the intensity of their agriculture despite their lands being irrigated. The increased availability of the fodder and market for manure were not noticed by these locals.

Thus, the will to take one's destiny into one's own hand, willingness to change and perseverance in the face of adversity seem to characterise people who have benefited either from an intervention by a project or from their own initiative. Those who lacked these, could not benefit from improvements in the other five capitals or the contexts or both.

Analysis of other published success stories and case studies also indicated the presence of these characteristics among the beneficiaries/clients. This indicated that the observations could be generalized.

As per the livelihoods framework, the impact needs to be always seen in terms of improvements in the four arrows at the household level. Hence, several case studies of successful business leaders and the literature on success were examined to see whether the above aspects were the basis for success in general. The above characteristics were worded in the different ways in the literature, some of which are given below:

- Going an extra-mile
- Tenacity
- Action oriented
- Taking the initiative
- Willingness to change
- Accepting the restrictions placed by oneself due to new situations/ livelihoods
- Taking ownership for the result
- Pro-activeness
- Focus on the 'circle of influence' and not on 'circle of concern'
- Primacy of and focus on purpose; often associated with sacrifices in personal life.
- Strong will, to oppose even the world for something that they believe in.
- Leaders always spent time in understanding the businesses they led.
- Making the most from the present resources and situation
- Building networks

The phrase 'the fire in the belly' is used in several occasions to describe some set of characteristics like these.

We, at Akshara, feel that a strong urge to survive and improve the situation in which one lives is behind all the above characteristics. The 'spirit' to persevere, fight, change and survive to improve the present situation, with a strong belief that the things could be changed for the better, is at the root of all the above described behaviours. Several examples like Braille exist where the person, in the face of adversity and when everything was lost, rebounded as a result of this 'spirit'. Hence, we name this urge to survive, persevere, fight and change as 'spiritual capital'.

To give an analogy, the 'spiritual capital' is like the driver of a bus, in which a good engine, fuel, and all that are required to drive are present. It is the driver who gives the power to the inanimate bus to move forward. Without a driver, the presence of all the other essentials will not make the bus move along the desired path. On the other hand, if a good driver is present and senses that a vehicle is required in a particular situation, he would go and get one by hook or crook. Much in a similar fashion, the presence of 'spiritual capital' enables the household to use the other capitals to improve its present situation. Where

required, a person with a strong 'spiritual capital' can improve the ownership and access to the capitals required.

And the perseverance, combined with learning and action, pays. This is the essence of 'spiritual capital', which is exhibited in several behaviours listed in the discussion above. It needs to be noted that 'spiritual capital' is in no way related to the religion.

During LEAP exercises, the presence of spiritual capital is known by mapping the resource use across time, the addition of livelihoods in recent years, the experiments conducted in the value chains, and case studies of the people who have come out of the poverty. Most best practitioners exhibit a higher spiritual capital.

Being an important capital, the livelihoods intervention needs to:

- expressly check for the presence of the spiritual capital; and
- animate the target people for improving the spiritual capital.