

## **CONTEXTUALIZING LIVELIHOOD: LIVELIHOOD OF STREET VENDORS IN THE URBAN AREAS OF KATHMANDU METROPOLITAN CITY, NEPAL**

**KRISHNA PRASAD TIMALSINA**

Managing Director, Nepal Development Consultancy

---

### **ABSTRACT**

Livelihood is contextual and varies from place to place, between communities to communities and in different social settings. This paper explores the contextual livelihood of migrant street vendors in the rural and urban settings. Street vendors and their vending activities in Kathmandu Metropolitan City has been taken as an issue to look at how and in what ways access to capital assets into the livelihood framework differ in two different contexts. While doing so, livelihood of the migrant street vendors is analyzed comparing their access to assets in the origin and destination. As compared to agricultural work in the origin, street vendors have increased financial and human capital assets getting better access to physical and political capital assets than before. However, natural and social capitals, which used to be strong assets for creating livelihoods in the rural areas, are lacking in the urban context. In rural areas, because of lack of physical and political capitals, people have not been able to achieve financial and human capitals as compared to urban context.

### **INTRODUCTION**

Lack of gainful employment coupled with poverty in rural areas has pushed people out of their villages in search of a better existence in the cities of developing countries. These migrants do not possess the skills or the education to enable them to find good paid, secure employment in the formal sector, and they have to settle for work in the informal sector. In Nepal, there is another section of the population too, which is compelled to join the informal sector (Timalsina, 2007 and 2010 a: 75). They are conflict affected people, who have migrated to urban centres for safe living and secure subsistence livelihoods. At present these types of migrants are decreasing

but have not stopped yet. Literature explores that low skilled rural migrants live in all countries of Asia, but they are more prevalent in the poorer countries (Bhowmik, 2005:2256 and Timalisina, 2010 a: 78 ) such as Nepal, India, Bangladesh, Cambodia, Vietnam and others.

Due to the violence and conflict as well as hard working life in rural Nepal, working people have been displaced from rural areas. Peasant and conflict affected families seeking work as well as safe place to live, have moved to urban areas where employment opportunities in the formal sector are very limited (ILO, 2004:2-3). In addition to this, poverty and lack of gainful employment in the rural areas drive large numbers of people to the cities for livelihoods. These people generally possess low level of education and skills for the better paid jobs in the formal sector. Besides, permanent jobs in the organized sector are shrinking. In the absence of jobs in the public and private sectors, they have no option where to go but put up their own business to earn their livelihoods. This has led to a rapid growth of the informal sector in most of the cities of developing countries in general, and Kathmandu in particular.

Characterized by a large number of small-scale production and service activities that are individually or family owned and labour-intensive, the informal sector does not fall under the purview of organized economic activities. Most workers entering this sector are recent migrants unable to find employment in the formal sector and their motivation is usually to obtain sufficient income to survive, relying on their own indigenous resources to create work (Singh, 2000). As many members of the household as possible, including women and children, are involved in income generating activities, and they often work for very long hours. It is difficult to estimate the exact magnitude of the informal sector but there is general agreement that the informal sector comprises a growing proposition of economic activity. Particularly in less developed countries 50 per cent of the labour force is engaged in the informal economy (Gottdiener and Budd, 2005:77). Thus, informal sector i.e. street vending has become an opportunity to make a living in the urban areas of Nepal.

A successful sustainable rural livelihood strategy combines migration with subsistence production at home and continued control over land revolves around having the skills to enter

higher paid labor markets in the urban areas and having the networks to gain access to work opportunities (Ellis, 2003:7-8). Migration is seen to contribute positively to the achievement of secure livelihoods, and to the expansion of the scope for poor people to construct their own pathways out of poverty (Ellis, 2003:9). In Nepal, migration has long been an important livelihood strategy for the rural people. On the one hand, the rural population has increased to such an extent that people no longer could secure a livelihood in a limited land capital, whereas on the other hand; some better-off people dreamed to live and earn more wealth in the urban jobs. Therefore, both poor and better-off people pursue migration as a livelihood strategy. Very poor people migrate to the cities to earn basic livelihoods. Higher and middle class people migrate to the cities for two main reasons - first, they want to earn more wealth, and second, they want to enjoy and live in the urban environment.

This article explores livelihood practice in different contexts. Migrant street vendors have been considered to be researched to contextualize rural and urban settings i.e. before and after migration. This article is organized in six sections. The first section deals with general introduction of rural-urban migration and street vending. The second section deals with the methods, materials and concept applied for analysis to the findings. Third section is used to look at rural livelihoods before migration. Nepalese living in rural Nepal depend on agricultural works, both farming and livestock rearing for their livelihoods. The fourth section of this article deals with changes on assets status before and after migration and the changes seen in access to assets has been plotted qualitatively on an asset pentagon to show people's access to assets in different contexts.

## **METHODS AND MATERIALS**

This article is based on both primary and secondary data which was collected in 2007 during the process of writing MPhil thesis in Development Studies. In social science research, field work is the central and important method for collecting the primary information. Standardized open-ended interview, key informants interview, informal conversational interview, observation (participatory and non-participatory) methods were used to collect primary information whereas secondary informations were collected from published and unpublished literature. Four highly concentrated locations of street vending activities namely *Asann-Bhotahity*, *Sundhara-*

*Khichapokhari, Indrachowk and Ratnapark* from core city of Kathmandu were purposively selected to include most of the types of street vending. Thirty street vendors from the three locations were selected through snowball sampling for open-ended interview. Similarly, key informants including representative Authorities of Kathmandu Metropolitan City, representative of Nepal Street Vendors Union, local residents were selected for key informants' interview. Besides, observational information were also used to come up with the findings about the nature of street vending, vendors' response to authorities, authorities' response to vendors and so on. Qualitative textual explanation method is used to analyze to see the findings on changes of livelihood of migrants' street vendors in Kathmandu.

### **CONCEPT OF LIVELIHOOD APPROACH AND LIVELIHOOD FRAMEWORK**

Livelihoods approach views the world from the point of view of the individuals, households and social groups who are trying to make a living in volatile conditions and with limited assets. It provides a framework for understanding the opportunities and assets available to poor people and the sources of their vulnerability, as well as the impact upon them of external organizations, processes and policies. The concept of livelihoods became prominent in the middle of the 1980s with work done by Robert Chambers and the Institute of Development Studies at the University of Sussex (Schafer, 2002:22-23). Schafer states that the livelihoods approach and increased participation of the poor were means of correcting the inevitable biases introduced by outsiders deciding what was best for the poor people (Ibid).

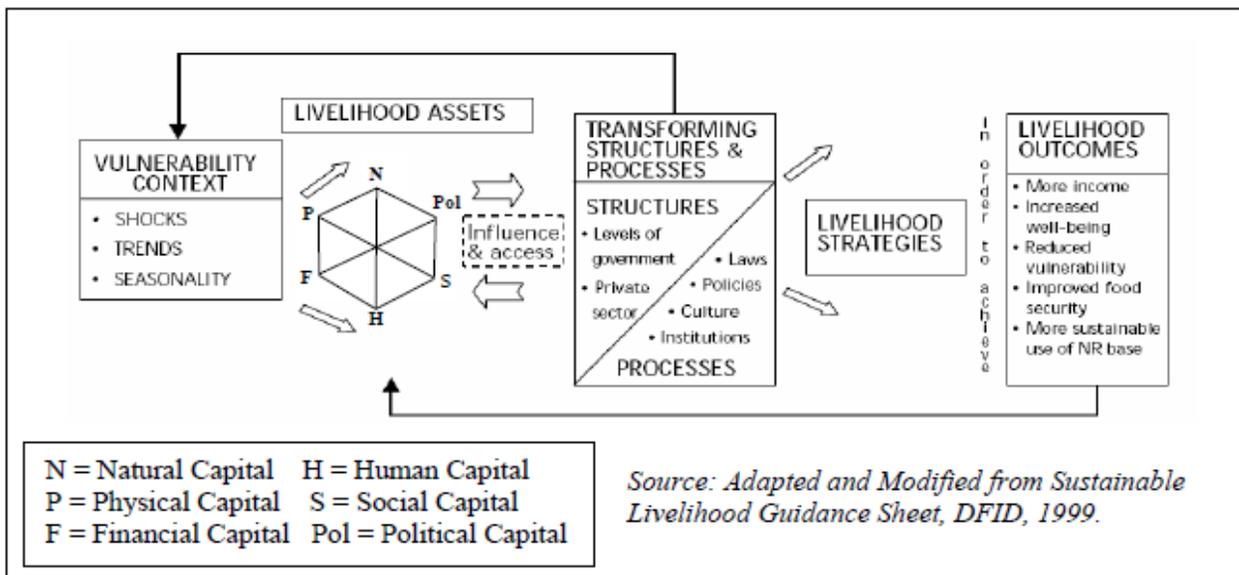
In recent years, multilateral and bilateral agencies have put reduction, elimination or eradication of poverty as the prime focus of their programmes (Cahn, 2002). It was realised that a new way of thinking about poverty reduction is needed. The basis of a life free from poverty is access and entitlement to a range of assets and livelihood strategies that can sustain households and individuals through the stresses and shocks of life (Ibid). During the 1990s a new approach to poverty reduction, the sustainable livelihood approach emerged. The sustainable livelihood approach is promoted by multilateral and bilateral organizations such as United Nations Development Programme (UNDP) and Department for International Development (DFID). Furthermore, Ellis has emphasized more on the access to assets and activities in dealing with

livelihood which is influenced by social relations and institutions (Ellis, 2000:37). The livelihoods framework is a tool to understanding of livelihoods, particularly the livelihoods of the poor. Therefore, concept of livelihood framework (fig.1) will be useful in dealing with changes to livelihood of migrant street vendors in Kathmandu.

### Livelihood Assets on Asset Pentagon

Livelihood assets are the basic building blocks upon which households are able to undertake production, engage in labour markets, and participate in reciprocal exchange with other households (Ellis, 2000:31). In other words it can be described as stocks of capital that can be utilized directly, or indirectly, to generate the means of survival of the household or to sustain its material well-being at different levels above survival. It will be useful to look at livelihood changes of vendors in Kathmandu before and after migration.

Figure: 1 Livelihood Framework



The asset pentagon lies at the core of the livelihoods framework, within the vulnerability context. The pentagon was developed to enable information about people’s assets to be presented visually, thereby bringing to life important inter-relationships between the various assets (DFID, 1999). The shape of the pentagon can be used to show schematically the variation in people’s access to assets. The idea is that the centre point of the pentagon, where the lines meet, represents zero access to assets while the outer perimeter represents maximum access to assets.

On this basis different shaped pentagons can be drawn for different communities or social groups within communities in different contexts.

### *Natural Capital*

Natural capital comprises the land, water and biological resources that are utilized by people to generate means of survival. Sometimes these are referred to as environmental resources, and are thought of jointly as comprising the environment (Elli, 2000:32). Natural capital are not static and nor is its utilization for survival purposes confined to gathering activities. Natural capital is more prevalent in rural areas in Nepal rather than urban areas. Land, forest, grassland etc. are the examples of natural capital.

### *Physical Capitals*

Physical assets comprise capitals that are created by economic production processes. Buildings, irrigation canals, roads, tools, machines, communications, and so on are physical assets. In economic terms, physical capital is defined as a producer good as contrasted to a consumer good. For example, roads have multiple effects in reducing the spatial costs of transactions in resources and outputs. They also facilitate movement of people between places offering different income earning opportunities (Ellis, 2000:33).

### *Human Capitals*

It is often said that the chief asset possessed by the poor is their own labour. Human capital refers to the labour available to the household: its education, skills, and health (Carney, 1998 cited in Ellis, 2000:33-34). Human capital is increased by investment in education and training, as well as by the skills acquired through pursuing one or more occupations (Ellis, 2000:33). It enables individuals to work or pursue some source of livelihoods.

### *Financial Capitals*

Financial capital refers to the stocks of money to which the household has access to. This is chiefly likely to be savings, and access to credit in the form of loans. Neither money savings nor loans are directly productive forms of capital, they owe their role in the asset portfolio of

households to their convertibility into other form of capital, or, indeed, directly into consumption (Ellis, 2000:34). These are available to people in the forms of savings, supplies of credit or regular remittances or pensions which enables people to pursue their livelihoods.

### *Social Capitals*

Moser (1998, cited in Ellis, 2000:36), defines social capital as reciprocity within communities and between households based on trust deriving from social ties. It attempts to capture community and wider social claims on which individuals and households can draw by virtue of their belonging to social groups of varying degree of inclusiveness in society at large (Ellis, 2000:36). It is social networks system such as social organization, networks, norms, and trust where the individuals and households can produce livelihoods through the relations e.g. community, family etc.

### *Political Capital*

The livelihood framework proposed by DFID does not explain or address power and politics. But it is important to include political capital as it analyzes policies, institutions and processes, which influence the choices that people are able to make with their capital assets. Politics is recognized as ‘playing a fundamental role’ in causing poverty, and it cannot be left out of a framework that has as its objective an understanding of poverty (Peri, 2000:20). Besides, the context and issues considered in this article are quite relevant in dealing with existing political situation of Nepal.

### **Transforming Structures and Processes**

It is important to understand the structures or organizations, and the processes such as laws, policies, societal norms, and incentives while dealing with livelihood issues. Access, control and use of assets are influenced by the institutional structures and processes (Scoones, 1998, Carney, 1998, Ellis, 2000). Street vending in Kathmandu also depends on the policy formulation of Kathmandu Metropolitan City.

### **Livelihood Outcomes**

The reason that the word ‘outcomes’ is used rather than ‘objective’ in the DFID framework is that ‘outcomes’ is considered a neutral term that reflects the aims of both DFID and its clients, whereas the term ‘objectives’ could imply top down objectives (Carney, 1998, cited in Chan, 2002). A focus on outcomes leads to a focus on achievements, indicators and progress. An understanding of livelihood outcomes is intended to provide, through a participatory enquiry, a range of outcomes that will improve well-being and reduce poverty in its broadest sense (DFID, 1999, Ibid). Livelihood outcome has been looked at plotting access to assets of migrant vendors on asset pentagon of livelihood framework.

### **Livelihood Strategies**

Livelihood strategies are the way in which people adopt different activities for survival in different socio-economic and environmental settings. Livelihood strategies are composed of activities that generate the means of household survival. Scoones (1998:9) identifies three types of rural livelihood strategies: agricultural intensification or extensification, livelihood diversification including, both paid employment and rural enterprises, and migration (including income generation and remittances). Carney (1998) list these categories of livelihood strategies as natural resource based, non-natural resource based including, migration and remittances and other transfers. Here in this article agricultural works before migration and vending activities after migration has been considered.

### **Vulnerability Context**

The vulnerability context is especially about how people adapt to and cope with stresses and shocks. People’s livelihoods and their access and control of resources can be affected by events largely beyond their control. The vulnerability context firstly frames the external environment in which people exist (DFID, 1999). For example: trends in population growth, national and international economics, natural resources, politics, and technology; sudden shocks or events such as health problems, earthquakes, floods, droughts, conflict, agricultural problems such as pests and disease, economic shocks; and seasonal vulnerability of prices, production, employment opportunities or health can impact on livelihoods (Chambers & Conway, 1991:11). Culture (including gender) and household dynamics can also cause risk and vulnerability (Cahn,

2002). Hardship of working life in rural areas, conflict and lack of gainful employment in rural areas have made livelihood vulnerable in the rural areas and vending itself to some of the migrants it has become vulnerability context in Kathmandu.

### **AGRICULTURE AS RURAL LIVELIHOOD BEFORE MIGRATION**

The majority of the world's extremely poor people live in rural areas. They are bound closely to smallholder agriculture as farmers, labourers, transporters, marketers and processors of produce and as suppliers of non-agricultural services to households whose income is principally agriculture-derived (Siddiqui, 2003:3). Based on agricultural economy, Nepal is one of the poorest countries in the world and agriculture is undoubtedly the major sector of the Nepalese economy in terms of GDP, employment, trade etc. In Nepal, agriculture is generally defined in a broad sense to include agriculture proper (crops and livestock), fishery and forestry. As 85 per cent people still live in rural areas of Nepal, agriculture is thus a main source of income and it is way of rural life.

As major source of agriculture is from the land, land capital is thus a principal source of income and employment for majority of households in rural Nepal. Having unequal distribution of land among the rural people, landless and very small land holding people are often engaged in informal credit relationship and have to work in rented land for their survival. Land determines both the social status and political participation, for example, *Jamindar* (big landholders) are the key political and economic actors in rural Nepal. Farmers have adopted intensification and diversification of agriculture on their limited land to survive, and this is one of the key livelihoods practiced in rural Nepal (Timalsina, 2002:75-76). Rural agriculture is based on crop, livestock, fishery and forestry; rural people generally adopt both crop farming and livestock rearing simultaneously for livelihoods. For the rural poor, livestock provides agricultural manure input for their farm land, which enhances agricultural productivity. Likewise, people who are living in the highland and mountain areas fully depend on the livestock rearing for their livelihoods. Because of difficult land terrain, low agricultural productivity, and unfavorable climatic condition, people cannot produce crops in highland mountains. In addition to livestock

rearing, people in the mountain areas adopt wildlife hunting, collection of herbs etc. for their livelihoods.

### **CHANGES IN LIVELIHOOD ASSESTS: BEFORE AND AFTER MIGRATION**

Livelihood is the combination and access to various assets available in a particular community and household. The livelihoods approach is based on the premise that the asset status of the poor is fundamental to understanding the options open to them, the strategies they adopt to attain livelihoods, the outcomes they aspire to and the vulnerability context under which they operate Ellis (2000:48-50). The status of the household and the society can be determined by analyzing the asset status and their functions in that society. An analysis of assets is a review of what people have and recognition of what people do not have rather than an analysis of need (Helmore, 1998 cited in Cahn, 2002). The asset analysis also considers how access to assets has changed over time, what changes are predicted, what the causes of changes are and how access and control of assets differs between different social groups and circumstances (Carney, 1998).

#### **Natural Capital**

Natural capital is important to those who derive all or part of their livelihoods from natural resource-based activities (farming, fishing, gathering in forests, mineral extraction, etc.). Natural capital is the primary source to create livelihoods in the rural society. Level and availability of access to adequate natural capital - land, water and common property resources determine rural livelihoods (Ellis, 2005). As land is the major source or asset to create livelihoods, rural people who have enough land fully depend on agriculture, and they can sustain their livelihoods. Some of them who have a small parcel of land have intensified and diversified the agriculture on their available land, and sometimes engaged partially on agriculture wage labour for subsistence livelihoods. Others who have no land or very small parcel of land and can \not survive on their own land have rented land from the big landholders for their meager survival (Timalsina, 2002:75).

Respondents' views reveal that natural capital was very strong in the rural areas but it is weak in the urban areas. It is because land capital is declining in Kathmandu, farmland in the city has

been fully occupied for housing purposes and there is no more farmland remaining for agriculture production. Before adopting vending activities, the majority of the respondents' livelihood was depended on land capital by agricultural work, either in their own land or in rented land. One respondent in this regard spoke out:

*I had not enough land to work all the year-round. Since, it was difficult to sustain for my family, we rented land from local Jamindar (Big landholders). Our whole family was fully devoted on that land to sustain a livelihood. Still, it was difficult because fertilizer price was going higher and higher each year, productivity was decreasing and our family members were increasing. Therefore, I decided to migrate to support my family financially by working on the street in Kathmandu.*

Another respondent emphasizing importance of natural capital (land) further expressed:

*For poor people like me, land would be very indispensable capital to work and create livelihoods. God has given me strong muscles to work, but problem was that I did not have enough land to work for my family. Working on the rented land would be an alternative way of creating livelihoods, but I did not feel comfortable with this because half of the produced crops had to be given to the Jamindar (landowners).*

Another respondent indicated the importance of land capital in the rural areas and giving stress on its lack in the urban areas, spoke out:

*At my home in the village, I could work and produce vegetable for my family in the Karesabari (small land surrounding to the house in the village). But here, vegetables are very expensive in which I have to expend almost half of my income. That is what I have experienced as differences between city and the village.*

In addition, natural capital also plays an important role to create livelihoods, for example, collection of forest products (timber collections and collection of herbs), fishing, and nomadic herding in mountain areas. People fully depend on the nomadic herding in the mountain, which is purely natural based. The people in hilly areas also depend on cattle to manure fertilizer for their farmland, which are also indirectly natural based livelihoods. In the urban areas, however, natural capital is lacking because access to land is declining and other natural capitals are not available. Hence, it can be concluded that natural capital is significant to create people's livelihoods in rural Nepal, whereas it is lacking in the urban area, especially in Kathmandu.

### **Physical Capital**

Goods, roads, and pipe lines are the most important physical capitals. Among physical assets, roads, electricity, and water supply are the most important (Ellis, 2000:32-33). Roads shorten

distances and enable market access to poor households. Electricity also plays an important role in rural areas, for its presence determines locations of manufacturing industries that may provide labor and income to the poor (Boli, 2005:10-11). Roads are important both in rural and urban areas for creating and enhancing people's livelihoods. It is because the opportunity costs associated with poor infrastructure can prevent education, access to health services and income generation. For example, without transport infrastructure, essential fertilizer cannot be distributed effectively, agricultural yields remain low and it is then difficult and expensive to transport limited produce to the market.

For the rural poor, road and electricity provide major forms to create means of production. One study highlighting the importance of road access (physical assets) to rural areas has found that people can create livelihoods on small land parcels if they have good access to it. The study was conducted in 2002, comparing livelihoods before and after the road was connected to the urban area. Income of the rural people was significantly increased (five times than before), and livelihood of the people was improved positively having cash income by adopting vegetable farming (Timalsina, 2002:88). The people who had very small parcel of land could also earn cash income from vegetable farming. They could also adopt multiple farming, for example, vegetable (tomato, cucumber, beans) farming in the *Makaibari* (land having maize farm) on their land. For the urban poor, road plays an important role in improving livelihoods by providing access to other assets. Sometimes road can enable to access to financial assets. One respondent in this regard said:

*One rainy day I was waiting for customers and I saw one foreigner was coming to me. The tourist then asked me about an umbrella that I was selling on the street. He told me that he had needed many pieces. Since, I had only four of his choice. Immediately, I rushed to the dealers on a bicycle. I brought 25 pieces of umbrellas and could earn 75 Rs. (approx. \$ 1) profits on each. This is how road can enable access to other assets to enhance livelihoods.*

Another respondent emphasizing the physical assets to both urban and rural poor spoke out:

*I have been selling vegetables at this site for 10 years. When I started vegetable selling, I used to collect vegetables from local wholesalers at Kalimati. At present, I collect vegetables from peri-urban areas such as Dhading, Bhaktapur, Kavre, Nuwakot etc. Because of road access to those districts, I can go in the early morning and can collect vegetables from the farmland, which saves the farmers' working hours (bringing time their products to the city). It also provides me with extra income because I can get vegetables cheaper at the farmland than from the local dealers.*

Hence, road can enhance people's livelihoods both in the urban and rural areas. But to achieve advantages from the road, people should have access to it. In the case of Nepal, many rural areas are not connected by the roads. Some whole districts are still out of road connection. People have to walk sometimes two/three days or even a week to meet motorable road. It also prohibits people from access to health. It is true that healthy muscles definitely work much more than unhealthy muscles. Furthermore, if people have good access to different assets, they will psychologically be strong and will be ready to work. Therefore, physical assets such as road, electricity, and other infrastructure play important role to enhance people's livelihoods.

### **Financial Capital**

Financial capital denotes the financial resources that people use to achieve their livelihoods objectives. In a simple way, financial capital refers to bundles of money and financial assets such as loan, deposits, shares etc., and household possessions, which can be converted into other assets (Ellis, 2000:34). The financial asset is not useful for the households unless it has been converted into other assets or into consumption. However, the saving of this asset depends on the existing financial market, for instance, in rural areas; the keeping of livestock often plays a critical role as store of wealth and buffer against bad time (Ellis, 2000:34). In rural Nepal, many households prefer to keep cattle and goats as personal belongings, then later converting them into cash and depositing to rural financial institutions to save them for time of crisis. In the case of highland Nepal, the livestock are also accounted as means of transportation, which assist to enable people's livelihoods.

Financial capital in terms of earning cash income in most of the areas of rural Nepal is much more limited than in the urban areas. In rural areas of Nepal, people need to sell their agricultural products e.g. crop, livestock, and natural resources such as land, forest products to have cash in hand. Many people are landless or small land holders cannot produce sufficient crop even for their own requirements. In addition to this, working people have been increasingly migrating, productivity is decreasing and that ultimately prohibits people in cash income earning. Therefore, there is limited chance of cash income earning opportunities in rural areas. In the urban areas,

however, people can have cash income in their hand even if working in the informal sector. Thus, in terms of financial capital, urban informal sector (street vending) is better than rural agricultural work to the poor people.

Comparing to his previous and present occupation, another respondent explained:

*I started vegetables selling at this site 5 years ago. In the beginning, our family had 4 Ropani (land unit) of land, which was not sufficient to sustain my family. Working all the year round as wage labour was the survival strategy to all my family members. It was very difficult to have money in the hand. Now, at least I can play with money and use them as per my need. Financially, this street business is far better than working in the agricultural work.*

Another young respondent who had been vending on the street and studying at college in the evening spoke out:

*I left my home dreaming about higher education. In my village, there was no college for higher education. I am now working on the street and earning for my school as well as for my family. I am sending some money to my family and helping my younger brothers who are studying in primary school.*

There is, of course, not equal financial access and status of all the vendors. But they mentioned that in terms of financial situation vending on the street seems better than working in the farm land. Another respondent in this regard said:

*I came to Kathmandu 10 years ago to find a government job. I tried many times, but did not find any job. I was tired looking for the job and could no more be waiting to find jobs without doing anything. Finally, I decided to work on the street and started vending at this site. Now I am earning to fulfill my family requirements, and I think, this business is far better than that of working in agriculture in my village.*

Financial capital has thus been found increasing positively among most of the vendors as compared to their previous occupation. Some of them have increased financial capital substantially and have invested in other sectors i.e. establishing permanent shops. Others have built their own house and many of them have invested in education for their children. However, as mentioned earlier, it varies according to the location where vendors have put up their stalls and how much they can invest on it. But as a whole, access to financial capital of the vendors has improved as compared to their previous occupation. The following table below (table 1) clearly reveals the improved financial asset status after involving in street vending in Kathmandu.

Table 1: changes in financial capital assets

Income After Involvement on the Street		Income in Save (Per month in Rs.)	Respondents
Situation	Respondents	No	6
Improved	21	less Than 1000	8
Not Changed	6	1000-2000	11
Decreased	3	2000 and Above	5

Source: Field Survey, 2006.

## Human Capital

Human capital highlights the importance of labour, health, education, and skills as assets to achieving livelihoods (Carney, 1998, cited in Ellis, 2000:33). In rural areas, labour is a vital asset for households, but labour alone cannot sustain livelihoods. When enhanced through education, training, and other skills, it becomes an effective tool for poor households to gain livelihoods (Boli, 2005:10). Furthermore, education and health service are means through which labour can be maximized for the benefit of the households. But the problem in rural areas of Nepal is that most areas are having lack of health facilities. People from some parts have to walk sometimes more than a week to get medical services. Those people have to depend on traditional home based treatment for their health care. Thus, there is poor access to human capital in the rural areas of Nepal.

If we look it at the urban areas, some vendors have developed human capital significantly. As human capital is created by investing in education, health and human flourishing activities, urban areas are the favorable platform for this. Most of the respondents have invested in their children's education and some of them are investing in themselves, especially the youths in higher education, trainings and skills. For example, they are getting computer training, using media (papers), which broadens the horizon of knowledge. Thus, there are significant differences in terms of accessing human asset between rural and urban areas in Nepal that is clearly evident from the following interviewee responses. One respondent quoting this expressed:

*My children are now studying in a Boarding School (English medium school). They have learned English and computer as well. Since, I am uneducated and if I were in the village, I could never provide them such education. One day, one of my sons sold some clothes to the foreigners speaking in English. Now, I can feel the differences between rural and urban areas and between educated and non-educated people.*

Another respondent comparing the rural and urban areas said that working on the street gave her a window of learning opportunities. She could learn counting the notes, to account daily business and speak simple English as well. She further spoke out:

*I am uneducated, cannot read and write. I came to Kathmandu in 1996 with my husband and started working with him on the street. At the beginning, I did not even recognize and could not count the notes. But for almost 10 years working on the street, I learned to account the daily business. Now I can read the size written on the vests and pants, which was impossible if I was living in the village.*

Similarly, another respondent emphasizing the differences between rural and urban areas said that if there were medical facilities in the rural areas of Nepal, he would not migrate to Kathmandu. This shows the differences between urban and rural areas in access to human assets and how that affects to improve human health. He further explained:

*The main reason behind involving in this sector was just to make a medical treatment to my son. My son fell sick for a month in 1998. I tried to get a traditional treatment in my village, which could not work at all. I took him to Kathmandu and admitted him in the Bir Hospital (name of a hospital). I spent all the money what I had to make him well, and decided to work on the street in Kathmandu for the further treatment.*

Human capital is the knowledge and capacity of the people. It can be measured in terms of people's education, health, skills and knowledge. Since, the contexts here are urban and rural; access to human assets varies in both areas. In rural Nepal, having the lack of road, health facilities and other infrastructures, people cannot invest for human flourishing activities. It prohibits people from improving human capitals. But in the urban areas, if people earn money, they can invest in education and training, which ultimately opens the door for improving human capital. Hence, human capital of the migrants' vendors has improved significantly.

### **Social Capital**

Social capital is a mutual relationship within, and among households and communities. This relationship is based on trust and reciprocity. More precisely, social capital pays more attention to family networks, kinship, and close friends that the household will depend on in time of crisis (DFID, 1999). The importance of social organizations, networks, norms, and trust determine failure or success of any community. It means the greater the number of community organizations, the more likely the social and political networks will be organized horizontally versus hierarchically. The vertical social capital reflects a relationship of patronage among

politicians, and local chiefs, while the horizontal social capital refers to clubs, associations, and voluntary agencies (Swift, 1998 cited in Ellis, 2000:36). Social capital has a direct impact upon other types of capital; by improving the efficiency of economic relations, social capital can help increase people's incomes and rates of saving (financial capital). Social capital can help to reduce the 'free rider' problems associated with public goods. This means that it can be effective in improving the management of common resources (natural capital) and the maintenance of shared infrastructure (physical capital); social networks facilitate innovation, the development of knowledge and sharing of that knowledge (Ibid).

There are, of course, differences in social capital in different societies. While looking at urban and rural communities, social capital varies significantly between these two. Urban community is the bowl of heterogeneous mix up of people from different societies and cultures. But rural community is a homogenous group of people living in a harmony with society's rules and regulations. Social capital (networks, relations, cooperation between people and households) functions very well in the rural communities than the urban communities. Most of the respondents mentioned that before leaving their origin, social capital was associated strongly on making a living. But in the urban areas (after migration), they could not establish good relations with the host community because urban community does not accept outsiders as their part of social members. One respondent in this regards said:

*I have been living in one Newar's (local caste) house at Nardevi since 10 years. In the morning, when I go for water in a common tap, he does not allow me to touch his water pot. He says that if Pakhe (people coming from hilly region) people touch his water pot; his god/goddess will be annoyed.*

The local inhabitants do not want to participate with the outsiders and they do not want to help and cooperate with them. Another respondent quoting this situation expressed:

*One day, my wife suddenly became ill during the midnight. Since, I was only a tenant living in one Newar's house; I thought I need to request my Gharpati (house owner) for help to take her to the hospital. I requested him to help me to take my wife to the hospital, but he simply refused to go with me.*

Another respondent spoke out:

*Once, my house owner organized a big party in his house. Four tenants were staying in his house including me. There were many people coming and enjoying the party. Those were mostly local inhabitants. None of the tenants had been invited to the party. The reason was we all were Pakhe (people from hilly region). That's how these local Newari people are.*

Most local *Newari* people in Kathmandu do not want to enjoy with outsiders. They usually think that Kathmandu is just their ancestors' land and outsiders have come to threaten them. The old generation is uneducated and believes in traditional belief and most of them have not even crossed the valley. In this sense, they are not aware about the modern society and present social development and change. One respondent emphasizing this said:

*My Gharpati (house owner) one day told me that he had not gone out from Kathmandu valley. When I told him I was from Dhading (bordering district of Kathmandu), he asked me how far it was and how many days it would take me to reach home.*

Many respondents said that rural societies were better than the urban societies in terms of social relations. Comparing between urban and rural communities, one respondent described about rural communities saying:

*When I was in my village, neighbors would enjoy together, share each other's feelings. If one got any problem, others would help him and suggest him what he needs to do. If one had problem of money, all neighbors would collect among them and help him. But here, if anybody has problem of money or any other things, he/she has to bear and face himself/herself.*

But among vendors, they share their feelings and problems of each other and show collective actions to the common problems. If they get any financial crisis or any others problems, they share among them and help each other. One respondent mentioned:

*Once, my son had got hospitalized for a month, almost all money and property had finished during the treatment, but still he could not recover. Then, I had to borrow some money for further treatment. Since, I had been living for the last 10 years; I thought to borrow from Gharpati (house owner). In spite of giving some money, he threatened me to leave his house. But I could borrow some money from the friends (street vendors). That day I could never forget in my life. He further adds 'If it was in the village, people would help and collect money among them for such crisis. People even could live for two/three months borrowing food, cash etc. from their neighbors. So, in my opinion for the social capital rural areas/village is far better than the urban'.*

Social capital depends on the social relations and cooperation; it varies according to the different societies and different groups of people. In rural communities, people work and share their labour power among themselves to create livelihoods. It is called *Parma5* (mutual labour exchange system in rural Nepal), which is an important livelihood strategy to work in the farmland, especially during the planting and harvesting seasons. The rural community also shows

collective actions over common crisis, for example, death of any member of the neighborhood, natural disaster such as flood, landslide, fire, and other natural calamities. However, the views presented here is from poor migrants who have been living in the core city in slum areas. It may not apply to all people in all parts of Kathmandu.

### **Political Capital,**

Political capital is increasingly recognized as the missing dimension of the Livelihood framework. There are some arguments why political capital is important to include in livelihood analysis. It is because rights are claims and assets, which in sustainable livelihood language people draw on and reinvest in order to pursue livelihood options. Rights are politically defended, and how people access these assets depends on the political capital (Peri, 2000:21). Therefore, the state's political situation determines access to different capital assets to the people. Moreover, political capital acts as a gatekeeper asset, permitting or preventing the accumulation of other assets upon which successful development and growth depend.

As explained, claims and access to assets depend on political capital. Political capital varies in the context of political system and powers that are practiced in a country. In the case of Nepal, political capital is important, because access to other assets is strongly affected by it. At present, because of ongoing conflict, political capital differs significantly in access to other capital assets. Livelihood in rural Nepal is severely affected by weak political capital or poor right to access to assets. As compared to rural areas of Nepal, Kathmandu is a safer place to live in terms of security situation. Thus, street vending in Kathmandu valley is increasing with increasing rural urban migration. Some respondents mentioned that they would never migrate and would not involve on the street if there was any guarantee of life and livelihoods security in the origin (rural areas). One respondent in this regard said:

*I started vending at this site five years ago. There is one story behind my involvement in this sector. The story is: one day some armed men came to my home and told me to join them. They further threatened me that otherwise they would detain our home and I would be forced to join them. Then, I decided to flee from home and started vending at this site.*

Because of high concentration of government security forces in the urban areas, people thought they would be more secure there than the rural areas. There are thus, differences in access to

political assets between urban and rural areas in Nepal. Increasing street vending in Kathmandu city is thus resulting from the conflict in rural areas. One key informant said:

*Since I was working as street vendors in charge officer in Kathmandu Metropolitan City for 6 years, I think many of the vendors have increased recently. Around Sundhara-Khichapokhari, Bhotahity-Asan, and Ratnapark, there were almost half of the vendors on the street 5 or 6 years ago. Now the number is so increased that it has been difficult to handle them to stop putting the stalls on public space and footpath. This must be, I think, because of the rural conflict and lack of security situation there.*

Putting differences between rural and urban security situation (access to political assets) another respondent spoke out:

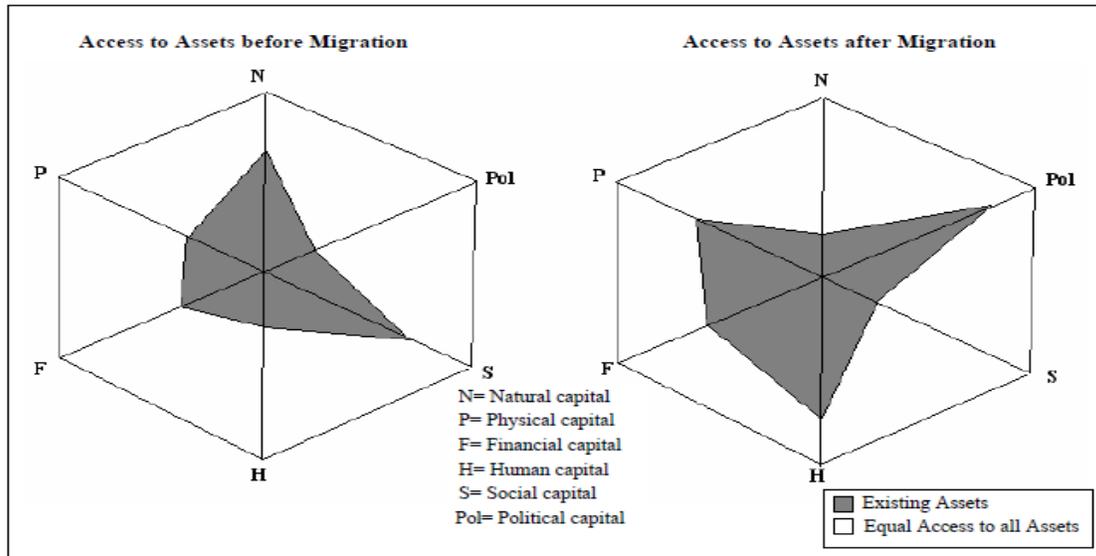
*Kathmandu is safer place to live in terms of security. At my village, every evening some unknown armed force used to come and ask for food and bed to sleep. Since, our family was hardly surviving by working whole day in the farm land, it was not possible to give them food and shelter. Even if it is difficult to survive on the street in Kathmandu, still it is better than the village because I can get sound sleep during the night and I do not have to feed the strangers.*

Political capital not only broadens people's access to other assets, it also provides psychological strength and confidence to work, which can enable to improve livelihoods. Hence, political capital in the rural and urban areas in Nepal varies in terms of access to other assets that affects work and livelihoods. People who could create livelihoods in the origin have also been moving in the urban areas because of the deteriorating security situation there.

## **CHANGES SEEN ON ASSET PENTAGON**

Analysis reveals that assets status in rural and urban communities varies significantly based on possible access to different assets. Shapes of the pentagons are constantly shifting in different contexts and different shapes of the pentagon can be used to show schematically the variation in people's access to assets. It is important to note that a single physical asset in rural areas can generate multiple benefits to the people. If someone has secured access to land (natural capital) they may also be well-endowed with financial capital, as they are able to use the land not only for direct productive activities but also as collateral for loans (DFID). Similarly, livestock may generate social capital (prestige and connectedness to the community), for example, people having cows among the livestock in rural Nepal are prestigious than people who are having pig in the society. To look at the access to assets in asset pentagon of livelihood framework, the following figure (fig. 2) can be assessed based on the analysis.

Figure 2: Access to assets before and after migration



Based on impressions of analysis the pentagons above show the relative assets endowment of two different communities. The left pentagon (rural context before migration) shows limited access to human, financial, physical and political capitals as compared to the right pentagon. But social and natural capitals on this pentagon are having more access than the right pentagon. It means that rural society maintains its livelihoods based on the social and natural assets. Right pentagon, however, (urban context after migration) explains urban society, where people have earned financial capital, but they have poor access to natural capital asset. The urban society also exposes the limited social capital because as the migrants expressed, local people take migrants as 'outsiders'. In the urban context, people can enhance their human assets investing on education and training, but it is lacking in rural areas. In the case of Nepal, people do not have enough access to education and other training opportunities in the rural areas. Financial capital can also be enhanced in the urban context having good access to physical and political assets as compared to the rural society. Physical assets such as road, electricity and institutional services in the urban areas play an important role for earning opportunities.

## CONCLUSION

Livelihood is contextual, therefore, varies according to the social settings and types of assets the society have access to. Contextual livelihood situation has been analyzed considering the case of migrant street vendors of Kathmandu Metropolitan City. While doing so, livelihood of the migrant street vendors is analyzed comparing access to assets in the origin and destination. As compared to agricultural works in the origin, street vendors in Kathmandu have been able to get more access and enhanced their capital assets. They have increased financial and human capital assets getting better access to physical and political capital assets than before. However, natural and social capitals, which used to be strong assets for creating livelihoods in the rural areas, are lacking in the urban context. In the context of rural Nepal, because of lack of physical and political (prevailing conflict) capitals, people have not been able to achieve strong financial and human capitals however they are living by creating livelihoods based on natural and social capital there.

This article concludes that communities in different contexts vary in accessing to assets for their livelihoods, and the situation of livelihoods varies according to the availability of access to assets. In the case of rural Nepal, people are producing their livelihoods primarily based on natural and social capital assets where as urban communities are having lack of social capital access but have more access to financial and human capital access there. Besides, the article also looks at prevailing Nepal's political context and argues that living in the urban areas was safer than the rural one and people migrate to urban areas not only for livelihood but for safe and secure living there even if they are supposed to be vulnerable.

## REFERENCES

- Boli, R. (2005) 'Livelihood Assets of Rural Kenyans', *Final Seminar Paper in International Development Studies (IDS)*, University of Winnipeg.
- Cahn, M. (2002) 'Sustainable Livelihood Approach: Concept and Practice', Massey University [http://www.devnet.org.nz/conf2002/papers/Cahn\\_Miranda.pdf](http://www.devnet.org.nz/conf2002/papers/Cahn_Miranda.pdf) (accessed on 20-12-06).
- Carney, D. (1998) 'Approaches to Sustainable Livelihoods for Rural Poor', ODI Poverty Briefing Paper 2 <http://www.odi.org.uk/publications/briefing/pov2.html> (accessed on 01-01-07).
- CBS (2001) *Statistical Year Book of Nepal 2001*, Central Bureau of Statistics, Kathmandu, Nepal.

- Chambers, R. and Conway, G. R. (1991) 'Sustainable Rural Livelihoods: Practical Concepts for the 21<sup>st</sup> Century', Discussion Paper, 292, Institute of Development Studies.
- Chambers, R. (1997) *Whose Reality Counts?: Putting the First Last*, London Intermediate Technology Publications.
- Ellis, F. (2000) *Rural Livelihoods and Diversity in Developing Countries*, Oxford: Oxford University press.
- Ellis, F. (2003) 'A Livelihoods Approach to Migration and Poverty Reduction', *Paper Commissioned by the Department for International Development (DFID), Overseas Development Group*, University of East Anglia.
- Ellis, F. (2005) 'Small Farms, Livelihood Diversification, and Rural-Urban Transitions: Strategic Issues in Sub-Saharan Africa', *School of Development Studies*, University of East Anglia, U.K.
- Gill, G. J. (2003) 'Seasonal Labour Migration in Rural Nepal: A Preliminary Overview', *Working Paper 218, Overseas Development Institute*, 111 Westminster Bridge Road, London.
- ILO, (2004), 'The Informal Economy & Workers in Nepal', International Labour Organization (ILO), Series 1, Kathmandu, Nepal.
- Lall, V. S., and H. Selod eds. (2006) *Rural-urban Migration in Developing Countries: A survey of Theoretical Prediction and Empirical Findings*, Development Research Group, World Bank Washington DC.
- Meikle, S. (2002) 'The Urban Context and Poor People', in Rakodi, C. and Lloyd-Jones, T. (eds.) *Urban Livelihood: A People Center Approach to Reducing Poverty*, Earthscan Publications London.
- Nepal Street Vendors Union (2006) 'Nepal Street Vendors Aims and Activities', (in Nepali) *Brochure*, NEST.
- Peri, B. (2000) 'Sustainable Livelihoods and Political Capital: Arguments and Evidence from Decentralisation and Natural Resource Management in India', *Working Paper 136, Overseas Development Institute*, 111 Westminster Bridge Road, London.
- Schafer, J. (2002) 'Supporting Livelihoods in Situations of Chronic Conflict and Political Instability: Overview of Conceptual Issues', *Working Paper 183, Overseas Development Institute*, London.
- Scoones, I. (1998) 'Sustainable Rural Livelihoods: A Framework for Analysis', *IDS Working Paper No. 72, Institute of Development Studies*, No.201570.
- Seddon, D. and Husain, K. (2002) 'The Consequences of Conflict: Livelihoods and Development in Nepal', *Working Paper 185, Overseas Development Institute*, 111 Westminster Bridge Road, London.
- Shurto, E. (2002) 'Human Development and the Urban Informal Sector in Bandung, Indonesia: the Poverty Issue', *New Zealand Journal of Asian Studies* 4, pp. 115 -133.
- Siddiqui, T. (2003) 'Migration as a Livelihood Strategy of the Poor: the Bangladesh Case', *Refugee and Migratory Movements Research Unit*, Dhaka University, Bangladesh in [www.livelihoods.org](http://www.livelihoods.org).
- Singh, A. (2000) 'Organising Street Vendors', in [www.india-seminar.com](http://www.india-seminar.com), accessed on 28-09-06.
- Singh, A. (2005) 'Migration, the Informal Sector and Poverty, Some Indian Evidences', *Erasmus University, Rotterdam Section International Economics*.
- Solesbury, W. (2003) 'Sustainable Livelihoods: A Case Study of the Evolution of DFID Policy', *Working Paper 217, Overseas Development Institute*, 111 Westminster Bridge Road, London.

- Suharto, E. (2003) 'Accommodating the Urban Informal Sector in the Public Policy Process', *New Zealand Journal of Asian Studies* 4, 2, pp.115-133.
- Timalsina, K. P. (2002) 'Impact of Bhimdhunga-Lamidanda-Road on the Livelihood Strategy of Rural People: A Case Study of Jivanpur VDC, Dhading District', M. A. Disserttion in Georaphy, Central Department of Geography, Tribhuvan University, Kathmandu, Nepal.
- Timalsina, K. P. (2007) 'Rural Urban Migration and Livelihood in the Informal Sector: A Study of Street Vendors of Kathmandu Metropolitan City, Nepal', MPhil Disseration, Department of Geography Norwegian University of Science and Technology, Norway.
- Timalsina, K.P. (2010 a) *Struggling for Livelihood; Making a Living in the Urban Informal Sector*, VDM Verlag, Dr. Muller, Berlin, Germany, 2010.
- Timalsina, K.P. (2010) *Livelihood of Rural People: Intensification, Diversification, Modification and Change in the Context of Development Intervention in Nepal*, VDM Verlag, Dr. Muller, Berlin, Germany.
- WFP (2005) 'Internal Migration: Rapid Assessment', United Nations, World Food Programme' <http://un.org.np/reports/WFP/2005/Internal-Migration-March2005.pdf> (accessed on 11-12-06).

### **Acknowledgement**

This article is the outcome of my MPhil thesis in Development Studies which was produced in 2007. Therefore, I would like to acknowledge professors Ragnhild Lund for her invaluable advice and consultations, during the analysis and overall processes of writing the thesis. Besides, I would also like to acknowledge to those who were valuable informants during the information collection period.