

2.3 Livelihoods approaches

The phrase Sustainable Livelihoods can be traced from the work of Robert Chambers and others, through a research programme undertaken by the Institute of Development Studies at Sussex, involving work in Bangladesh, Ethiopia and Mali in particular.

A livelihood comprises the capabilities, assets (including both material and social resources) 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, 1999 see also Scoones, 1998, and Carney, 1998, p. 4).

This approach was adopted by the Department for International Development (DfID) and a range of other development agencies and is therefore described here as the 'official' or dominant framework. DfID (1999, 2000) issued detailed 'guidance sheets' which are useful to explicate what rapidly became a familiar framework in the late 1990s, shown in the accompanying [diagram](#). Within a particular 'vulnerability context', defined for example by shifting seasonal constraints, short-term economic shocks and longer-term trends of change, people deploy five types of 'livelihood assets' or capital in variable combinations, within circumstances influenced by institutional structures and processes, in order to pursue diverse 'livelihood strategies', with more or less measurable 'livelihood outcomes'.

A series of 'core concepts' are defined. Firstly, the approach is 'people-centred', in that the making of policy is based on understanding the realities of struggle of poor people themselves, on the principle of their participation in determining priorities for practical intervention, and on their need to influence the institutional structures and processes that govern their lives. Secondly, it is 'holistic' in that it is 'non-sectoral' and it recognises multiple influences, multiple actors, multiple strategies and multiple outcomes. Thirdly, it is 'dynamic' in that it attempts to understand change, complex cause-and-effect relationships and 'iterative chains of events'. Fourthly, it starts with analysis of strengths rather than of needs, and seeks to build on everyone's inherent potential. Fifthly, it attempts to 'bridge the gap' between macro- and micro-levels. Sixthly, it is committed explicitly to several different dimensions of sustainability: environmental, economic, social and institutional. Conflicts between these dimensions are, however, recognised.



Principles of livelihoods approaches include:

- Livelihoods research, of its nature, is essentially carried out at the micro-level: that of 'households' and 'communities'. It involves empirical investigation of combinations of modes of livelihood and, above all, of the relationships between them. It also involves pushing to the limit of their potential various methods of understanding changes that have taken place over time.
- For research into changing livelihoods to be illuminating and useful, however, it is essential to define the structural, historical and institutional elements of what may for convenience be called its macro-context. A time-frame must be specified, key variables identified, important trends of change discerned.
- In so far as livelihoods research is directed to the diagnosis of the causes of chronic poverty, the circumstances of poverty and the reasons for poverty should be understood through detailed *analysis of social relations* in a particular historical context. This implies a structural or relational view of poverty, and, in turn, that understanding of its 'persistence' or its intractability or its 'deepening' should be driven by questions about inequalities of power.
- It also implies that livelihoods research and discussion of its implications for 'policy-making' should contain explicit reflection on the particular, relevant, contexts in which 'policy' is made, with reference to key questions such as the following. Who makes policy? How is it made? For what purposes? For whose benefit? With what outcomes?



2.3.1 *Strengths and weaknesses of livelihoods approaches*

Strengths

- They seek to understand changing combinations of modes of livelihood in a dynamic and historical context.
- Explicitly advocate a creative tension between different levels of analysis.
- Acknowledge the need to transcend the boundaries between conventionally discrete sectors (urban/rural, industrial/agricultural, formal/informal, etc.).
- Recognise the necessity to investigate the relationships between different activities that constitute household livelihoods, which in turn requires attention both to intra-household and to extra-household social relations.

Weaknesses

- Elements of the ‘vulnerability context’, such as rampant inflation and extreme conflict and ripples of mass redundancy, are surely much more important than would appear to be allowed for.
- The language of ‘multiplier effects’ predominates, as does the presumption that it is possible to expand people’s ‘asset pentagons’ in a generalised and incremental fashion. Inequalities of power and conflicts of interest are not, perhaps, sufficiently acknowledged, either within local ‘communities’ themselves or between ‘communities’ and, for example, regional elites and government agencies.
- The notion of ‘participation’ that dominates the discourse of intervention - with typically unresolved tension between these two words - presupposes heavy investment in ‘community’ on the part of donor agencies and thence a rhetorical tendency to disguise or weaken the probability that, in one way or another, enhancement of the livelihoods of one group will undermine the livelihoods of another.
- The qualifier ‘sustainable’ begs many questions which are not resolved even by positive ‘livelihood outcomes’ of the kind indicated in the framework. ‘Sustainable’ for whom? By what criteria? In the short term or the long term?

More generally, equating ‘assets’ theoretically with varieties of ‘capital’, through the ‘asset pentagon’ inscribed in the diagram, intellectually distorts our understanding of capital and politically distorts our understanding of the causes of poverty. On the first point, capital is properly a social relation between people, not an attribute of rich or poor households or



individuals, respectively. On the second point, attention is displaced from the inequalities of power that must surely be invoked to explain the persistence or the worsening of poverty. For a powerful critique of the notion of 'social capital', in particular, as it has been adopted by the World Bank and other agencies see Ben Fine's book *Social Capital versus Social Theory* (2001)



2.3.2 *Examples of the livelihoods framework in practice*

This section draws heavily on Murray, C. (2001). [Livelihoods Research: Some Conceptual and Methodological Issues](#), CPRC Paper 5, which gives more in-depth examples of the uses of livelihoods approaches.

Some examples of disparate and partly overlapping methods of studying livelihoods are briefly outlined here. In view of the prevailing emphasis of the CPRC, they express a clear bias toward the study of rural livelihoods. It is important to recognise that this is not disconnected, however, either conceptually or methodologically, from the study of urban livelihoods along lines elaborated, for example, by Beall and Kanji (1999). The reader's attention is also drawn to the following work that is specifically relevant (see also Resources at the end of the toolbox):

- [Livelihoods Connect](#) is a resource for recent work on livelihoods including country case-studies and comparative reviews;
- the Sustainable Livelihoods Working Paper series and the [Natural Resource Perspectives](#) briefings published by the Overseas Development Institute (ODI);
- the mass of country studies carried out in sub-Saharan Africa in the mid-1990s under the auspices of the De-Agrarianization and Rural Employment project (DARE) co-ordinated by the University of Leiden (for an overview, see Bryceson, 1999);
- Elizabeth Francis' book *Making a Living* (2000), in which she explores the dynamics of struggle over livelihoods through comparative study of change in eastern and southern Africa.

This summary gives some indication of the complementary use of diverse methods of investigation in practice, on a relatively small scale, and also raises a question of general importance. Just as household livelihoods themselves straddle the boundaries between conventionally discrete economic sectors (industry/agriculture, formal employment/informal economic activity) and often the boundaries between conventionally discrete geographical spaces (urban/rural), so livelihoods research must transcend local 'communities' in order to comprehend both intra-household relationships and significant inter-household social relationships as these change over time. Both forms of relationship may be geographically 'stretched' over considerable physical distances. Neither form is readily susceptible to proper investigation through the conventional methods either of household survey work carried out within specified communities or of 'participatory' workshops confined to such communities. This immediately begs the question of an appropriate trade-off between work in one



‘community’ that purports in one way or another to be representative of that community, and work of a more dispersed but intensive kind that seeks to investigate at first hand disparate economic activities, and the relationships between them, that together comprise any one household livelihood but that often ‘stretch’ far beyond the physical boundaries of the community. A vital part of the effectiveness of this kind of work was following up the same individuals and families at different points in time, scattered as they often were in different places, with repeated (small-scale) household surveys to plot demographic turnover and the trajectories of individuals’ experience. It could not, however, be claimed in any serious sense to be ‘participatory’.

Four in-depth examples of uses of livelihoods approaches are:

1. Frank Ellis: combining sample surveys and participatory techniques (eastern Africa)

Frank Ellis, an agricultural economist at the University of East Anglia, is an important contributor to recent thinking on livelihoods, diversity and vulnerability, through influential articles (in 1998) and his book *Rural Livelihoods and Diversity in Developing Countries* (2000). In Part III of this book he elaborates the combination of survey and participatory methods that, in his view, opens up the possibility of a better understanding of rural livelihoods.

He outlines a critique of large-scale income surveys, on largely familiar grounds, with reference to studies undertaken in Ghana, Kenya and Tanzania in particular, and concludes that they are of very limited use in understanding changes in rural livelihoods over time. Smaller-scale sample surveys relating to particular communities or regional populations are of rather more use. He also advocates various different PRA methods (key informants, semi-structured interviews, informal group discussions, focus group discussions, Venn diagrams) ‘for discovering, quite quickly, the mediating processes within which livelihood strategies are adopted’, relating to social relations, institutions and organisations. He then offers a useful summary of the typical characteristics of different field methods, under the headings of large-scale sample surveys, small-scale sample surveys, semi-structured or participatory enquiry, and case-studies (Ellis, 2000: 196-7).

Ellis illustrates the practical application of these disparate methods through a case-study carried out in three villages in northern Tanzania in 1997. An experimental combination of methods was applied, guided by ‘considerations of cost-effectiveness and timeliness in obtaining policy-useful research results’ (Ellis, 2000: 200). They were:



- Semi-structured focus group discussions
- A participatory wealth-ranking exercise
- A sample survey of household demography and remittance income, farm incomes, non-farm income sources and household assets [30 households interviewed in each of three villages]

Typologies of livelihood strategies were derived from these exercises, and households were 'mapped' according to the relative robustness of income contributions derived from each mode of livelihood. With some qualifications and reservations, the expectation of the study was broadly confirmed: that focus group discussions and other participatory methods were well-suited to discovering the 'vulnerability context' of rural livelihoods; while sample survey methods were better suited to 'examining more concretely how the assets and activities of the poor differ from those of the better-off' (Ellis, 2000: 227).

2. Khanya: the 'vertical transect' methodology (southern and central Africa)

<http://www.khanya-aicdd.org/>

Khanya-African Institute for Community-Driven Development, based in Bloemfontein, South Africa, has committed much of its work towards developing the applications of a livelihoods framework in the context of poverty reduction strategies. The Sustainable Livelihoods approach, in their view, does help to structure analysis of the support required to assist the poor. Particularly important are 1) a holistic analysis of strengths and 2) an understanding of macro-micro linkages. 'Decentralised approaches are needed, in which the district level acts as the interface between micro-level understanding of clients, with macro-level policies, and provides the key intermediation in terms of matching poor people's preferred outcomes and strategies with appropriate service delivery... At levels higher than district the complexity of achieving effective co-ordination and integration of services and programmes becomes too great' (Goldman *et al.*, 2000: 4).

Khanya identified the advantages of the approach as follows (Goldman *et al.*, 2000: 3): its participatory methodology; the opportunity and need for pre-project ownership creation; developing a common methodology. Four levels were identified: the community level; the local service-provider level; the meso-level; the centre. Through their experience in three countries in southern Africa, they laid out a series of phases in developing a poverty reduction strategy using the Sustainable Livelihoods approach:

- Developing an interest in and commitment to such a strategy



- Organising a detailed study
- Conducting and writing up the study
- Developing the strategy
- Implementation of the strategy

The main political requirement was a sense of 'ownership' and commitment in appropriate departments of government at a fairly high administrative level. The principal methodological approach, however, was a variety of PRA exercises undertaken directly with local people. 'The approach used builds from what we see (and don't see) in the reality of people's lives - so the focus of the study is on learning from people on the ground, the micro-level, understanding what impacts on their lives from that level, and how successive levels above support (or don't) the operation at micro-level' (Khanya, 2000: 5).

Khanya offers the experience of a vertical transect methodology, proceeding from an overview of policies at the centre to rapid assessments at village, district and provincial levels and then return to the centre. Such a vertical transect, they recommend, should involve an intensive study of about six to eight weeks, with a multi-disciplinary team of three to five people for efficiency and economy. The team proposed the following more detailed schedule: a few days at the centre; one week on PRA investigations in case study locations; moving through layers of government service and support with workshops, semi-structured interviews and key informants; returning to case-study locations for at least one day to validate and triangulate, as well as further to explore specific identified issues; and arrangements for involving local people in the production of the report. Much weight was attached to the analysis of rural livelihoods in case-study areas. Some basic quantitative data could be gathered from participants, but the principal techniques were those associated with PRA, with an emphasis on 'the community themselves' defining their circumstances, needs and desired outcomes.

One problem with such an approach is that constituencies defined separately for the purpose of setting up focus groups, such as 'farmers', 'women', 'youth', 'pensioners', often overlap in practice. The whole point of livelihoods research, after all, is to understand the ways in which diverse modes of livelihood are inter-related through the management of complex household portfolios in circumstances of structural change, not simply to identify the supposedly discrete concerns and interests of distinguishable social categories of the population.



3. Livelihood trajectories (western Nepal and eastern India)

See: Bagchi *et al.* (1998)

The explicit research aim of the ESCOR-funded project on Long-Term Change and Livelihoods, initiated by the Overseas Development Group (ODG) at the University of East Anglia, was to describe and explain trajectories of change for individuals and groups over time, through fieldwork in 1996-7 in 15 villages in Western Nepal and two villages in West Bengal and Bihar. The comparative base for the work in Nepal was a sample survey of 667 rural households in Western Nepal carried out by the ODG in 1974-5. The team drew on other survey work undertaken in the mid-1970s to support the comparative longitudinal work in the other two areas.

Livelihood trajectories, according to the team:

- provide insights into the changing welfare and capabilities of individuals and of groups;
- can illuminate the process of change by revealing the ways in which negotiation, bargaining and struggle can alter circumstances;
- make it possible to 'bridge the supposed micro-macro divide' by a process of aggregation upwards from the lives of individuals;
- combine insights, in a seriously inter-disciplinary spirit, from the many different paradigms prevalent in development studies.

On the third point above, 'progressive aggregation admittedly moves away from the rich and revealing, life-as-lived from day to day embeddedness of [Livelihood Trajectories], but increasingly makes possible generalisation and structural explanation as one moves upwards from households to local communities, districts, regions and states'. Livelihoods analysis 'starts from daily lives and experiences' but moves on 'to explore not only 'how people make history' but also the constraints that limit their functioning and capabilities'.

This project was explicitly 'longitudinal' in pursuit of its principal objectives, although not - for the most part - in the strict sense of following up the same individuals over time. Such research, while fraught with methodological problems, is potentially very valuable because of the time-scale of comparison. It is also highly unusual in practice, largely because of the massive wastage incurred through the familiar phenomenon of 'loss of institutional memory' over much shorter periods of time than the two decades considered here. A particular virtue of the article cited (Bagchi *et al.*, 1998) is its explicit discussion of these methodological



problems: for example, the difficulties of replication of the original sample(s) against the need for random sampling of population(s) 20 years later; the ‘gain’ of pursuing ‘original’ households against the ‘loss’ of a demographically unrepresentative range of households, etc. In the Nepalese case, the team found, only about 40 per cent of the original 1974-5 respondents were still living in 1996-97. However, without access to reliable baseline studies in West Bengal and Bihar that suited the particular purposes of the study, the team had to adopt ‘a more opportunist and eclectic construction’ of livelihood trajectories, through the use of various studies carried out at different times and for very different purposes.

The team used a variety of research techniques, such as village mapping, wealth-ranking, formal randomised sample household surveys and life histories. They also experienced major tension between quantitative and qualitative techniques. ‘The quantitative data provided the basis for showing *what* and emphasising what was representative, while the qualitative was able to reveal *how* and *why* and to highlight differences and variety within the range of human experiences in the areas studied - experiences that could help explain, problematize, and contextualize differences and changes in average values of variables from the quantitative survey’ (Bagchi *et al.*, 1998: 461).

4. Changing livelihoods: life histories and ‘cluster’ analysis (South Africa)

The objectives of the ESCOR-funded Multiple Livelihoods and Social Change project (life-span 1998-2001) were as follows:

- to analyse socio-economic differentiation in two densely populated but relatively remote (former ‘homeland’) areas of South Africa;
- to identify the intervening socio-economic, political and institutional variables that affect efforts to alleviate poverty through improved livelihood opportunities;
- to develop a distinctive combination of methods for the study of multiple household livelihoods as they change over time, and for relating changes at the micro-level to changes at the macro-level.

Fieldwork was undertaken in the Central District of North-West Province and ‘greater’ Qwaqwa, Free State. Elizabeth Francis worked for three months in two adjacent villages in North-West in March-June 1999. She conducted forty-one life history interviews with people in forty different households in these two villages and with farmers on nearby state land. She used a unified interview framework that included questions about contemporary livelihoods. Interviews lasted around two hours. She also conducted interviews dealing with the local and



regional institutional context with chiefs, headmen, local councillors, other local political activists, members of local community-based organisations, district council officials, provincial government departments and the National African Farmers' Union.

Her sample was constructed in order to capture differences in livelihoods, resource access and income levels. She used snowball sampling, in order to understand inter-household relations through looking at clusters of associated individuals and households. Commercial farmers led her to people they had employed, members of other households introduced her to their kin and in-laws, to people they brewed beer with, people who herded their stock or helped them regularly, people who paid them to do domestic work, or to people who fostered their children. In following up relationships between individuals in different households, there was a tension between her wish to explore these further and her understanding of the importance of keeping the sample as widely-based as possible, in order to avoid potential biases. She asked informants about dispersed household members, kin with whom there was a lot of contact, and other people with whom there were relationships which impinged on livelihoods.

By placing these changes in the context of local and national transformations, it was possible to relate some of the household-level changes to socio-economic, political and institutional changes at the regional, provincial and national levels.



2.3.3 Undertaking livelihoods research

1. Collect relevant secondary data

An overview of the types of data which this may include is given in Box 3.

Box 3: Secondary data relevant for livelihoods research

Agro-ecological zone (may not be relevant for urban and peri-urban areas)

- Rainfall (average amounts, localised spatial, annual and seasonal variability)
- Temperature (seasonal variation, averages)
- Local geomorphology (including depth of water table, presence of aquifers, soil type)
- Climax vegetation type and forest cover

Contextual information

- Significant political, historical and cultural background

Infrastructure

- Road, rail and waterway connections
- Does the area have a good, reliable and affordable power network? What proportion of enterprises and households are connected?
- Does the area have a good, reliable and affordable telecommunications network?
- The proportion of households with water and sanitation access. Who provides this?

Social services

- The enrolment and retention rates for girl and boy children in the area
- The key health risks in the area
- Literacy, mortality and morbidity rates
- What services are available, and what do different types of people use?
- Who provides the health and education services and how are they paid for?

Existing development interventions

- By national and local government as well as CBO, NNGO, SNGO and donor involvement

Market information

- Functioning of markets for agricultural inputs (including land and labour) and outputs.
- Functioning of markets for other significant local industries/ enterprises/ livelihood activities.
- Do markets conform to neo-classical expectations? If not, what are the main causes of market failure? (e.g. they suffer from monopsony and monopoly or there is differential access)

Main economic activities

- List of main activities (by importance in generating food security, protecting households from vulnerability, generating employment, income, export from district or region?)

Livelihood activities and coping strategies

- Overlaps with the above, but includes *all* non-monetised activities and coping strategies

Socio-economic information

- What are the important determinants of poverty in the area?
- Have participatory poverty assessments been conducted in the area and what useful information do they provide? Do you need to conduct local wealth ranking and other participatory exercises to understand the nature of poverty in the local community?
- What proportion of people are below the poverty line? Is this information disaggregated by poverty severity and household/ individual characteristics?

Possible sources:

- (Government) Central Statistical Office reports (Household Survey Reports)
- Local government statistics – held at the municipal and district level
- Participatory Poverty Assessments
- World Bank Reports, held or produced by the country office
- Bilateral donor reports
- Grey cover reports held by NNGOs and SNGOs, local universities, in-country research teams



2. Collect basic primary data

Some of the information above will not be available in secondary sources. Researchers need to identify *key informants* to provide them with this, through structured or semi-structured interviews. These interviews can be followed up with participatory methods (including focus groups) to deepen an understanding of the context of local livelihoods. This should provide the researchers with sufficient information to identify the main livelihood activities.

3. Decide on an approach for collecting more in-depth data

Researchers then need to adopt an approach for the collection of further data. They may decide to purposively select households based on their *level of poverty* (wealth/ wellbeing rank or income decile?) and their *main livelihood activity* (importance in protecting food security, income, allocation of labour time, allocation of land or other capitals to production?). This will allow the research team to develop a number of in-depth case studies. This can be triangulated with findings from community level participatory exercises and sample surveys.

One possible approach is using in-depth case studies:

1. Select household using a mixture of wealth rank and livelihood
2. Interview household members at their home/ enterprise (increases researcher's understanding of the household)
3. Interview more than one household member, if possible (to increase understanding of intra-household dynamics and access to and control of resources)
4. Interview on more than one occasion, if possible (this allows cross-checking, probing and follow-up)
5. Use a semi-structured interview approach to build up an understanding of:
 - size and structure of the household (including migrants in and out, servants, adopted children, joint household structures etc.)
 - intra-household allocation of tasks and responsibilities
 - inter and intra-household borrowing/ lending/ giving
 - traditional and non-traditional safety nets
 - role of remittances
 - endogenous and exogenous risks
 - shocks
 - trends



- household responses to shocks and trends – coping and adaptation
- main household assets, (inventory of human, natural, social, physical, financial capital, plus political capital, if desired) (owned, held in common, available through reciprocal arrangements etc.)
- calls on household assets
- differentiated list of livelihood activities – differentiated by gender, relationship to household head, age, seasonal, occasional, regular, constant. Differentiated by level of returns. Which activity is main income earner, most significant for food security? Which are coping strategy activities, ‘accumulation activities’ (those aimed at enrichment)? Which are natural resource based/ non-NR based? Which are reliant on common properties? Which are dependent on relationships with others? Which are reliant on markets? Are any illegal or frowned on?
- the key constraints for these livelihood activities (including barriers to entry, like level of capitalisation needed, required skill level, high social and political capital necessary)
- the key risks/ problems/ constraints faced in each of these activities. Which have drudgery associated with them?
- asking the respondent: What are the livelihood activities of the poorest in the community? Why do they do these activities? What are the livelihood activities of the richest? Have these activities made them rich? If not, how did they accumulate wealth? What are the main barriers to entry for these activities?

The case study can be written up using the Livelihoods Framework as an organising principle, but might also include other issues, such as: intra-household differentiation, livelihood constraints, vulnerability to shocks, coping, and capabilities to escape poverty. The findings can be cross-checked with participatory and survey findings for representativeness.