



The Livelihoods Approach

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Coverage of This Presentation

- the livelihoods framework
- forestry connections to the framework
- preliminary ideas about data analysis

Livelihoods Framework

VULNERABILITY CONTEXT

- ▶ risk
- ▶ shocks
- ▶ seasonality
- ▶ prices

ASSETS

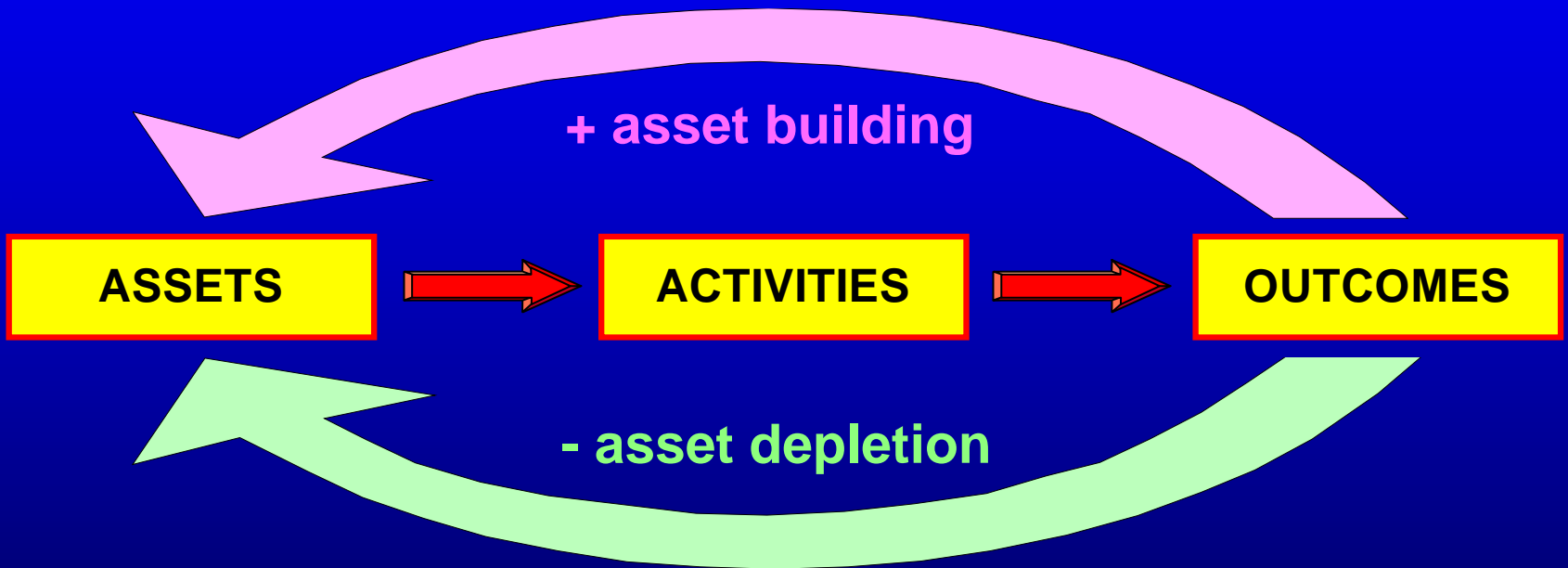
ACTIVITIES

OUTCOMES

POLICY AND INSTITUTIONAL CONTEXT

- ▶ governance
- ▶ social relations
- ▶ customs
- ▶ rights

Links and Cumulative Effects



Back to the Framework

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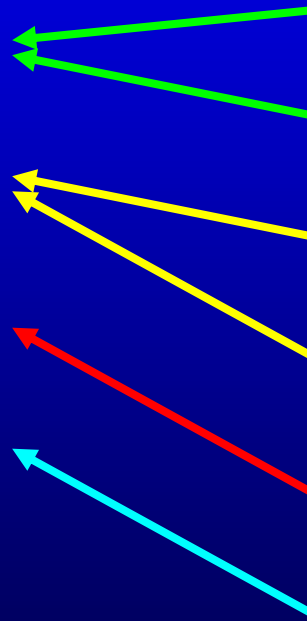
Livelihood Assets

ASSETS (categories)

- natural
- human
- physical
- financial
- social

ASSETS (practical)

- land
- livestock
- labour
- education
- implements
- savings



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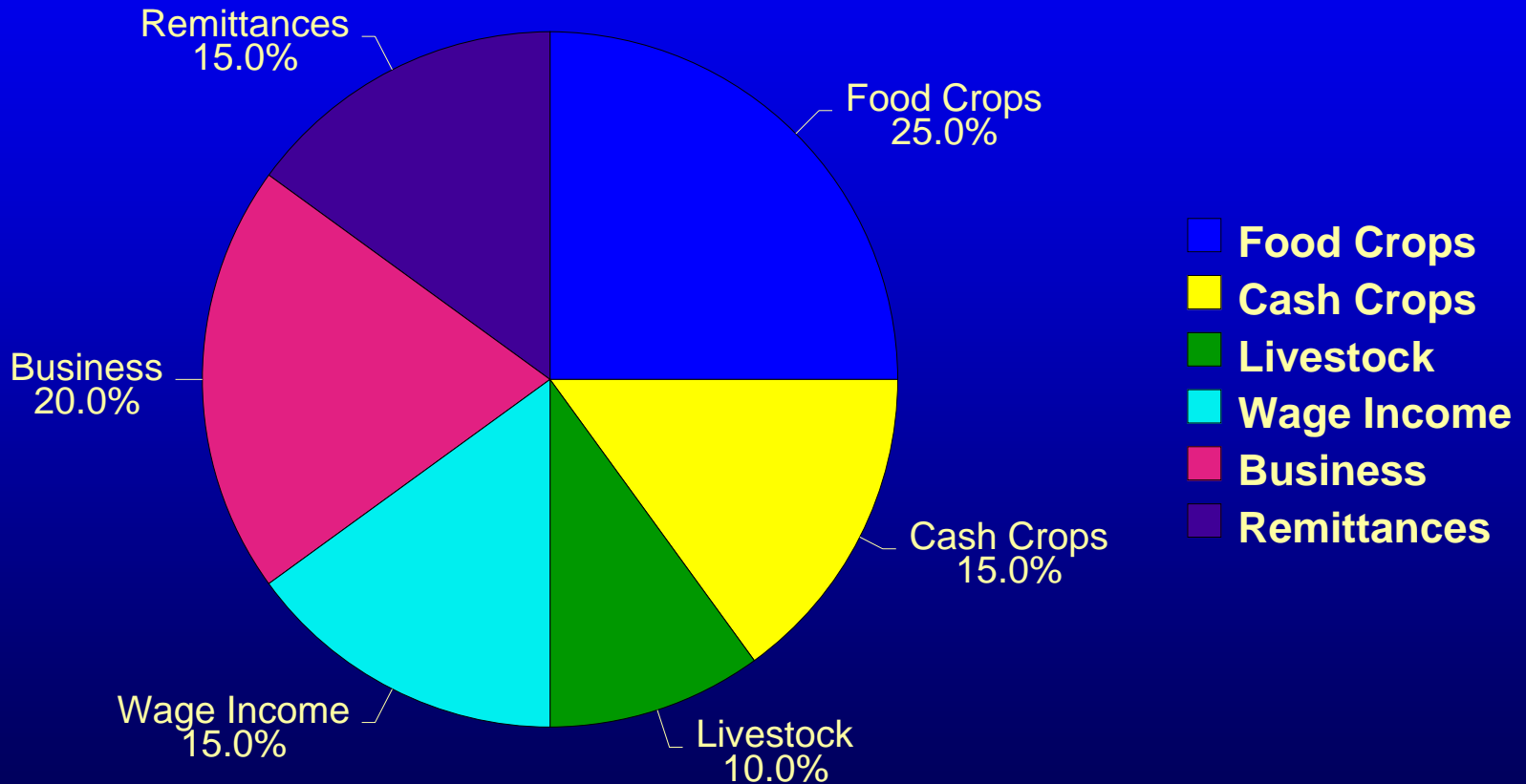
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Activities Generate Incomes

A Typical Income Portfolio



Points About Diverse Income Sources

- risk mitigation – reduces vulnerability
- smooths seasonality – labour & incomes
- generates cash income, increasing options
- potential to enable accumulation – virtuous livelihood spiral
- forest products – part of income diversity

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Two Main Categories of Outcome

- outcomes for living standards and well-being, incl.:
 - attainment food security
 - poor or non-poor (w.r.t. poverty line)
- outcome for quality and sustainability of natural resources

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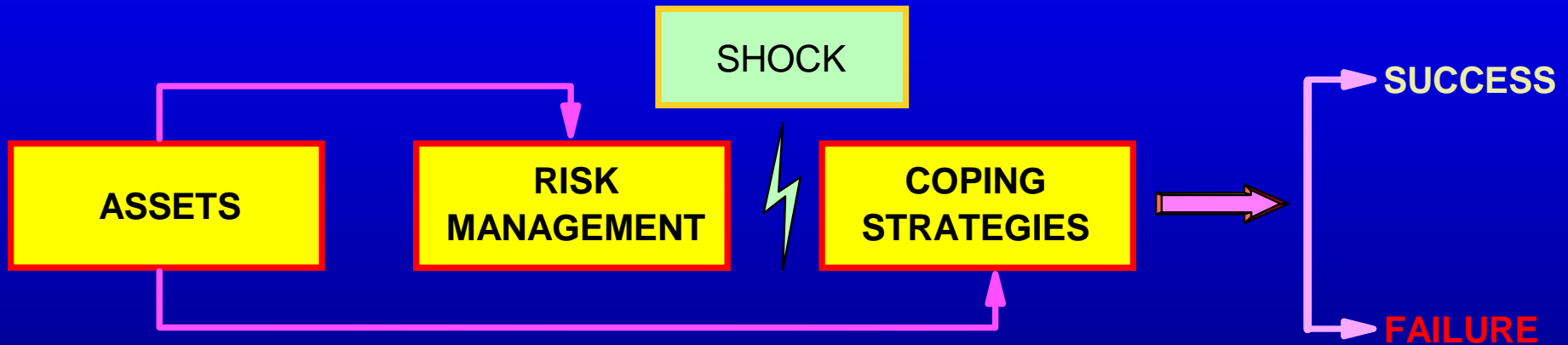
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What is Vulnerability?

- vulnerability typically refers to vulnerability to hunger – the gap between the ability to access food and the minimum consumption needs of the family
- vulnerability is a relationship between the risk of an adverse event, and the ability to deal with that event if it occurs
- so high risk of adverse events, and inability to cope if a shock occurs, denotes high vulnerability

Vulnerability as a Risk Sequence (important role of assets)



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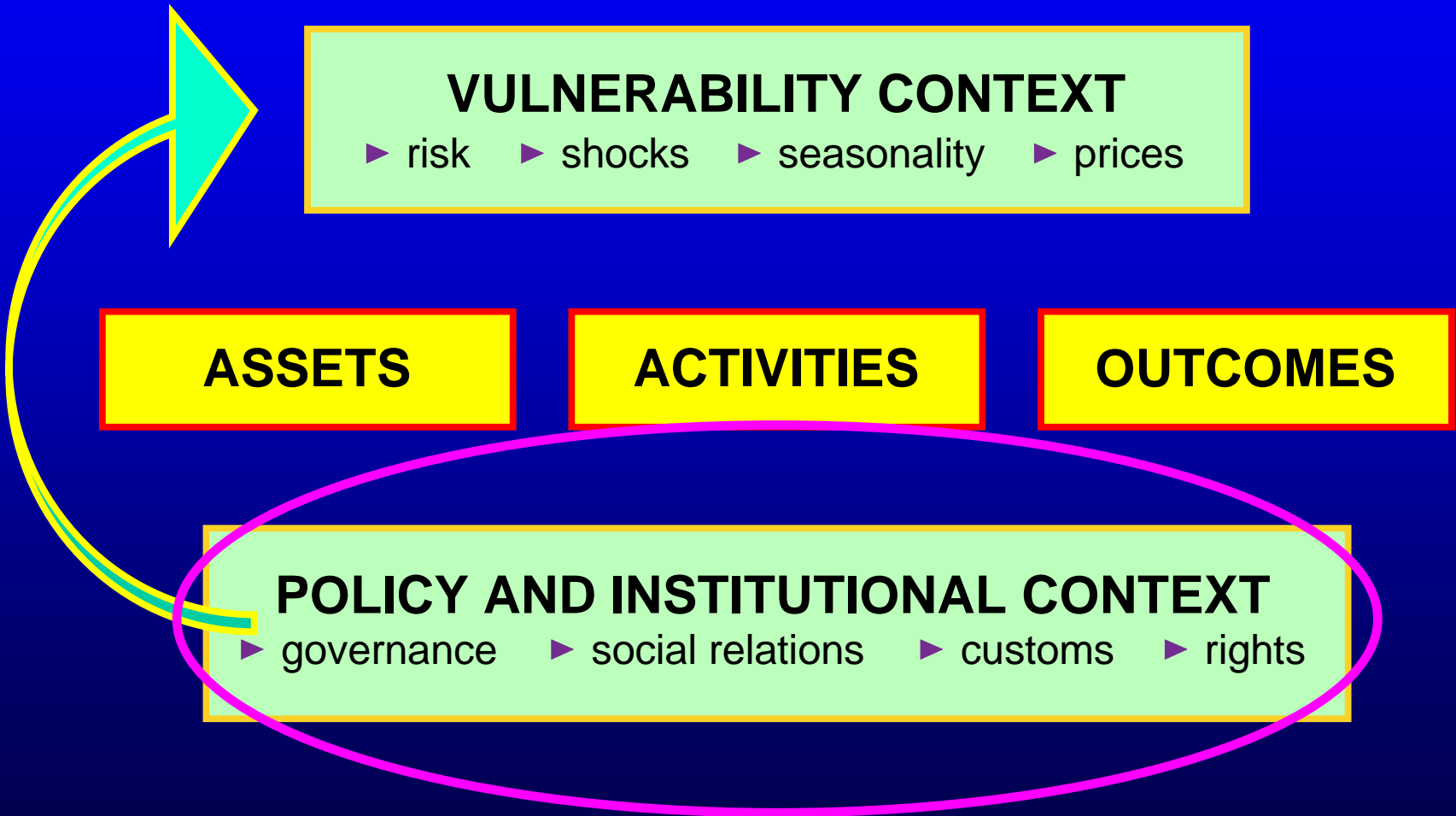
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Unpacking the Policy and Institutions Box

- government, governance, decentralisation, taxation
- authority, power, participation, ability to influence decisions
- social relations: kinship, gender, ethnicity, religion
- rights: property rights, forest access rights, wide variety of human rights
- (some of these map to social capital)

Policies and Institutions can Increase Risk and Vulnerability



Removal of Blockages

The livelihoods approach encourages questions to be asked about blockages to building improving livelihoods, therefore directing attention to the removal of such blockages in order to give people greater scope to construct their own routes out of poverty.

Removal of Blockages (Quote)

"to identify what the poor have rather than what they do not have"

and

"[to] strengthen people's own inventive solutions rather than substitute for, block, or undermine them"

Moser (1998: p.1)

Forests in the Livelihoods Framework

Framework helps to map the way forest products fit into livelihoods:

- ASSETS - forests a shared or joint asset
- ACTIVITIES - extraction forest products
- OUTCOMES - higher income/consumption; changing forest quality
- VULNERABILITY - critical coping role
- INSTITUTIONS – forest management

Forests in the Livelihoods Framework

VULNERABILITY CONTEXT

- ▶ role of forest in risk reduction & coping

ASSETS

**FOREST =
collective ASSET**

ACTIVITIES

**FOREST PRODUCTS
= part of HH INCOME**

OUTCOMES

**(1) HH Incomes
(2) FOREST Quality**

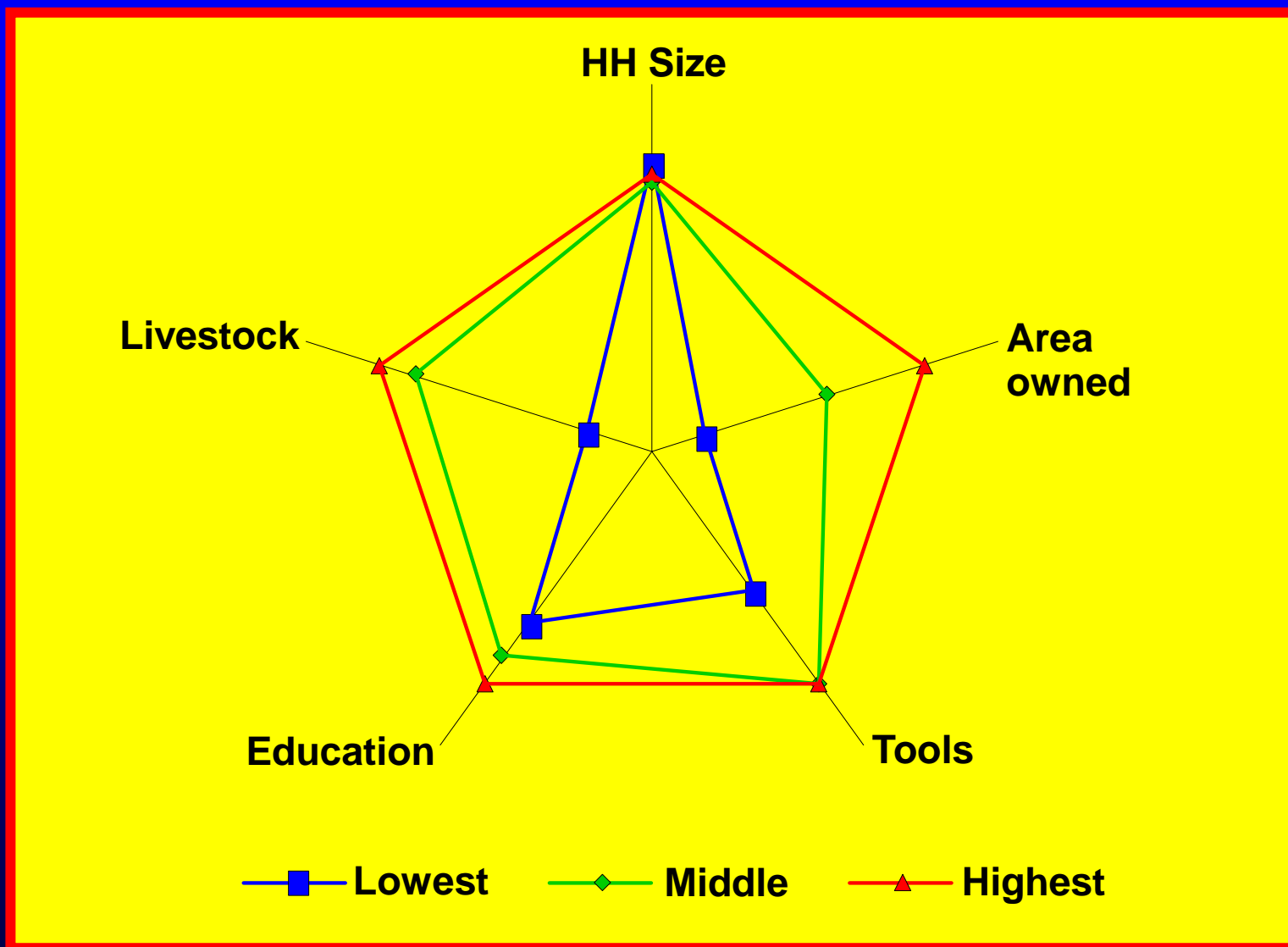
POLICY AND INSTITUTIONAL CONTEXT

- ▶ forest management institutions

Preliminary Thoughts on Data Analysis

- differences in wealth & income critical
- aggregate household net income
- derive per capita HH income (AEU)
- income terciles or quartiles for descriptive stats
- wealth ranking groups, an alternative

Selected Asset Levels by Income Tercile, Uganda

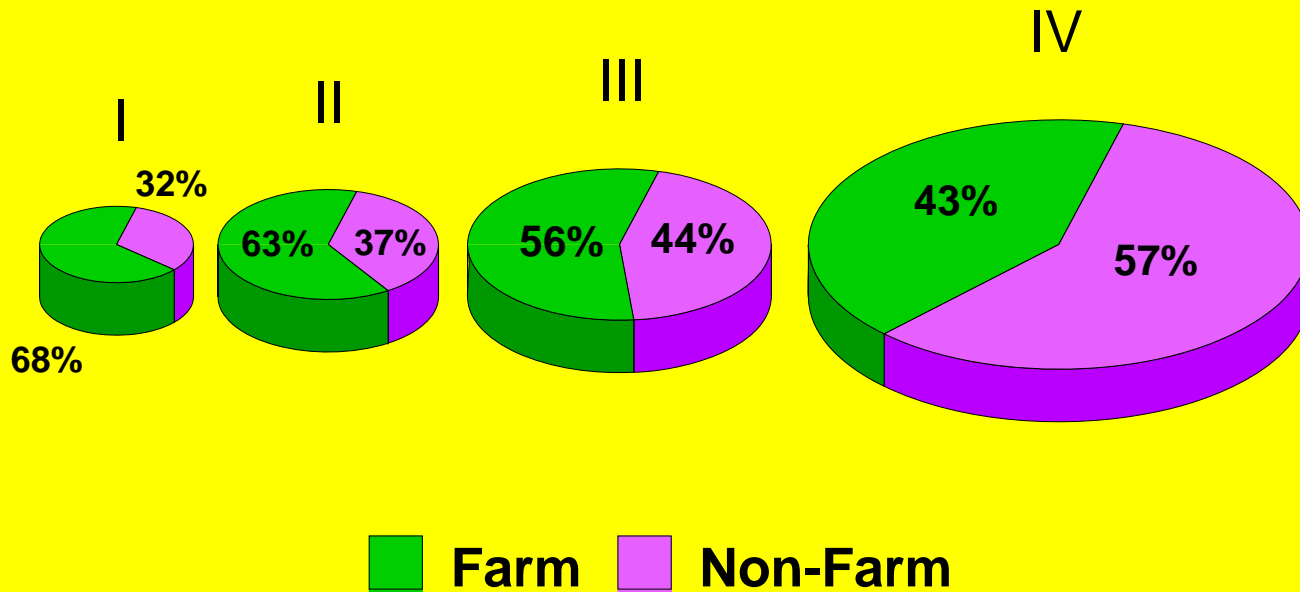


Rising Non-Farm Share, Rising Income

310 HHs Tanzania, Per Capita Income Quartiles

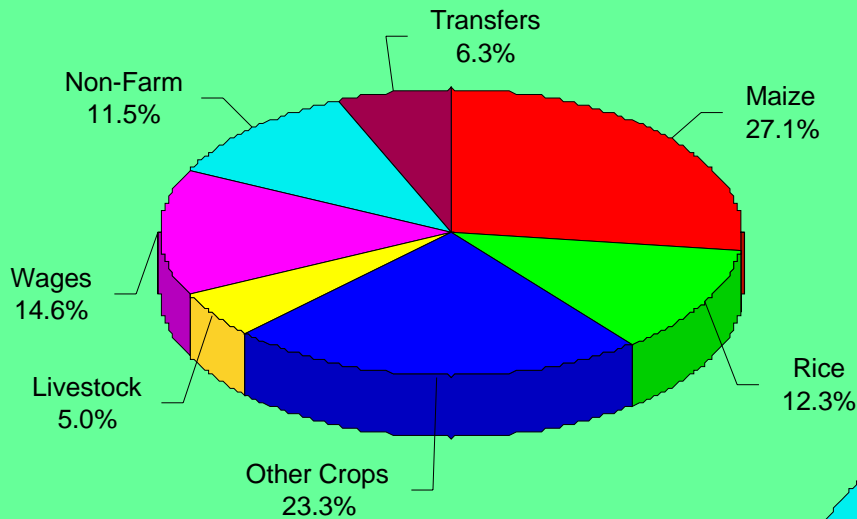
I	II	III	IV	Ave
32.3	36.7	44.3	57.4	50.3

Income Portfolios by Income Quartile, Tanzania

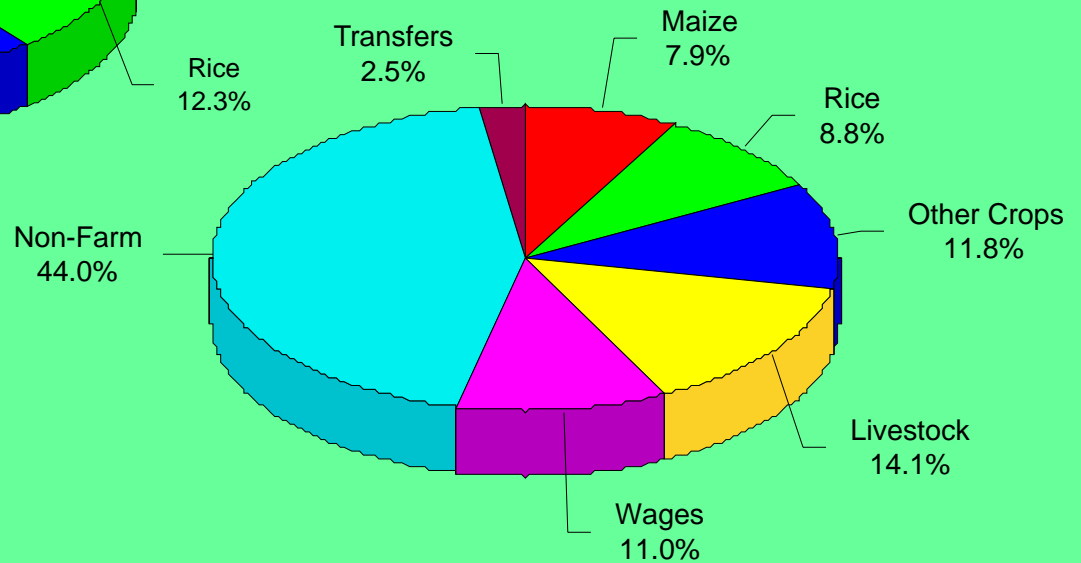


Income Portfolios: Tanzania Example

Bottom Quartile

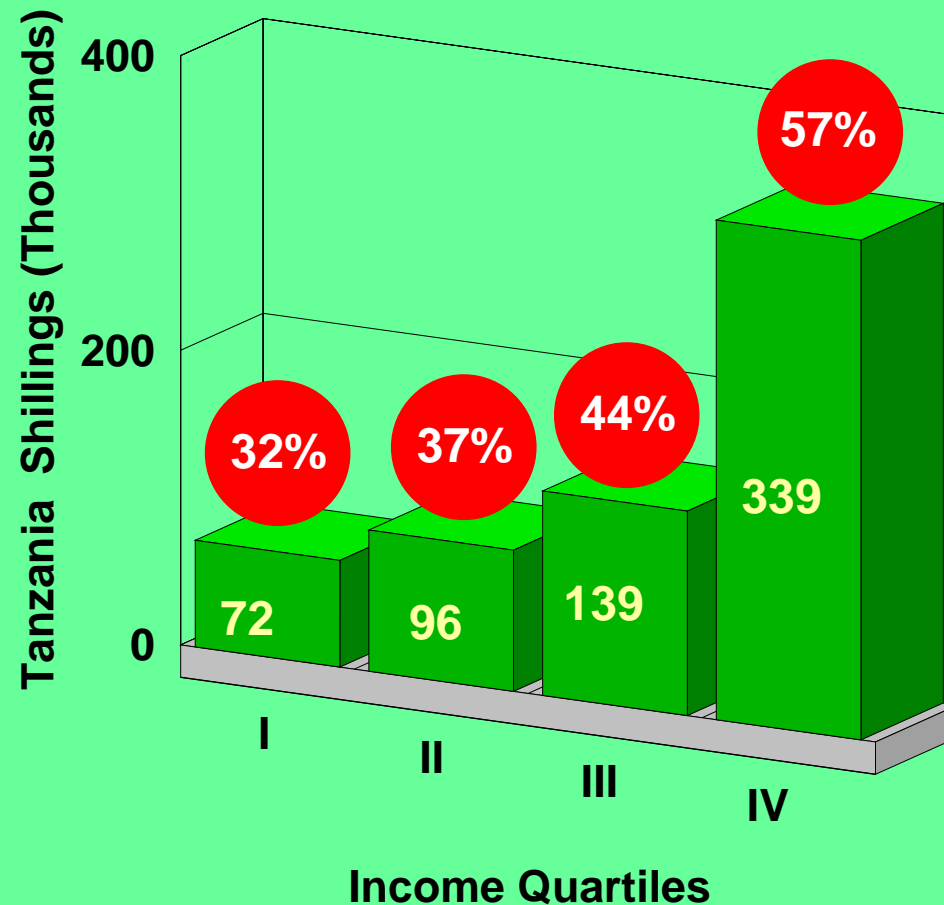


Top Quartile



Agriculture Benefits from Diversification

Tanzania Sample 310 HHs 2001
Non-Farm Contribution to HH per Capita Income (Red)
Net Agric Output per Hectare (Green)



Forestry Management Institutions

- often a gap between the rhetoric & reality of such institutions
- 'elite capture' common in CBNRM institutions
- need to derive a historical picture of how access has evolved over time for different social groups
- combining qualitative & quantitative data
- success or failure at ensuring sustainability of forest product extraction