

Backgrounder: Sustainable Livelihoods¹

Sustainable Livelihoods is an approach to working with individuals and communities which was developed to capture the many effects of social and economic exclusion on people's lives, and to learn how they can be supported to move out of poverty towards resilience and livelihoods.

In a nutshell:

*"The livelihoods approach is concerned first and foremost with people. It seeks to gain an accurate and realistic understanding of people's strengths (assets or capital endowments) and how they endeavour to convert these into positive livelihood outcomes. The approach is founded on a belief that people require a range of assets to achieve positive livelihood outcomes; no single category of assets on its own is sufficient to yield all the many and varied livelihood outcomes that people seek. This is particularly true for poor people whose access to any given category of assets tends to be very limited. As a result they have to seek ways of nurturing and combining what assets they do have in innovative ways to ensure survival."*²

Drawing on the extensive experience of the Institute of Development Studies in the United Kingdom³, Canadian researchers came up with a participatory, outcomes-based tool to explore the process of livelihood development in a holistic range of key asset areas that contribute to people's social inclusion and participation in the economy: the Sustainable Livelihoods Framework.⁴

The tool is excellent for practitioners to explore four contextual dimensions of people's lives:

- A: The "Vulnerability Context"
- B: Assets
- C: Stages of livelihood development
- D: The policy and institutional context

¹ Revised and updated with permission (May 2015): Canadian Women's Foundation, Eko Nomos, and *Resources for Results*

² http://www.livelihoods.org/info/guidance_sheets_rtf/Sect2.rtf. The Sustainable Livelihoods (SL) approach was developed by the Institute of Development Studies (IDS) in the UK to understand how communities can move out of poverty towards sustainable livelihoods.

³ For a more detailed description IDS of the Sustainable Livelihoods Framework see <http://www.livelihoods.org/>

⁴ For some recent publications using the Sustainable Livelihoods Framework, see:

Murray, Janet and Ferguson, Mary, *The Business of Inclusion* (Toronto Enterprise Fund: March 2004); Murray, Janet and Ferguson, Mary, *Women in Transition Out of Poverty: A Guide to Effective Practice in Promoting Sustainable Livelihoods through Enterprise Development* (January 2002); Murray, Janet and Ferguson, Mary, *Women in Transition Out of Poverty: An asset based approach to building sustainable livelihoods* (Women and Economic Development Consortium: February 2001).

A: The “Vulnerability Context”

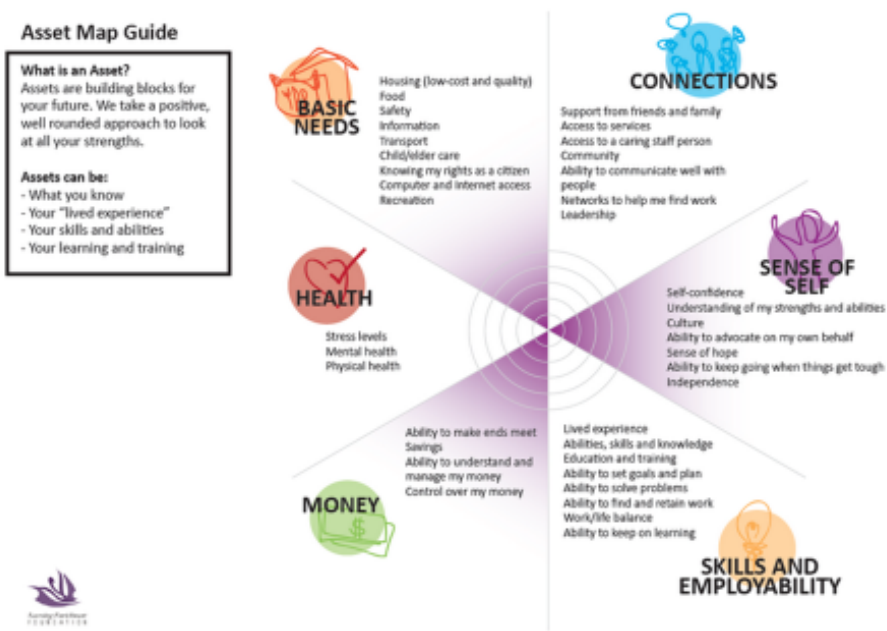
The framework focuses on understanding the context that creates and perpetuates people’s vulnerability to poverty, in order to support more active, strategic interventions by community-based organizations. It explores the context at two levels: 1) that of the individual and her or his circumstances; and 2) that of the broader institutions and systems that affect the options that are open to marginalized people. It acknowledges that while people can and do make choices that deplete assets and make their lives less stable, there are powerful external systems and forces that combine to keep them in a long-term cycle of social and economic exclusion.

B: Assets

Assets are the building blocks of a sustainable livelihood at the individual level and community level. People pursue various asset-building strategies that support them both in surviving, and in coping with the context that makes them vulnerable, so that they can move towards stability and sustainability. It is the lack of a range of assets that makes people vulnerable to exclusion.

The Sustainable Livelihoods framework identifies six broad asset areas that offer a holistic picture of all the capabilities, resources and entitlements that people have invested in and developed over time. In its focus on people’s assets rather than their deficits, the framework avoids the negative, deficit-based approach that is so common to the social service field.

Practitioners can use this tool with individuals and groups to help them identify, reflect on, and gradually start to build their assets holistically. Instead of beginning with “What don’t I have?” the approach asks “What assets do I already have, and how can I strengthen them?”



Sustainable Livelihoods thinking has been continuously refined through research and practice, and now identifies six broad asset areas that work together to support people in building their livelihoods:



Physical Assets or “Basic needs”

Physical assets include people’s basic needs for housing and food, plus access to the information and services required to build a livelihood.



Social Assets or “Connections”

These assets refer to the social connections and supports that people can draw upon to achieve their goals. By building a foundation of networks and contacts, they find that they have enhanced their support systems, making it easier for them to develop other assets.



Human Assets or “Skills and employability”

Human assets refer to how employable a woman may be, in terms of her skills, knowledge, education, and leadership. Although human assets are central to all livelihood strategies, they are not sufficient on their own to ensure progress towards a sustainable livelihood.



Personal Assets or “Sense of self”

Less tangible are personal assets, which are connected to people’s sense of personal and cultural identity, and their private values and beliefs. These assets include self-confidence and self-esteem, as well as the motivation and strength that people may be able to bring to the process of personal transformation.



Financial Assets or “Money”

Financial assets are earnings, money and financial security (including access to financial entitlements from government). They offer an important entry-point for transformation and development: the ability to earn money and decide how it should be spent provides people with a powerful means of reversing the downward spiral into poverty, and of building up a wider range of assets.



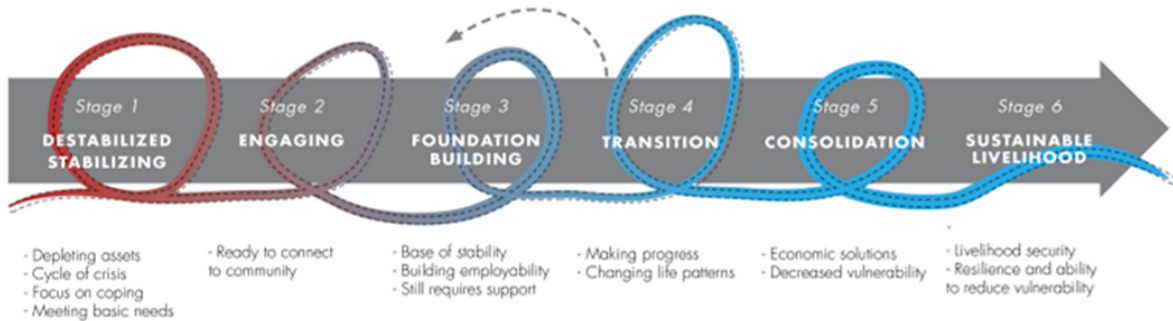
Health Assets or “Health”

Health assets are a crucial asset area that includes both physical and mental well-being. Without health assets it is extremely difficult for people to build and sustain gains in the other five key areas. Questions to explore relate to the “big picture”. Do they have good access to

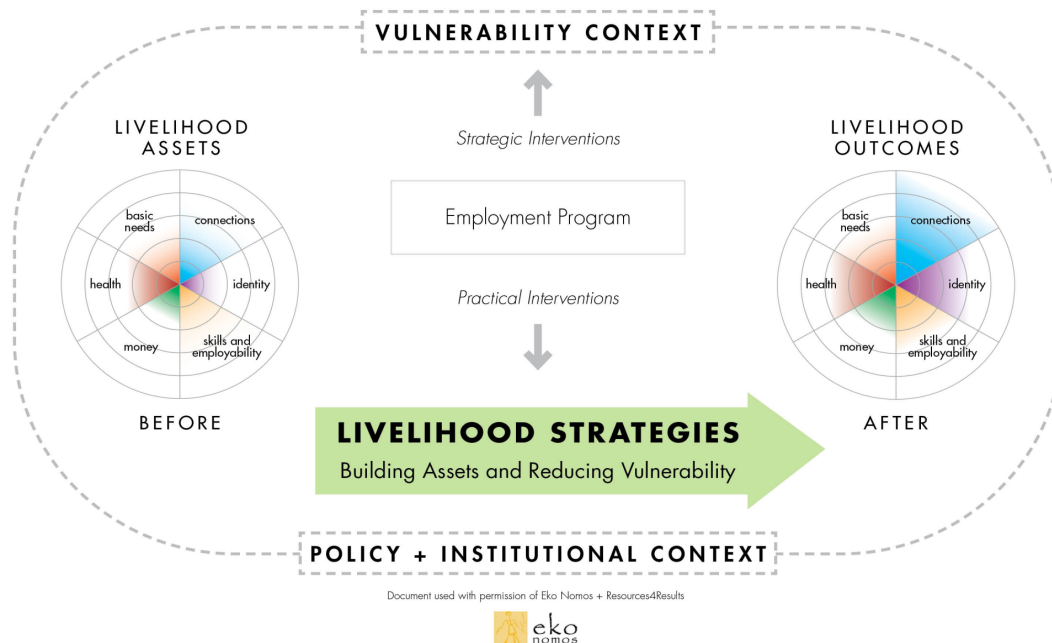
healthcare services? Can they “manage” ongoing health issues, stresses, sleep, and substance use issues? Do they take a pro-active approach to self-care, e.g. through healthy eating/exercise?

Stages of livelihood development

The following are the different stages of livelihood development that marginalized communities go through at different social locations of their lives. It is not linear and can move between the stages.



THE SUSTAINABLE LIVELIHOODS FRAMEWORK - v1.2



D: The Policy and Institutional Context

By looking at the context provided by our institutions and their current policies, we can understand some of the constraints and opportunities it presents, and develop strategies to build a more enabling policy environment. This context influences and may even determine our access to money and resources, livelihood strategies, and decision-making organizations. It affects us all, from the individual/household level to the broader international level.