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The Changing Nature of Livelihoods

“Self-Generated” Livelihoods Are Back as Ways of Living Meaningful Lives

Francisco Sagasti, FORO Nacional Internacional

The nature of opportunities to earn livelihoods, i.e. the way in which an individual gets access to the portion of what society produces that they need to realize their potential, will profoundly change due to the convergence of trends in technology, demography, environmental change and biological evolution. The historically recent trend of permanent “jobs”, or being “employed” by a private or public institution earning a steady salary, will fade away. In parallel, partly as choice and partly as necessity, so-called “self-generated” livelihoods will become both more possible with the advent of the “zero marginal cost” economy, and often a difficult imperative with the decline in the regenerative capacity of life-supporting ecosystems. Innovation in social institutions is needed to redirect their purpose towards creating a secure base and an equal opportunity framework for supporting everyone to live a meaningful life.

Technological, demographic and environmental shifts are leading to fewer opportunities to earn a steady salary, increasing the need to “self-generate” livelihoods and threatening to greatly increase inequality. We need innovation in our social institutions to ensure that everyone has a secure base and equal opportunity to live a meaningful life.

A livelihood is more than just a job. It is how an individual gets access to that portion of everything produced by society that they need to survive and realize their potential. Changes in the concept of livelihoods are emerging from a convergence of upheavals in technology, demography, environment and evolution.

First, technological advances have brought the collapse of time and distance. A shift towards knowledge-intensive activities, an avalanche of data and information, and greater interconnection among individuals and institutions throughout the world have changed how humans interact with each other, and with their past, present and future.

Second, demographic shifts have altered the demand and supply of goods and services in highly skewed ways. Ageing populations and a decline in fertility rates in the richer parts of the world, together with high population growth and migration elsewhere, have changed the pattern of human needs and the possibilities to satisfy them.

Third, environmental constraints are placing limits on human activities that impinge on the regenerative capacity of life-supporting ecosystems. Climate change, biodiversity loss and pollution are creating a new, and possibly more hostile, biophysical context for humanity. Finally, biological evolution can now, at least in principle, be consciously directed, a possibility previously confined to cultural evolution. Genetic modifications and artificial augmentation devices could

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Author



Francisco Sagasti
Senior Adviser, FORO Nacional Internacional

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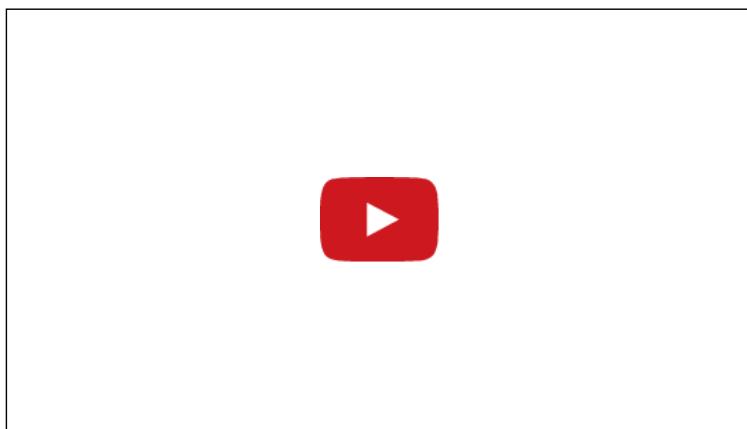
How do we reform our social institutions to give everyone

significantly enhance human capabilities – at least for those who can afford them, with differing access potentially causing a great increase in inequality.

the chance of a meaningful life?

The historically recent reliance on a permanent “job”, or being “employed” by a private or public institution, is to fade away as “self-generated” livelihoods become the global norm once again. Until two centuries ago, the notion of a steady, salaried job barely existed – through history most people had to create their own livelihoods. Although by the mid-20th century a job became a reality for many in rich countries, in poorer parts of the world most people remained “self-employed”, usually in the informal sector and involving some form of self-exploitation or exploitation of kin. Seventy per cent of Peruvian workers, for example, generate their own employment.

Steady jobs are now also fading in the richer parts of the world. Trends point towards displacement by automation, more frequent career changes and part-time jobs, with a growing proportion of individual or small-group entrepreneurs among the younger generations as the “zero marginal cost” and “sharing” economy increases the possibilities for “self-generated” livelihoods. Exceedingly large undertakings and investments are required to provide the underlying products and services that make these interactions and entrepreneurial explosions possible. Rapidly growing multi-billion information and communications technology corporations provide hardware, software and infrastructure. Yet, even here, steady salaries and career paths are giving way to job rotation, intermittent employment and part-time and dual appointments.



Highlight

“Self-generated” livelihoods will become the global norm again

Innovations in social institutions are needed to reflect the paradox that we live in a world of potential abundance, but one in which growing numbers of people do not have a secure base from which to flourish. Current institutional arrangements are concentrating the means to live meaningful lives in a small group – increasingly, only those with significant capital assets or advanced knowledge will have relative security of income; for everyone else, the uncertainty of self-employment will be compounded by rapidly shifting demands, unequal access to the fruits of technical progress and the declining regenerative capacity of life-supporting ecosystems.

How will we redefine the roles of government, civil society, corporations, academia and individuals? How might we reform our institutions? How should we pay for pensions and healthcare? How can education systems give adults continuous opportunities to learn new skills? How should we regulate a world consisting of few corporate IT behemoths and myriad micro-entrepreneurs? What is the role for intellectual property constraints? How do we safeguard environmental public goods? How do we generate fair opportunities for everyone to design and realize their own life projects?

Institutional innovations could include new wealth and income redistribution schemes to equalize opportunity; technical, management, information and financial support for self-generated livelihoods; alternative currency schemes based on the allocation of time; initiatives to explore and take advantage of the new realms of human faculties that cyberspace and virtual reality have created; and providing and financing urgently needed international public goods that satisfy collective needs, such as peace and security, economic stability, climate change mitigation and biodiversity preservation.

Guaranteeing a minimum income for everyone is one idea that may come to be

seen in a new light if priorities shift from incentivizing work to creating a secure base for human flourishing. The nature of many other debates about poverty, inequality and livelihoods may change radically if they come to be seen as being fundamentally about how to improve people's capacity to lead meaningful lives.

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