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Natural Resource perspectives

Number 69, June 2001

SUSTAINABLE LIVELIHOODS, RIGHTS AND THE NEW ARCHITECTURE OF AID

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A number of new aid vehicles have been introduced recently, mainly by the Washington-based institutions. This paper aims, first, to give an overview of the range and provisions of these, and then to assess how they might relate to existing approaches to development, specifically sustainable livelihoods and rights-based approaches.

Policy conclusions

- New approaches to aid seek to achieve closer orientation of country development programmes towards the requirements articulated by the poor themselves, and a high degree of ownership of these programmes by governments.
- These are important steps, but remain incomplete unless programmes are oriented towards appropriate principles and to the opportunities (and many threats) that globalisation presents. Rights-based approaches, although not without conceptual and practical difficulty, can provide some of the necessary principles and motivation.
- Sustainable livelihoods approaches are based on many of the same principles as rights-based approaches, but complement these in being less concerned with what entitlements poor people *should* have than with how far different groups benefit, what impact this has on their livelihoods, and what can be done to ensure that the poor benefit more in future.
- Sustainable livelihoods approaches are likely to complement new approaches to aid by providing important qualitative perspectives on the needs and opportunities faced by the poor, identifying entry points and sequences for development interventions, and providing a reality-check on the increasingly macro focus of aid.
- They can also bring into focus the views of the poor on policy implementation, so helping to identify interventions that are robust in the face of chronic implementation constraints – and as yet these are rarely discussed in new approaches to aid.

The new architecture of aid

A principal aim of recent initiatives from the Washington-based institutions has been to strengthen country-level development strategies in ways broadly consistent with the principles of opportunity, empowerment and security elucidated in the World Bank's WDR 2000/2001. The aim has been to integrate poverty and environmental policies into a coherent growth-oriented macro-economic framework, which, by contrast with earlier approaches, achieves a high degree of 'ownership' by the countries themselves. The promotion of Comprehensive Development Frameworks (CDF) by the World Bank in the mid-1990s represented an early move in this direction. They were complemented by agreement by the World Bank and IMF in September 1999 that country-owned Poverty Reduction Strategy Papers (PRSPs) should provide the basis of concessional aid and debt relief for Highly Indebted Poor Countries (HIPC). These are accompanied by the growing momentum attaching to National Strategies for Sustainable Development (NSSDs) which were spurred by the 1992 Agenda 21 agreement of the Rio Earth Summit, but are concerned with economic and social as well as environmental sustainability. Table 1 suggests that these share a number of common features.

In addition to these, some country-level development strategies include a renewed focus on the management of public expenditure, in particular the development of Medium-Term Expenditure Frameworks (MTEFs). By taking a strategic view of development expenditure priorities, these offer greater continuity and flexibility across fiscal years than can annual budget cycles.

This new architecture is still in the early stages of implementation, and so evidence on its performance is piecemeal. However, it is already clear that the results are likely to be of uneven quality: some countries (e.g. Uganda) had already initiated coherent, participatory programmes of rural development long before the advent of PRSPs; others (e.g. Tanzania) are committed enough to the new processes to change existing practice, whereas others see them primarily as a vehicle for continued access to international development assistance. In addition to unevenness in degree of country commitment, there is the more fundamental challenge of achieving adequate balance between two sets of perspectives: first, those of the poor themselves; and second, those embracing opportunities which may lie beyond the perceptions of the poor. And the rapid changes brought about by globalisation mean that these wider opportunities are themselves increasingly difficult to predict.

Setting aside these difficulties, the question addressed in this paper is whether the principles and practice of other development approaches – here, sustainable livelihoods (SL) and rights-based (RB) approaches – are consistent with the new architecture of aid, and, if so, whether and how complementarities might be exploited. Before addressing this question, we first briefly review the main features of these approaches.

Sustainable livelihoods approaches

SL approaches put the poor at the centre of analysis and aim to identify interventions to meet their needs and opportunities in ways not dominated by individual sectors or disciplines. Part of the value of a SL approach therefore lies in providing an inclusive and non-threatening *process* by which the capacity of development specialists to think beyond conventional sectoral or disciplinary boundaries can be enhanced. This is in addition to whatever improved *products* it achieves in terms of e.g. better design of the interventions themselves.

What is meant by an SL *approach*? In some interpretations (including those of DFID), SL can be interpreted in at least three ways:

DFID Department for International Development — This series is published by ODI, an independent non-profit policy research institute, with financial support from the Department for International Development. Opinions expressed do not necessarily reflect the views of either ODI or DFID.

Table 1 Common features among approaches comprising the 'new architecture' of aid		
CDFs	**PRSPs**	**NSSDS**
• Long-term vision and strategy • Enhanced country ownership of development goals and actions • More strategic partnerships among stakeholders • Accountability for development results	• Medium and long-term perspectives for poverty reduction • Country-driven and owned • Based on broad participatory processes for formulation, implementation and outcome-based progress monitoring • Partnership-oriented • Results-oriented, focusing on outcomes that would benefit the poor • Comprehensive – recognising the multidimensionality of poverty	• Participation and ownership across all sectors of society • Process and outcome orientation • Capacity strengthening and institutional reform • Building on existing strategic processes rather than starting yet more initiatives.

- **As a set of principles**: these specify that developmental activity should be: people-centred; differentiated according to locally relevant criteria such as class and gender; multi-level, i.e. linking local perspectives into higher-level processes of policy design; conducted in partnership between public and private sectors; and sustainable. This last criterion requires careful interpretation: it cannot apply to people's livelihood portfolios, since these necessarily change in response to needs, opportunities or constraints. More realistically, it should, following Sen (1999), apply to their *capability* to manage their portfolios.
- **An analytical framework**, drawing in conventional types of analysis (economic; social; institutional etc.) to identify how poor people's options and constraints can best be understood.
- **A developmental objective** i.e. to enhance the overall level and sustainability of livelihoods.

In the discussion below, 'SL approach' takes the developmental objective as given, and embraces both the principles and the framework.

Experience suggests that an SL approach to poverty offers certain advantages in project preparation: it provides a wider view of poverty than conventional income-based approaches, recognising also the importance of ability to access resources and entitlements, reduce risk and vulnerability, and exercise voice; it therefore emphasises that the poor *do* have assets, options and strategies, and that they are decision-takers; its capacity to 'get below the surface' to informal institutions and processes is particularly important; and it offers the prospect of identifying entry points for pro-poor change, and of sequencing activities in such a way as to minimise the danger of appropriation of benefits by local elites.

At the same time, the SL approach faces several implementation difficulties: in reality, project preparation generally has to be 'owned' or 'championed' by a single government department; the framework and some of the concepts used (e.g. social capital) may be unfamiliar and forbidding to many; it is likely to be more costly to implement than conventional project preparation, and faces the difficulty of identifying what can be scaled up from local-level discussions with the poor to wider areas; it demands more administrative and financial flexibility than is conventionally available (though MTEFs may reduce this constraint); and unless particular care is taken, it may ignore intra-household interactions (such as the demands placed on women and children) and the relations between households and wider structures of politics and power. Finally, if donors continue to promote Sector-Wide Approaches (SWAPs), these may unduly limit the focus of SL approaches.

Rights-based approaches

Background

Rights in this context are *claims that have been legitimised by social structures and norms.* In some interpretations, these are based on rights defined in international law and reflected in major international conventions. These include civil and political rights (freedom of speech, religion, political affiliation and assembly; rights of women and children) and economic, social and cultural rights (e.g. rights to health, education, shelter, land and a livelihood). In an ideal view, rights are universal in that they apply to everyone, and are indivisible, i.e. they are equally important, no one set of rights having precedence over others.

In other interpretations, basic principles are extracted from human rights thinking and applied to institutional development. These principles may include social inclusion, participation and the fulfilment of obligations (DFID, 2000). For development agencies, the concern is not just with what rights people *should* be entitled to, but also with understanding whether people can claim the provisions to which these rights entitle them, and how the capacity of groups currently excluded from these entitlements can be enhanced. It is this interpretation that offers scope for closer interaction with the new architecture of aid and with SL approaches.

Rights-based approaches rooted in international law have particular relevance to efforts to rebuild livelihoods during or after civil conflict, when the possibility of rights abuses is high. In less extreme development contexts, rights-based approaches might include (Moser and Norton, 2001):

- Strengthening organisations of the poor;
- Rights information and education for the poor;
- Participatory planning that allows people to define their own priorities;
- Training for officials responsible for service delivery to ensure equity of treatment;
- Reform of laws and policies, in relation to, for instance, land tenure;
- Legal representation to enable people to claim their rights;
- Monitoring by civil society organisations of the performance of public institutions and the budget process (i.e. enhancing downward accountability); and
- Strengthening the capabilities of police and the courts.

Conceptual difficulties in rights-based approaches

Rights-based approaches suffer a number of conceptual difficulties, particularly in the economic, social and cultural spheres, which are likely to make their implementation difficult. These include:

- The difficulty of systematically incorporating a time-dimension in the consideration of rights, so that, for instance, they do not illuminate environmental issues such as the appropriate rate of depletion of non-renewable (or only slowly renewable) resources;
- The difficulty of conceptualising an appropriate balance between rights and responsibilities: refusal to accept joint responsibility for the management of common pool resources such as forest, grazing land or water leads to inefficiencies and inequities in their management, and almost invariably also to environmental damage;
- The difficulty of defining when cultural specificities override wider rights or responsibilities, or when some interpretation of the wider good should require suspension of 'normal' rights, as in civil emergencies;
- Difficulties in resolving tensions among different levels at which rights are conceived, or in identifying whether precedence should be granted to one or other level: the rights of women and children in international conventions which governments may have signed, may for instance, be very different from those allowed by cultural traditions within those same countries.

Implementation of rights-based approaches, and links with sustainable livelihoods approaches

In addition to these conceptual difficulties, the *implementation* of rights-based approaches poses major difficulties: financial constraints require pragmatic prioritisation which is at odds with the principles of universality and indivisibility. Nor are rights-based principles alone adequate to guide such prioritisation, and this is one area in which SL approaches can help. Further, if they are to demand their rights effectively, the poor need to be empowered, and such shifts in the balance of power will inevitably provoke resistance by existing elites.

There is considerable overlap in the founding principles of rights-based and SL approaches: both emphasise the importance of influencing policies, institutions and processes in ways that enable people to achieve better access to entitlements and resources. The main difference between them is that rights-based approaches are concerned more with *what* people's entitlements are, or should be – often over the long term – whereas SL approaches seek to assess *what impact* the presence or absence of certain entitlements has on people's livelihoods.

Depending on local context, it might be appropriate for rights-based approaches to advance incrementally among the entire population, or to advance in a piecemeal fashion, prioritising those groups where disadvantage has been great, yet the possibilities of change are substantial. SL approaches can assist in identifying these sequences and how performance against them might be assessed. For instance:

- SL approaches may suggest that the lack of formal land title among women is a major cause of vulnerability and of underutilisation of their other capital assets (since they cannot use land as collateral to obtain loans either for coping or accumulation purposes). This then sets a priority for the official recognition and implementation of a particular category of rights.
- Rights-based and SL approaches may link organically in indicating the priorities for pro-poor institutional and procedural reform. Thus, both may recognise the importance of rapid access by poor people to legal documents such as land records. However, conventional channels of access (i.e. through local level officials) may be blocked by corrupt practice. Computerised access to such records may be an appropriate means of bypassing local officials, and this may then constitute an investment agenda for governments and donors which meets both SL and rights-based criteria.
- SL approaches can help to identify why people have not taken up entitlements that have been offered. For instance, low uptake of primary education may be attributable to deep-rooted cultural attitudes towards (for instance) the education of girls, or to the direct costs of education (fees; uniform etc.), or to the fact that children cannot be spared from work. In other cases, the sequence may be more complex: for instance, people's right to information about the benefits of government programmes targeted towards them may first need to be met before they can be expected to claim these benefits. In addition, corruption among lower level officials who 'privatise' for personal gain the information which ought to be in the public domain, may also have to be tackled.

However, the situation facing the poor is often much more complex than can be captured in these two frameworks, either singly or jointly and need to be supplemented by e.g. political science or public management perspectives. For instance, affirmative action in Indian policy has generated a large number of schemes and programmes specifically targeted at defined categories of the poor. The practical difficulty is that these have come to represent a surfeit of riches: the lowest-level functionaries in the development administration are faced with over 150 of these schemes and programmes, varying according to the characteristics of the districts and of the populations with whom they work. Administrators tend to focus on the small number which they perceive most important (or, in some cases, from which they can extract most economic rent). It is highly unlikely that the poor will know of (and so be able to exercise) their rights in relation to this large number of provisions. New schemes are added because newly elected politicians at State and national levels wish to establish a reputation for munificence, possibly at the same time biasing such schemes towards their political supporters. But, to abandon old ones risks unpopularity, so that the numbers continue to rise.

Other examples of complexity are found in the well-intentioned efforts to make government closer, more relevant and more accountable to local people by strengthening local government and making the local-level administration accountable to elected representatives, as has been attempted in the Indian State of Madhya Pradesh. Officials reluctant to break with conventional lines of accountability (which are within narrowly-defined government departments) find little difficulty in blocking or delaying innovations of this kind by insisting that the appropriate orders to implement one or other set of changes in practice have not yet been issued, or, are inconsistent with earlier orders. In such a bureaucratic maze, it is not difficult to find one or other earlier order which might be inconsistent with what is currently proposed.

Both examples are rooted in the interpretation and exercise of power. Considerations of politics and power figure to some degree in SL and rights-based approaches, and there are strong arguments for considering them more explicitly (Baumann and Sinha, 2001).

SL analysis and the new architecture of aid

To recap, it is important to note that SL analysis and the current generation of country-level development strategies promoted by the new architecture operate at different levels and with different scope: the strategies are frameworks helping to shape national policy and national and international public expenditure, whereas SL offers a number of *principles* which might reinforce these strategies, and SL *analysis* is one of the tools that can help to construct the strategies and ensure that they focus appropriately on the poor.

However, they share a number of concerns:

- A desire to identify the various causes of poverty and

how these might be addressed;
- Promoting the long-term sustainability of people's capacity to manage their livelihoods (as well as elements of financial, institutional, social and environmental sustainability);
- Achieving a high degree of national ownership in the struggle against poverty;
- Working across sectors (other than with SWAPs);
- Working in partnerships between public and private organisations;
- Participation by the poor in influencing the design and delivery of the services and support they need; and
- Management of the process of change, monitoring closely the impact of policies and making course-corrections as necessary.

SL analysis can make a number of contributions to the design and implementation of country-level development strategies. For instance, it can support *design* of the strategies by helping in:

- Identifying groups of poor people according to their main livelihood sources;
- Identifying the main sources of vulnerability associated with these livelihoods, which are not normally considered systematically in planning processes;
- Identifying the main assets relating to these livelihoods, which would include the normally considered physical assets such as land, water and forest, but also economic assets such as employment opportunities, and social assets such as informal safety nets;
- Identifying the qualitative aspects of the above, which tend to be neglected for the quantitative.

It can also support *implementation* of the strategies by:

- Emphasising the heterogeneity of the poor, of conditions that cause poverty, and of ways of addressing poverty;
- Identifying entry points and sequences for policy intervention so that implementation structures and procedures can be designed for improved access by the poor to the public administration, and increased downward accountability by the administration (this being a concern also of rights-based approaches). Depending on local circumstances, such approaches might involve greater decentralisation of administrative responsibility and the prospect of closer collaboration among government departments.

Finally, SL analysis can support *monitoring and review* of strategies by:

- Identifying the qualitative and quantitative impact of existing policies on livelihoods, what types of course-correction need to be introduced, and how.

In addition, a recent review of the potential contribution that SL approaches can make to the design and implementation of PRSPs (Norton and Foster, 2001) argues that SL may also assist in identifying an appropriate balance in poverty reduction strategies between social protection or consolidation (e.g. health, education, pensions) on the one hand, and those focusing on productive assets, finance and infrastructure on the other. Further, the *principles* espoused by SL can usefully reinforce those underpinning much of the work on country-level development strategies. These include: seeking processes which are accountable (which is also shared by rights-based approaches); giving proper weight to a balanced view of livelihood concerns; engaging with the realities of poor people's conditions; taking a cross-sectoral perspective, and allowing for appropriate subsidiarity in identifying and responding to local needs.

Finally, a generic point, but one of particular relevance to the new architecture of aid, is that SL analysis can help in identifying policy processes and clarifying their implications for the implementation of new priorities among governments and aid agencies (and even for the ranking of priorities themselves). The conventional assumption that options for intervention that have been identified as superior by some 'objective' logic (such as projected economic rates of return) will automatically be implemented by a neutral and effective civil service is now widely regarded as unrealistic. In reality, priorities are politically contested, as is their implementation, and implementation is further threatened by corruption. It therefore becomes important to understand these pressures on the implementation system, and to identify policies that are robust in the face of such difficulties. To do so may result in a different set of policy priorities than would be generated by economic projections alone, or by some rather idealised set of principles concerning poverty-targeted intervention. In the HIPC countries, new forms of aid focusing on budgetary support, fiscal reform and improved prioritisation are the focus of high expectations. To assess how new (and existing) policies have influenced the livelihoods of the poor in the face of implementation constraints has the potential to provide much-needed 'ground-truthing' of these new approaches, which are otherwise in danger of being carried away by their own rhetoric.

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Acknowledgments

The author is indebted to Sida, which funded the preparation of a larger piece of work (www.sida.se) on which this paper draws, and also to DFID for permission to draw on their Sustainable Livelihoods Guidance Sheet No. 6 (www.dfid.gov.uk). Thanks also to Tim Conway for helpful comments on an earlier draft.

Responsibility for interpretations contained herein rests with the author alone.

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