

The concept of 'Sustainable Livelihoods' constitute the basis of different 'Sustainable Livelihood Approaches' (SLA) and has been adapted by different development agencies such as the British Department for International Development (DFID). The DFID has developed a 'Sustainable Livelihood Framework' (SLF) which is one of the most widely used livelihoods frameworks in development practice. The SLF was integrated in its program for development cooperation in 1997.

DFID adapts a version of Chambers Conway's definition of livelihoods:

"A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base."
(DFID, 2000)

DFID's biggest aim is the elimination of poverty in poorer countries. DFID, however, stresses that there are many ways of applying livelihoods approaches. Although the application of the livelihoods approach is flexible and adaptable to specific local settings and to objectives defined in participatory manner, it underlies a couple of core principles.

People-centred: People rather than the resources they use are the priority concern in the livelihoods approach, since problems associated to development often root in adverse institutional structures impossible to be overcome through simple asset creation.

Holistic: A holistic view is aspired in understanding the stakeholders' livelihoods as a whole, with all its facets, by a manageable model that helps to identify the most pressing constraints people have to face.

Dynamic: Just as people's livelihoods and the institutions that shape their life are highly dynamic, so is the approach in order to learn from changes and help mitigating negative impacts, whilst supporting positive effects.

Building on strengths: A central issue of the approach is the recognition of everyone's inherent potential for his/her removal of constraints and realisation of potentials. Identifying these strengths rather than the needs and problems is the starting point of this approach, in order to contribute to the stakeholders' robustness and ability to achieve their own objectives.

Macro-micro links: Development activity tends to focus at *either* the macro *or* the micro level, whereas the SLA tries to bridge this gap in stressing the links between the two levels. As people are often affected from decisions at the macro policy level and vice-versa, this relation needs to be considered in order to achieve sustainable development.

Sustainability: A livelihood can be classified as sustainable, if it is resilient in the face of external shocks and stresses, if it is independent from external support, if it is able to maintain the long-term productivity of natural resources and if it does not undermine the livelihood options of others.

(Kollmair et al., 2002)

DFID has begun to make use of livelihoods approaches in project and programme planning and in monitoring and review of existing activities.

A first step is to understand the livelihoods of the poor, namely conducting livelihood analysis. The livelihood analysis will be the basis for planning, prioritising and eventual monitoring. There is no designed sequence for livelihood analysis, nor has DFID developed particular tools for such analysis. The stress is

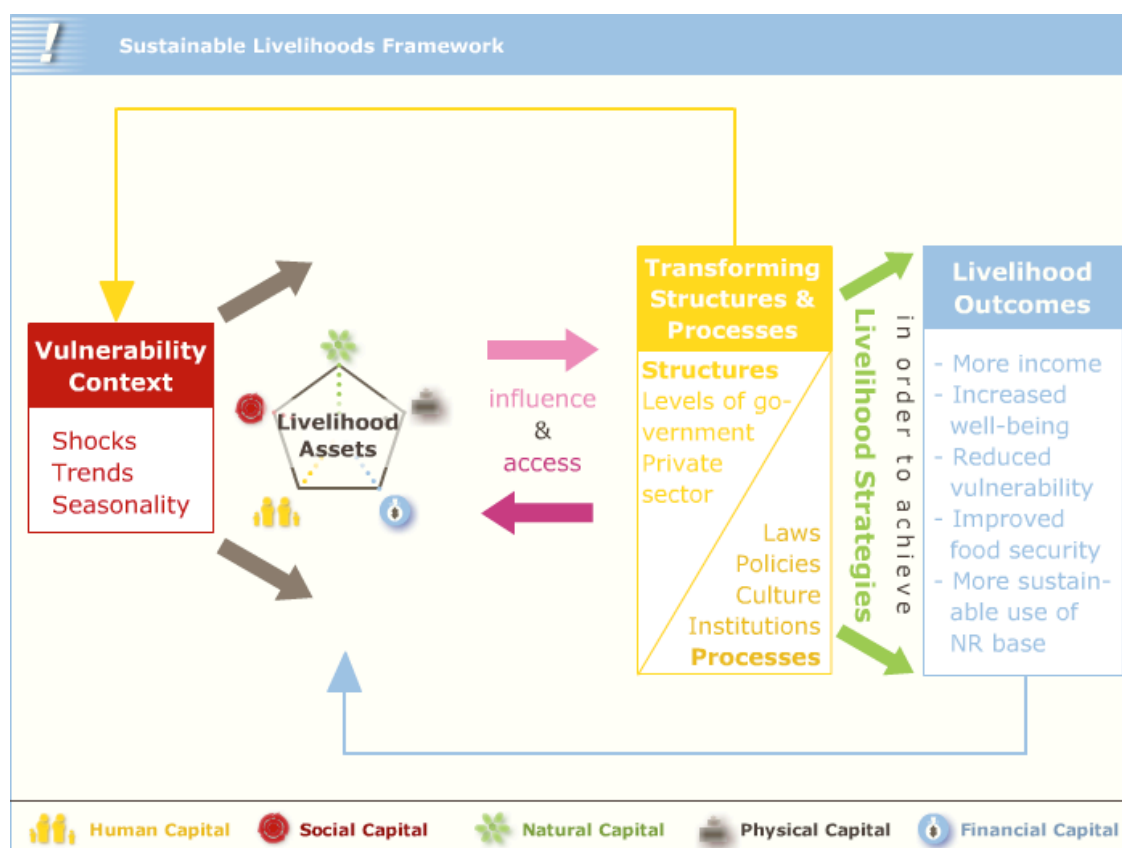
on using the best of existing tools for the given circumstances. There is, however, a distinct DFID SL framework (see below) that provides an organising structure for analysis. The SLF is the core of the Sustainable Livelihoods Approach.

The Framework used can be understood as a **tool** or **checklist** to understand poverty in responding to poor people's views and their own understanding of poverty.

The DFID framework sets out to conceptualise:

- how people operate within a vulnerability context that is shaped by different factors – shifting seasonal constraints (and opportunities), economic shocks and longer-term trends
- how they draw on different types of livelihood assets or capitals in different combinations which are influenced by:
 - the vulnerability context
 - a range of institutions and processes
 - how they use their asset base to develop a range of livelihoods strategies to achieve desired livelihood outcomes (de Stagé et al., 2002)

Sustainable Livelihoods Framework



Data Source: DFID (2000)

In a nutshell, the main elements of the SLF can be summarised as follows:

“...The framework depicts stakeholders as operating in a **context of vulnerability**, within which they have **access to certain assets**. Assets gain weight and value through the prevailing social, institutional and organizational environment (**policies, institutions and processes**). This context decisively shapes the **livelihood strategies** that are open to people in pursuit of their self-defined beneficial **livelihood outcomes**.” (Kollmair et al., 2002)

Elements of the Framework

Vulnerability context

The vulnerability context frames the external environment in which people exist. Critical trends as well as shocks and seasonality, over which people have limited or no control, have a great influence on people's livelihoods and on the wider availability of assets. Not all of the trends and seasonality must be considered as negative.

Vulnerability emerges when human beings have to face harmful threat or shock with inadequate capacity to respond effectively.

The difference between *risk* and *vulnerability* is of crucial relevance for assessing causes of poverty.

Risk is defined as the likelihood of occurrence of (external) shocks and stresses plus their potential severity, whereas vulnerability is the degree of exposure to risk (hazard, shock) and uncertainty, and the capacity of households or individuals to prevent, mitigate or cope with risk.

Livelihood assets

As the livelihoods approach is concerned first and foremost with people, it seeks to gain an accurate and realistic understanding of people's strengths (here called “assets” or “capitals”). It is crucial to analyse how people endeavour to convert these strengths into positive livelihood outcomes. The approach is founded on a belief that people require a range of assets to achieve positive livelihood outcomes. Therefore the SLF identifies five types of assets or capitals upon which livelihoods are built, namely *human capital*, *social capital*, *natural capital*, *physical capital* and *financial capital*.

Policies, Institutions and Processes

The importance of policies, institutions and processes cannot be overemphasized, because they operate at all levels, from the household to the international arena, and in all spheres, from the most private to the most public. They effectively determine *access* (to various types of capital, to livelihood strategies and to decision-making bodies and source of influence), *terms of exchange* between different types of capitals, and *returns* to any given livelihood strategy (DFID, 2000).

Policies, institutions and processes have a direct impact upon whether people are able to achieve a feeling of inclusion and well-being. Because culture is included in this area they also count for other ‘unexplained’ differences in the ‘way things are done’ in different societies. (DFID, 2000)

Policies, institutions and processes can determine access to assets and influence decision making processes.

Livelihood Strategies

Livelihood strategies comprise the range and combination of activities and choices that people make/undertake in order to achieve their livelihood goals. It should be understood as a dynamic process in

which people combine activities to meet their various needs at different times. Different members of a household might live and work at different places, temporarily or permanent. (DFID, 2000)

Livelihood strategies are direct dependent on asset status and policies, institutions and processes.

Hence that poor people compete and that the livelihood strategy of one household might have an impact (positive or negative) on the livelihood strategy of another household.

Livelihood Outcomes

Livelihood outcomes are the achievements or outputs of livelihood strategies, such as more income, increased well-being, reduce vulnerability, improved food security and a more sustainable use of natural resources. When thinking about livelihood outcomes, the aims of a particular group as well as the extent to which these are already being achieved has to be understood.

Applications

A detailed investigation of the living conditions of the target population is the starting point of a development project based on the Sustainable Livelihoods Approach.

A second step is to identify limiting factors, which hinder the adaptation of sustainable livelihood strategies on the one hand and recognize the factors that reduce vulnerability on the other. The project outlined takes the limiting factors into account and tries to eliminate them by relying on the available assets and strength of the target group. This group will participate in the project planning from the very beginning. Before the planning gets implemented the framework should be used to anticipate the effects of the project activities, including possible side effects on other population groups. (Kollmair et al., 2002)

DFID is operationalising livelihoods approaches in many different contexts. Broadly speaking, it aims to promote sustainable livelihoods through:

- Direct support of assets (providing poor people with better access to the assets that as a foundation for their livelihoods)
- Support the more effective functioning of the structures and processes (e.g. policies, public- and private-sector organisations, markets and social relations) that influence not only access to assets but also which livelihoods are open to poor people.

Generally speaking, if people have better access to assets, they will have more ability to influence structures and processes so that these become more responsive to their needs. (Carney, 2000)

Strength and limitations of the SLA

Strength

Its flexible design and openness to changes make the Sustainable Livelihoods Approach adaptable to diverse local contexts. The SLA might serve as an analytical tool in order to identify development priorities and new activities prior to any development activity. Further the SLA might be used as a checklist or means of structuring ideas or can be applied in the form of a livelihood analysis to assess how development activities 'fit' in the livelihood of the poor. (Kollmair et al., 2002)

The core concepts of the SLA mentioned above represent its strengths at the same time. Above all, it places the main focus on the poor people themselves by involving them in all the planning processes and by respecting their opinions. The poor people themselves define their strength, potentials and goals. This is done by adapting a holistic view to encompass all the aspects of poor people's livelihoods, and by considering that they are dynamic. It focuses explicitly on short and long-term changes and allows pointing out the various processes that permanently influence one another. By directly linking problem causes, like for example political programs at a government level, with their effects on individuals, the SLA tries to connect the macro and micro level.

In addition it's to say that the SLA does not contradict to other current development approaches, rather tries to combine and take advantage of their strengths. It relies on participation and pays special attention to gender specific or ecological issues. A livelihood analysis therefore applies a broad range of conventional methods and instruments, as for example from Participatory Poverty Assessment (PPA), Participatory Rural Appraisal (PRA) and Good Governance Assessment techniques" (Kollmair et al., 2002).

Thus, the SLA provides a clear and practical perspective on how to reduce poverty and has generated (if used effectively) a good way of integrating the four pillars of development (economic, social, institutional and environmental).

Limitations

However, there are some limitations within the SLA. A differentiated livelihood analysis needs time, financial and human resources. Development projects often lack these conditions. The claim of being holistic inevitably delivers a flood of information hardly possible to cope with. Additionally, by improving the livelihoods of a specific group a negative effect may occur on livelihoods of others. This may lead to a normative dilemma on the decision about what to consider with priority.

Reducing the livelihood perspective to a methodological tool contains the risk to look at the two things interchangeably. The SLF still is a simplification of the multidimensional reality of livelihoods. **Further**

Reading

DFID's "Sustainable Livelihoods Guidance Sheets" are downloadable from the web, together with a broad range of further up-to-date information on livelihoods (www.livelihoods.org).

References

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