

Social Capital, resilience and livelihoods: core concepts for understanding community adaptation to social impacts

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Nick Taylor

Director, Taylor Baines and Associates, Christchurch, New Zealand.¹

Colin Goodrich

Dean of Humanities, University of Canterbury, Christchurch, New Zealand.

Introduction

Social impact assessments (SIAs) typically provide analysis and discussion of social change at the community level, often with a focus on how communities might adapt to different types and sources of impacts. This paper considers core concepts for understanding how communities adapt to social impacts.

“Vulnerability”, based on the presence of marginalised population groups, and “absorptive capacity”, based on institutional strength, are concepts that have been used to help understand how a community might respond to and help manage impacts towards net positive social outcomes. Here vulnerability refers to the presence in particular of vulnerable people or sections of the community. Typically, vulnerabilities are seen to relate to social economic status or relative social disadvantage with vulnerable populations including, depending on social context, indigenous populations, landless people and those living in temporary housing, those unemployed and/or living on welfare, families coping with physical or mental illness or disability, and the frail elderly.

Absorptive capacity is a term used to describe in particular the ability of a population or community to absorb change and, in particular, the ability for project beneficiaries or sub populations to take advantage of an intervention designed to benefit them. Initially used to help plan technological change, the term is used more broadly to refer to economic change and applied in a variety of project settings. The term covers, for example, factors such as leadership, presence of community based organisations and NGOs, available skill sets, entrepreneurship and local financial capital.

As we have noted in numerous papers and SIA training courses, SIA practitioners need a strong conceptual basis for understanding and defining community adaptation to planned and unplanned change (Taylor et al., 2004). This paper extends our understanding of vulnerability and absorptive capacity by considering three interrelated concepts to assist us to understand community adaptation and likely social outcomes. Social capital refers to the interconnections between people, and the networks they draw on for collective action. Resilience refers to the ability of individuals, families and communities to “bounce back” from disruptive events and adapt to change over time. The livelihoods framework focuses on human, natural, financial, physical and social capital, or assets, to

¹ www.tba.co.nz

help understand the ability of communities to respond to shocks and longer term changes through the development of strategies that enhance sustainable livelihoods and positive community outcomes.

This paper considers these concepts for undertaking SIAs of planned and unplanned social disruption at the community level. Initially, our focus for this paper was on our experience of SIAs of planned change such as work typically undertaken on energy or infrastructure projects. However, with two serious earthquakes in our home city of Christchurch in the last few months, and observation of the struggle authorities have in recognizing and managing the social impacts of such disasters, we have included here lessons drawn from unplanned sources of social impacts - such as earthquakes, bushfires, storms and floods.

Our interest is in how the concepts of social capital, resilience and livelihoods can be used in an integrated way for SIAs at the community level, particularly in framing the scope of an SIA and in preparing social impact management plans (SIMPs) for monitoring, mitigation and management of social impacts (positive and negative).

Social capital

Social capital refers to the interconnections between people, and the networks they draw on for collective action. Coleman (1998, 1990) Putnam (1993, 2000) and Fukuyama (1995) are perhaps the best known popularisers of the concept of social capital. The overwhelming majority of contributors to the ensuing literature have echoed the arguments they put forward regarding the existence of the “virtuous circle” in social capital theory. The circle is based upon the idea that trust facilitates cooperation and civic engagement, for mutual benefit. With the presence of sufficient trust-based engagement, healthy societies have the conditions that allow the development of yet more trust, civil engagement, cooperation, mutual benefit and so forth. Hence one can see that social capital rich communities have in place mechanisms that better enable appropriate responses to planned and adverse events than those that are not rich in social capital. ‘Appropriate responses’ here could range from mutual assistance within the impacted community to being better able to articulate needs and utilise external (as well as internal) resources.

People in both rural and urban areas access available networks and community resources with varying degrees of success. Longer-term residents often have a strong sense of place and attachment to their local community. However, access to resources can change with time and life cycle; older residents are often vulnerable to reduced networks in later life. Overall, there is pressure on social capital from the need to balance community, family and working life, changing demographics (ageing and also loss of population), migration of family members outside the region, and increasing numbers of newcomers with less developed networks and family support, including migrant workers and their families.

There are no simple measures of social capital provided by secondary data but we have found employment in social service sectors is one proxy measure of the level of social capital in a community. There are a number of other accepted measures such as stability

in the resident population, hours of voluntary work by age/sex, net migration gains and losses by age/sex, and support for 'local causes'. Short of fit for purpose studies and direct measures of central elements of social capital such as networks, trust and reciprocity, there are many examples that demonstrate how social capital can be accrued through co-ordinated and collective social action (Onyx and Bullen, 2000, Goodrich and Sampson, 2008). Fundamental to all of this is the belief by 'locals' that they should be involved in their own destiny. So whether this collective action is in response to a project or part of disaster recovery, we can argue the importance of the local community being a core part of the process of change.

Livelihoods

Livelihoods are another key aspect of the ability of people to adapt to change. For project SIA, enhancement of livelihoods often features as a key project benefit. Assisting in analysis of livelihoods, the livelihoods framework focuses on human, natural, financial, physical and social capital or assets to help understand the ability of communities to respond to shocks and longer term changes through institutional development of strategies that enhance livelihood outcomes.

For SIAs, this typically leads to a focus on the nature of employment, both the *level of employment* (which drives population) and also the *level of employment diversity* (to support multiple livelihood opportunities and enhance adaptability) versus dependence on a single sector (which increases vulnerability to disruptive events and changes). Our research (Taylor et al., 2006) shows that changes in employment over time are important and require longitudinal analysis, although official data do not easily support such analysis. Improved transport and travel times and telecommunications have expanded the geographical scope of many communities and their underlying labour markets and social networks. We therefore often utilize a dynamic analytical framework that allows for assessment at varying levels of spatial aggregation, especially in rural areas – from individual communities to groupings of communities to form contiguous labour market areas, to catchment groupings of settlements/small towns, and rural service towns.

Here our understanding of the local economy, labour markets and livelihood opportunities overtime can be used to interpret better the current context and develop realistic change scenarios and management strategies (Taylor et al., 2001). For instance, a major new energy project might require a large number of new workers. Some may be drawn from existing sectors such as agriculture, forestry, fishing, tourism or mining. Others may be new to the project area. Using the livelihoods framework it can be seen that these workers and associated families might require development of a range of assets, or capacity building, in order to ensure social outcomes sought are in fact achieved.

Our observation of the early recovery phase of the Christchurch earthquake in February 2011 illustrated starkly that officials had inadequate understanding of the importance of the livelihoods of many businesses that had suffered damage or loss of access to their premises. The early recovery approach tended to be welfare oriented, focusing on utilizing welfare benefits and business payments to partially replace lost incomes. Such

an approach may be appropriate in the immediate aftermath of a disaster but needs to be much broader in the recovery phase. Used in disaster recovery, the livelihoods framework reminds us of the importance of the full asset base required to help people recover their incomes and wellbeing, whether it be the physical asset of a building, necessary equipment or stock, computer data, skills, financial capital or marketing networks.

Resilience

Social capital and sustainable livelihoods together influence the resilience of individuals, families and communities and their ability to “bounce back” from a disruptive event such as a rapid increase in population from a resource development or the sudden impacts of a flood or earthquake. In this sense, resilience is about the ability of a community to adapt over time. In the face of disruptions, people and communities mobilise their own resources and draw on available and known services, networks and systems of social support. Originally used by social scientists in social psychology to refer to the ability of individuals and families to cope with and adapt to major stressors, resilience is now being used more widely as a concept that refers to the ability of communities to bounce back and adapt to change, especially in relation to planning for and coping with events arising from physical hazards, for example bushfires (Bushnell and Cottrell, 2007).

As with the concept of sustainability familiar to impact assessment practitioners, and unsurprisingly given its origin in ecology and sustainability assessment, one of the key aspects of resilience is integration across physical, social and economic environments. It is likely, therefore, that challenges facing sustainability in social-economic development are shared with challenges facing resilience in sustainability science. Here the lens of the sustainable livelihoods framework is useful because it explicitly incorporates natural and physical systems. To understand the resilience of rural livelihoods in the face of drought, for example, one must necessarily address complex issues such as the availability of water for farm production, recreation and ecosystem needs. To understand the resilience of an urban population in the face of a disastrous earthquake, for another example, immediate supplies of food and water are important, but so are the many layers of social capital, and the ability of a local shop, cafe or market to get back into business quickly.

Discussion - towards integrating the concepts

Together the concepts of resilience, social capital and livelihoods can be utilised to help guide the SIA practitioner in identifying factors that influence impacts experienced, through better understanding (base-line studies) and better directed social development as part of SIMPs. (See Figure 1). As SIA practitioners, we have an obvious interest in what intervenes between a social impact and the social outcomes that follow, dependant on a change process that incorporates SIA for outcomes that drive social and economic wellbeing. Ideally the SIA process will include monitoring, mitigation and management of impacts through a SIMP and will apply to change processes that are planned and unplanned.

Factors intervening between social impacts and outcomes



It is helpful here for an SIA to consider two types of baseline factors i) those that may exacerbate or ameliorate social impacts in the first instance and ii) those that assist in the management of social impacts. These factors should be investigated in an SIA as part of the social profile or base-line studies. Then there are factors to investigate that, if introduced as a result of the analysis of social impacts, can influence social development strategies applied as part of a SIMP.

Base-line factors that can influence the significance of impacts experienced (positive and negative) include social economic status, attachment to place and sense of community. In the aftermath of a disaster like the Christchurch earthquakes, for example, it soon becomes evident that people from low income areas are experiencing significant issues as a result of their low social-economic status compared to those in high-income areas, even though they may all have experienced severe physical damage. Literature on resilience recognises this issue to some extent in advancing understanding of preparedness to deal with a disaster and how this varies with social-economic status. The approach recognises communities can incorporate both vulnerability and resilience within them (Maguire and Cartwright, 2008). The approach also allows us to consider the disproportionate effects that arise when ,for instance, urban development takes place in areas or ways that are inherently unsafe so that the benefits and costs (risks and impacts) are unevenly distributed (Freudenburg et al., 2009).

SIAs often usefully include explicit recognition of the low probability that low status or vulnerable people might not have the ability to tap into project benefits, such as the necessary skills to gain employment, or re-employment as may be the case in a disaster.

Base-line factors that assist in an effective SIA process and the management of impacts typically comprise social capital, including leadership, social networks, a sense of local participation and control, knowledge of impacts and social systems to manage them, and communication systems.

Both these types of base-line factors influence the likely success of social development strategies, which can assist in the management of social change once it is underway. These strategies will normally be implemented as part of a SIMP and would include specific funding, information systems based on social monitoring, and coordination of agencies and stakeholders. Examples of how these might be applied lie in the livelihoods framework and could include efforts to develop one or more of the assets people draw on

for their livelihoods. As noted for both project SIAs and disaster recovery, the maintenance or enhancement of livelihoods and increased resilience should be a key focus for sustainable development.

In conclusion, this paper has looked to extend our understanding of vulnerability and absorptive capacity in SIAs by considering the three interrelated concepts of social capital, resilience and livelihoods. These concepts assist us to understand community adaptation and likely social outcomes from applying an SIA process that includes social impact management plans. In particular, these concepts help to frame analysis of the baseline social environment and to develop suitable strategies for social development. We found these concepts can apply to SIAs of both planned and unplanned change.

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