



Research Paper

Livelihood Framework: A Holistic Approach in Conceptualizing and Analysing Multi-dimensional Poverty

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Abstract

The livelihood approach which emerged out of livelihood perspective constitutes a classic paradigm shift in development thinking. The approach puts people and their households at the centre of the development process, starting with their capabilities and assets, rather than with their problems. The emphasis is on human agency and capability. The 'livelihood framework,' acts as a tool that helps in identifying the main factors affecting livelihood and also helps those concerned with supporting the livelihood of poor people. The frameworks, in general, comprises of assets, activities, mediating environment, transforming structures and processes, vulnerability context and livelihood outcomes. As the livelihood frameworks provide a comprehensive and complex approach to comprehend the realities of the poor, it can be used to find a way out of poverty.

Key Words: Poverty, Livelihood Framework, Assets, Strategies etc.

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I. Introduction

The concept 'poverty' has a long history of usage dating back even as far as that of man's life on earth. Poverty was known and experienced by humanity even before the notion of social stratification was brought to notice by social scientists. The numerous definitions and interpretations of poverty with regard to social and economic circumstances render it ambiguous and value loaded. In its simplest version, poverty refers to the state or condition of having little resources to support life. The widening of the conceptual framework of poverty from physical endurance to broader capabilities encompasses more subjective and dynamic characteristics of poverty.

The late 1980s and 1990s witnessed the most influential period of scholarly discussion on poverty. Amartya Sen's (1981) findings of 'poverty and famine' as 'exchange entitlement failure' rather than 'Food Availability Decline' made a paradigm shift in poverty development thinking. Sen (1990) placed individuals, rather than resources, into the focus of policy, stressing the 'ends' rather than the 'means'. Poverty is not just a problem of low income and pitiable living standards, but of capability failure to reach certain minimally acceptable levels. Participatory approaches to poverty reduction of the 90s have brought to light powerlessness and isolation as strong realities of the poor.

The Human Development Reports published by United Nations Development Programmes since the 90s views deprivation from multiple angles. The Copenhagen World Summit on Social Development (1995) defines absolute poverty itself as "severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information and it is related to access to social services as well as income". The evolution of the concept of poverty from mere physical survival to a relative standard of living is well comprehended as "a human condition characterized by the sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil cultural, economic political and social rights" (UN,2001).

When poverty is viewed multi-dimensional, it brings to fore a number of related concepts and approaches. The concepts that are of due importance in getting a holistic understanding of poverty include entitlements, social exclusion, vulnerability and livelihood. Entitlement refers to the set of alternative

commodity bundles that a person can command in a society using the totality of rights and opportunities he or she faces. Social Exclusion is the multi-dimensional deprivation experienced by the poor in the economic, social and political spheres and also lack of access to social security, employment, safety, human rights. Vulnerability denotes the inability to withstand shocks and stresses and the externalities and difficulties in coping with them. The means of resistance are the assets and entitlements. Poverty is then the outcome of the complicated decision process of individuals or households over assets and entitlements.

Risk or vulnerability to poverty brings forth the broader concept of '**livelihood**'. Livelihood literally implies the means of securing the necessities of life, i.e. the means for keeping one alive. Man by nature is endowed with certain assets and capabilities and he also resorts to a number of activities or strategies, which together conditions his survival. The government, civil society and external organizations may assist the people whose means of life sustenance is threatened or destroyed. The concept incorporates the manifold activities that people or household engage to earn a living or to improve their well-being. A livelihood is sustainable when it can cope with and recover from shocks and stresses and maintain or enhance its capabilities or assets.

A new approach to development thinking emerged out of the livelihood perspective acts as a classic paradigm shift. The approach owes its genesis to the participatory research practices of Robert Chambers (1992) and of the development policies of the World Commission on Environment and Development during the Nineties. The approach puts people and their household at the centre of the development process, starting with their capabilities and assets, rather than with their problems (Rakodi, 2005). The emphasis is on human agency and capability that is sensitive to differing socio economic and cultural contexts. People who are at the centre of the livelihood approach are perceived as capable actors rather than as helpless victims.

II. Livelihood Framework

The 'livelihood framework,' designed and developed by development practitioners and agencies, acts as a tool that helps to define the scope and provides the analytical basis for livelihood studies. It helps in identifying the main factors affecting livelihood and the relationship between them, helps those concerned with supporting the livelihood of poor people and also enables to understand and manage their complexities to become a shared point of reference for all concerned with supporting livelihood. A livelihood framework describes the way people derive their livelihoods by performing a large number of activities, based upon their capabilities and assets, within a particular livelihood context.

More emphasis on livelihood approach as a development tool by international development agencies has resulted in the formulation of a number of frameworks explaining the interrelations among the livelihood components. The widespread development of livelihood frameworks in policy circles arises out of the adoption of anti-poverty strategies as the objective of development intervention and the understanding that poverty is multi-dimensional. The various manifestations of poverty redefine development goals which in turn alter the livelihood components.

2.1 The Differing Livelihood Frameworks

The many variations of the livelihood framework evolved in the development debate are basically the same. The frameworks outlines and sorts the different types of assets and entitlements which households have access to and also examine the different factors in the local and broader environment that influence livelihood outcomes. The core concepts are the same, but there are differences in the terminology used in the alternative frameworks.

2.1.1 Department for International Development (DFID) Framework

The most widely used framework is the one developed by the United Kingdom Department for International Development (DFID). The core components of the model are the vulnerability context, the livelihood assets, transforming structures and processes, livelihood strategies and livelihood outcomes. The people draw on different type of livelihood assets or capital in differing combinations which are influenced by the vulnerability context and a range of institutions and processes. They use their asset base to develop a range of livelihood strategies towards the realization of desired livelihood outcomes.

2.1.2 The CARE Framework

The international NGO, CARE in its relief and development planning process use livelihoods approach. The possession of human capabilities, access to tangible and intangible assets and the existence of economic activities are the three identified fundamental attributes of livelihoods. It encompasses the dynamic

inter relationship between the different elements of the framework, but distinguishes between assets capabilities and activities. The interaction between these attributes determines the types of livelihood strategies pursued by different households.

2.1.3 The OXFAM Livelihood Framework

Oxfam is an independent British development and emergency relief organization affiliated to Oxfam International, and works in partnership with national and international NGOs to reduce poverty in a large number of countries. Oxfam adopted the Sustainable Livelihood Approach (SLA) as early as 1990s in its developmental and relief activities. Since 1994, Oxfam has joined its Livelihood Approach with a Rights-Based Framework. It's Global Charter for Basic Rights considers 'sustainable livelihood' as a social and economic right. A sustainable livelihood in this context is taken to include economic, social, institutional and ecological dimensions.

2.1.4 The UNDP Framework

The framework recognizes livelihoods as the means, activities, entitlements, and assets by which people make a living. Sustainable livelihood can be able to cope with and recover from shocks and stresses through adaptive and coping strategies; and are economically effective, ecologically sound and socially equitable. UNDP specifically focuses on the importance of technological improvements as a means to attain sustainable livelihood. Micro-macro policies and governance issues at any levels has its impact upon people's livelihood. The framework promotes a holistic vision of development that embraces income generation, natural-resource management, empowerment, use of appropriate technology, financial services and good governance.

2.2 Key Concepts in the Livelihood Framework

The Livelihood Frameworks in general comprises of, assets, activities, mediating environment, transforming structures and processes, vulnerability context and livelihood outcome. In the livelihood context, outcomes are highly important. The asset base and activities are directed towards the realization of livelihood security, in many contexts not materialized by the poor. Desired outcome includes income, nutritional, health, educational securities, equity, communal participation, independence, personal safety and the like, i.e., the reverse of various poverty dimensions. The outcomes in turn have a direct effect on the asset base and activities, indicating a cyclical relationship between assets, activities and outcomes.

2.2.1 Assets

The livelihood assets represent the basic platform upon which the household builds their livelihoods. They are used by households as buffer against stresses and shocks and also to improve their access to resources in the future. People can either own or control the assets or can have access to resources that do not belong to them. Livelihood Resources – the basic material and social, tangible, and intangible assets that people use for constructing their livelihoods — are conceptualized as different types of 'capital' to stress their role as a resource base (Scoones, 1998). The DFID and Oxfam frameworks break assets into five types of 'capital': financial, physical, human, natural and social. UNDP adds political capital in its asset list. CARE while preparing its Livelihood Security Index for urban settlements has eliminated the natural capital component, on account of its irrelevance in the urban context.

2.2.2 Livelihood Activities

Better living is the result not only of the assets owned and accessed by the people, but also of the activities undertaken by them. The basic needs, wants and aspirations of the people are met through their varying type of activities labelled as livelihood activities or strategies in the livelihood context, Livelihood strategies include not only the activities undertaken to generate income or food alone, but the multitude of activities undertaken by the household to survive and to improve the well-being. Livelihood strategies are the range and combination of activities and choices that people make in order to achieve their livelihood goals which include productive activities, investment strategies, reproductive choices etc. (DFID, 1999)

Decision to choose a particular livelihood strategy is influenced by the extent of assets owned and accessed by the people. Activities require one or a combination of assets to pursue livelihood outcomes. To Chambers and Conway (1992), livelihood strategies are activities that are improvised and sustained by household members through utilization of tangible assets such as stores and resources, and intangible assets such as claims and access. The mediating environment too exerts a greater influence on the acquisition and

utilization of resources for the conduct of activities. Geographical, sectoral, gender and intra household diversities make the livelihoods activities complicated.

2.2.3 The Mediating Environment

Household livelihood security can be enhanced or undermined by a wide range of outside forces at all levels of the external environment, local, national or global. These factors can be grouped into the physical environment, the social environment, the political or institutional environment, and the economic environment. These external factors have an important role in translating household assets into livelihood activities and outcomes.

2.2.4 Transforming Structures and Processes

The many structure of the external environment that have a direct or indirect bearing on the livelihoods of the people include International Organizations, Financial Institutions, National and provincial organizations including different spheres and departments of government, development agencies, NGOs, the private sector and business interest groups and Local structures including municipalities, community based organizations and the like.

2.2.5 Vulnerability Contexts

Vulnerability denotes being at risk and is measured by a household's ability to resist and recover from shocks and stresses. The interaction of the micro and macro livelihood components of the poor people determines the intensity and pattern of their vulnerability. Vulnerability refers to exposure to contingencies and stress, and difficulty in coping with them. Vulnerability thus has two sides: an external side of risks, shocks and stress to which an individual is subject; and an internal side which is defencelessness, meaning a lack of means to cope without damaging losses (Chambers, 1989)

The external side of vulnerability has dimensions of shock, trend or seasonality. Shocks are sudden events that deter household livelihoods security. These include the death of an income earning household member, price instability, unemployment, weakening social ties as well as the impact of hazards such as drought, floods or other extreme weather conditions. Stresses are ongoing pressures faced by households and individuals in the form of long-term food insecurity and limited access to essential services such as health, education, sanitation, water supplies or of the depletion of natural resources.

The internal side of vulnerability is closely associated with the assets owned or controlled, and the way in which they are used in the attainment of livelihood goals. "Vulnerability is closely linked to asset ownership. The means of resistance are the assets and entitlements that individuals, households, or communities can mobilize and manage in the face of hardship. The more assets people have, the less vulnerable they are, and the greater the erosion of people's assets, the greater their insecurity (Moser, 2005)." However fewer assets may not always equated to vulnerability, but the lower potential for substitution between assets and activities makes the poor more vulnerable to externalities.

2.2.6 Livelihood Outcomes

The net result of the success or failure in transforming the assets available through strategies into income or other basic services is termed as livelihood outcomes. A household which follows more sustainable strategies is more likely to create desired livelihood outcomes, which will further augment the assets and capabilities of the household. This in turn put the household in a better position to diversify and improve its livelihood strategies and act as a buffer against shocks and stresses. The livelihood outcomes that evolve out of the livelihood strategies taken up by the household explain the overall socio economic status of the household in terms of poverty.

Livelihood outcomes can be aggregated and seen in relation to their position on a continuum between vulnerability and security (Moser, 1998). Positive outcomes include increased well-being, more income, greater equity, improved food and water security and a more sustainable use of the natural resource base (Farington, 1999). The household livelihood outcomes may not affect the whole members in a household in the same way, where it is more biased in favour of the most powerful and influential members (Meikle, 2002).

III. Conclusion

The livelihood frameworks thus provide a comprehensive and complex approach to understand the realities of the poor. It can be used as a loose guide to a range of issues which are important for livelihoods or it can be rigorously investigated in all its aspects. The key question to be addressed in any analysis of livelihood is given a particular context (of policy setting, politics, history, agro ecology and socio-economic conditions), what combination of livelihood resources (both economic and social capital) result in the ability to follow what combination of livelihood strategies with what outcomes.

Livelihood approach produces a more holistic view on the priorities and preferences of the poor. The approach also enables an understanding of the basic causes of poverty by focusing on the multiplicity of factors, at different levels, that directly or indirectly determine or constrain poor people's ability to access resources or assets or to utilize them, and thus their livelihoods. Hence a sustainable livelihood framework can be used to facilitate understanding of the nature of poverty and to find a way out of poverty.

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