



Using the Sustainable Livelihoods Framework to understand and tackle poverty

Briefing Note

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Introduction

Sustainable Livelihoods Frameworks (SLFs) provide a structure for poverty analysis and the design of people-centred development and poverty reduction policies, programmes and projects. Such frameworks are flexible and can be adapted to meet the specific needs of different organisations or different contexts. This briefing note focuses on the Sustainable Livelihoods Framework (developed by DFID) and a version developed by NADEL¹ following extensive collaborative research on rural livelihood systems (RLS).

SLFs have the potential to support SDC to develop pro-poor programmes across the full range of SDC's subject areas and country contexts. Livelihood frameworks are particularly useful in organisations where staff move frequently between desks and build up a wide range of skills but do not necessarily have the opportunity to develop particular sectoral expertise. In these cases - especially when addressing livelihood issues at the micro-level - livelihood frameworks provide both an analytical and programmatic framework that enable a coherent approach to poverty analysis and allow the identification of strategic entry points for interventions.

¹ The Swiss Centre for Postgraduate Studies on Development, ETH Zurich.

The Sustainable Livelihoods Framework: understanding and addressing poverty?

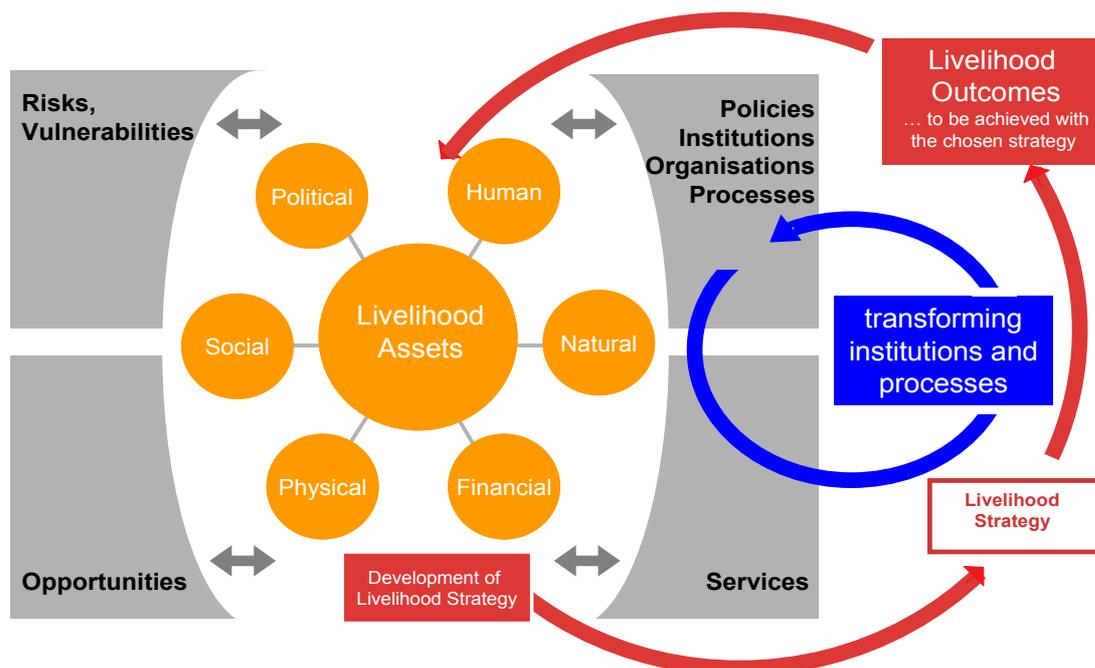
The Sustainable Livelihoods Framework (SLF) presented here (Figure 1) enables coherent analysis of livelihoods, risk, vulnerability and poverty. It is a powerful tool for identifying the key drivers of poverty, the factors that push people into poverty, and the potential interrupters or factors that provide pathways out of poverty. It can be used in combination with other approaches such as the Human Rights Based Approach (HRBA). The SLF can be used to capture the many factors that influence people's livelihood choices and when used alongside participatory methods, can help to identify priorities for action based on the aspirations and interests of poor people – women and men - by reflecting their perceptions of poverty and well-being.

The SLF puts **people at the centre** of development. The starting point of the SLF is that individuals and households can draw on their assets to respond to opportunities and risks, minimising vulnerability and maintaining, smoothing or improving well-being, by adopting livelihood and coping strategies. The SL framework highlights that assets are not just financial and physical but also include natural, social and human (the 'asset pentagon') with political assets recently added to the framework (to form the 'asset hexagon').

Individuals and households are **embedded** in a specific context made up of exposure to risks and opportunities on the one hand, and to services and policies, institutions, organisations, processes and structures (PIOPS) on the other hand (see Figure 1). These influence the way in which a person or household can use a combination of assets to develop a particular livelihood activity or coping strategy. The way in which these components link together to influence an individual's or household's livelihood options, activities and outcomes is mediated by a range of transforming

institutions and processes operating at all levels from the household to the international arena. Such institutions and processes have a profound influence on access (e.g. to assets, to livelihood strategies), on terms of exchange between different forms of assets, and on returns to a given livelihood strategy. However, this is not a simple one-way relationship. Individuals and groups themselves influence institutions and processes, as is shown in the diagram by feedback loops (see Figure 1).

Figure 1: The Sustainable Livelihoods Framework



The SLF enables a form of analysis which identifies **people's strengths** rather than their needs. People are seen as actors who have assets, capabilities, and use them to pursue their own livelihood goals, rather than being perceived as victims or simply beneficiaries.

The SLF is **holistic** and contributes to identifying the most pressing constraints faced by individuals or households, and conversely it can be used to identify opportunities. The SLF supports analysis (and therefore programming) which recognises the multiple influences on people and seeks to understand the relationships between them; it recognises multiple actors; and acknowledges that people pursue a multitude of strategies to secure their livelihoods and that these can lead to a wide range of livelihood outcomes. As a result the SLF enables agencies to develop flexible and locally appropriate responses to risk, vulnerability and poverty and can provide the evidence and analysis necessary for the prioritised and strategic selection of interventions. The holistic nature of the SLF does not mean that it creates an automatic bias towards multi-dimensional programmes which seek to address all constraints simultaneously. A targeted intervention which aims to reduce a specific constraint can lead to a reduction in

vulnerability, the building of a key livelihood asset, and improved household well-being.

Box 1: Risks and vulnerability

Risk refers to uncertain events that can damage well-being; uncertainty can pertain to the timing or the magnitude of the event.

Vulnerability measures the resilience against a shock or stresses; vulnerability is primarily a function of a household's assets and insurance mechanisms and of the characteristics (severity, frequency) of the shock.

(Source: World Development Report 2000-01)

Although SLFs focus strongly on individuals and households and their assets (the micro-level), they do not neglect the **specific contextual settings**. They encourage an examination of risks and vulnerability (see Box 1) and the policy and institutional structures and processes. This encourages people who use such

frameworks to establish the links between the macro-level policy environment and micro-level realities (see Figure 1). Understanding contexts in which poor people try to make a living is important for pro-poor policy. Knowledge about the types of shocks and stresses that poor people face (see Box 2) helps us to understand the coping strategies open to them. It also can help illuminate the likely impact that different policies will have on particular groups of people living in poverty.

Box 2: Drivers of poverty

Drivers are shocks that cause individuals or households to fall or slide into different types of poverty – seasonal, recurrent, severe, multidimensional – some of which are hard to escape. Such shocks include ill health and injury, environmental shocks, natural disasters, violence, the breakdown of law and order, and market and economic collapse.

Source: Chronic Poverty Report 2004-05)

Sustainable Livelihoods Frameworks provide a **useful tool** for SDC's thematic desks and country offices. They

- are flexible and can be adapted by organisations and teams to meet their specific needs, by, for example, focusing more on specific aspects than others, but without losing sight of the wider picture.
- are people-centred and thus favour participatory and multi-disciplinary approaches and multilevel development interactions. In this way, SLFs provide useful tools to incorporate poverty issues into other thematic foci.
- focus on people's own strategies to enhance their capabilities and assets as a basis for better and more sustainable livelihood outcomes.
- enable a multi-dimensional approach to poverty analysis and reduction, and can be used to illustrate how interventions that tackle the non-material dimensions of poverty can contribute to strengthening a household's asset portfolio, enhancing their livelihood options and enhancing their well-being.
- allow a focus on who is specifically vulnerable to shocks and stresses because of limited assets and capabilities, thus identifying those likely to be "tomorrow's poor".
- acknowledge the diversity of asset combinations, both tangible and intangible, and how people interact with dynamic contextual factors to develop a wide range of livelihood strategies.
- support the development of people's capabilities (capabilities are understood as human outcomes or the quality of peoples' lives, including leading a life free of avoidable morbidity, being informed and educated and being well nourished) which are both a prerequisite for and result of empowerment. This

illustrates that SLFs go well beyond material asset creation or income generation.

- are focused on micro-level outcomes for the individual or household, but encourage analysis to consider how context might influence poverty outcomes, and how policies and institutional processes and structures might affect different groups of poor people.

Livelihood frameworks can help to identify links between sector-specific interventions and particular outcomes. Within SDC they can help operational divisions design their programmes by identifying links between thematic divisions. For example, identifying connections between livelihoods and the treatment and care of people living with HIV/AIDS can demonstrate that not only the availability of medical treatment for HIV/AIDS sufferers matters, but it highlights the way in which HIV/AIDS commonly interlinks with other livelihood options. Affected households often have to draw down on their assets. To be able to pay medical bills, physical assets (e.g. livestock) have to be sold. If productive animals such as ploughing oxen are sold, this will negatively impact on the amount of land that can be cultivated, leading to reduced production and nutritional levels. Thus, supporting households to maintain their productive assets might become an equally important intervention. Similarly, livelihood frameworks can help to emphasise the consequences of improving basic education. Better education and skills contribute to an individual being in a better position to access information or influencing decision making (i.e. having more agency) and can lead to improved capabilities. Together, these enhance the chance that people living in poverty can get the most from their asset portfolio. On the other hand, SLFs can help in identifying conflicting outcomes and trade-offs between possible interventions. Increased agricultural yields may lead to improved incomes but also contribute to environmental degradation. This may result in short-term gains for some, with longer-term negative consequences – possibly for others.

Livelihood frameworks – and their adaptations such as the Systemic Approach to Rural Development (SARD) (see Box 3) - are more than an analytical tool. They have been used to guide the design of projects and programmes and as the basis for research instruments or 'tools' or indicators to evaluate the impact of a particular development intervention. When used in a participatory way, they can also be instruments for identifying and strengthening partnership between rural stakeholders, private sector actors, government agencies and development practitioners.

Empowerment is an important mechanism for achieving sustainable livelihoods, as this enable people to transform their livelihood situations by strengthening their capacities. The breakdown of the asset hexagon into natural, physical, financial, social, political and human capital provides ample links to the goals of economic, cognitive and political empowerment and the various mechanisms for achieving each of these. Whilst economic empowerment might be achieved when

financial and physical capital assets are increased, cognitive (awareness of own disempowerment) and political empowerment approaches are likely to focus more on social and human capital.

One of the key challenges in using livelihood approaches is to ensure that they do not result in a value-free and power-neutral analysis. An increased focus on the PIOPS within the framework has led to a more nuanced understanding of the relationships between assets and transforming structures and processes. Incorporating political capital encourages those using the framework to consciously explore access and rights to assets and intra-household or community power structures. Incorporating political analysis changes the SLF from being a descriptive to an operational framework and decreases the likelihood that analysts and practitioners will fall into the trap of viewing their analysis as objective.

Box 3: Systemic Approach to Rural Development (SARD): strengthening the poverty focus

SARD is an approach for guiding the appraisal and review of development initiatives in rural areas. It provides guidance for the diagnostic part and its linkages with planning and monitoring.

SARD is about:

- *identifying patterns of livelihoods (household typology), poverty and poverty dynamics in a specific rural context,*
- *operationalising and implementing a livelihood approach to rural development, and*
- *building on people's own understanding of development and their vision for the future.*

SARD is based on a combination of complementary methodologies and conceptual frameworks: it (i) identifies different patterns of livelihoods, (ii) describes access to services (social, e.g. health and education, and productive, e.g. credit, agricultural extension, markets) and how different households make use of them, (iii) identifies local actors and their relationships, and (iv) establishes an interpretation of the landscape in a historical perspective. This allows a systemic view at a higher level (including livelihood heterogeneity, actors' relations, etc.) while focusing on the dynamics of change.

Source: Systemic Approach to Rural Development and Fighting Poverty, SDC.

What the Sustainable Livelihoods Framework lacks

Some important dimensions appear to be under-emphasised in the Sustainable Livelihoods Framework or are not made explicit enough. Early versions of SLFs, such as the DFID framework, do not explicitly

- address social relations or social differentiation (the conditions, assets, and strategies of different social groups). This could be addressed by explicit attention being given to the implications of social difference (gender, class, ethnicity, etc.).
- integrate power relations and conflict, and do not help identify conflicting interests.
- integrate the exploration of cultural variables, such as worldviews, beliefs, traditions, status, and identity.
- integrate the historical experiences which shape people's livelihoods and strategies.

Early versions of SLFs were not very useful in addressing the fundamental questions of "why" and "how". They did not help explore how decisions are made within a household; how societies deal with conflicting interests; how sustainability is negotiated, for whom and for how long; why specific institutions limiting access to assets for the poor have evolved and are maintained; or why different social groups are excluded from access to certain assets. However, these challenges have been overcome by building on the strengths of the original SLF and integrating insights from extensive collaborative research on rural livelihood systems (RLS). The resulting combined framework (see "Working with a Sustainable Livelihood Approach" <http://www.poverty-wellbeing.net/media/sla/>) favours not only analysis of the context of local livelihoods but also directs the attention to people's decision making with regard to livelihood strategies.

Additional reading:

SLA - Interactive learning module (NADEL)

www.poverty-wellbeing.net/media/sla/

SARD - Systemic Approach to Rural Development (Approche Systemique Agricole)

www.poverty-wellbeing.net/index.php?navID=871&langID=1

SLA Guidance Sheets (DFID)

www.livelihoods.org/info/info_guidancesheets.html#1

Keysheets for Sustainable Livelihoods (ODI / DFID)

www.keysheets.org/

PLOW - Professional Development for Livelihood Advisers - DFID

www.passlivelihoods.org.uk/plow/

Further information on Empowerment, Pro-Poor Policy, Livelihood Approaches, and Poverty Impact and Effectiveness: www.poverty-wellbeing.net