The Sustainable Livelihood Framework: A Reconstruction

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Abstract

This paper provides a new construction of the *Sustainable Livelihood Framework*. Underlying the need for this reconstruction is the persisting argument that the framework *is too micro, too household focused*, thereby limiting its utility as a micro-macro analytical tool for policy analysis and impact evaluation. In so doing, this paper elaborated assets in the framework on the basis of the degree of user rights that households are able to exercise rather than the form in which they exist. The paper also introduced the concept of *relative cumulative effect* to present more rigorous understanding of households' influence on society's sustainable development trajectory. On these bases, sustainable livelihood is theorized as endogenously determined by the balance between households' livelihood expectations and the evolutionary path that institutions follow as they respond to households' cumulative feedback. This framework thus provide a context for providing household-based understanding of institutional evolution and livelihood formation vis-à-vis micro/macro-interventions.

Key words: sustainable livelihood framework, household livelihood expectations, institutional evolution, sustainable development

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1. BACKGROUND

Analytical frameworks in scientific research are essential for the systematic evaluation of complex phenomena. In economics and its allied disciplines, analytical frameworks have been used extensively in organizing thoughts and disaggregating the web of interrelations between human subjects and their socio-economic and political settings, which then provides the basis for more objective and methodical assessment of hitherto complex and seemingly incomprehensible situations. In this paper, a new construction is provided of one such widely applied analytical tool: the *Sustainable Livelihood Framework* (SLF), which has been deployed especially in the development economics specialization.

First introduced in the 1990s, the SLF has been used extensively to provide analytical contexts for the formulation of sustainable and pro-poor development policies in especially southern developing economies. Among others, the Department for International Development (DfID), of UK, the UN system including the Food and Agriculture Organization (FAO), United Nations Development Program (UNDP) and national governments have actively used the SLF since the 1990s.

Among the major achievements of the framework is its contribution to engendering a significant shift in development thinking towards greater focus on poverty reduction through direct investment in improving household welfare. This paradigm has helped prioritized people as the focal subjects of any policy planning and design, thus creating better scope for large scale poverty reduction strategies. In Carney (2002), the SL framework is credited as underpinning the success of major national and multi-national development approaches and research methodology.

However, in more recent times, the application of the framework has receded to the periphery of international development practice. Different reasons may account for this. One reason that is readily cited in the development literature is some key limitations of the framework that are argued to undermine its utility in the ever-changing contexts of economic development. Most important is the assertion that the framework is too narrow in its conception of households as the principal agent of interest in development policy and practice. This aside, it will be noted that while the framework maintains 'sustainability' as a focal concept in the evaluation of household livelihood outcomes, the mechanism underlying such development path is not explicitly provided. Indeed, sustainable livelihood, as a core concept, is conceived in the framework as exogenous, albeit implicitly. Evaluated against more formidable thesis such as that provided in Hardin (1968), this perspective is weak and renders the framework fundamentally fragile for rigorous analytical conclusions.

Equally important is the construction of assets in the framework on the basis of the form that they exist. It must to be noted that if the utility of an asset in income and welfare formation is informed more by the level of access and user right than the mere form in which such assets may exist, then the construction of assets on the basis of the latter necessarily weakens the analytical rigor of the SLF as it currently exist.

Furthermore, the form of asset ownership makes all the difference between free market and socialist regimes. Their use in analytical constructions is therefore not trivial but very critical, more so as the underlining analytical implications go beyond just asset classification to touch on the very basis of economic and social organizations found in both theory and the realities of economic governance. Hence, this paper makes a revisit of the SLF with a core objective of providing a new and more holistic construction of an analytical tool that is realistic in its elaboration of household assets and still is able to advance more plausible understanding of how these household asset types influence livelihood construction, institutional development and the consequent interactions that feed into the evolution of livelihood and overall development outcomes of a society.

To help bring issues into their proper perspective, this paper is organized as follows: a brief overview of the key concepts underlying the evolution of sustainability and welfare in the economics literature. This is provided as chapter 2, alongside a synthesis of the original SLF. Chapter 3 presents a reconstruction of the SLF and its applications to some analytical issues. Chapter 4 then concludes.

2. THE EVOLUTION OF THE SUSTAINABLE LIVELIHOOD FRAMEWORK

Before proceeding on the intended discussion of this paper, two key clarifications are appropriate for better situating the analysis.

First, the SLF has been discussed in the development discourse variously as an analytical framework, a development objective and even an approach to policy decision-making (Clarke and Darney, 2008; Maunder, *et. al*, 2001; Ashley and Carney, 1999). It must be clarified that for the present discussion, the approach is treated purely as a framework for analysis. Its relevance and use in this paper is therefore founded on the utility of the framework as a basis for disaggregating the obviously complex socio-economic interactions that characterize household income and livelihood formation processes.

Here, one will agree with Ashley and Carney (*op. cit.*, p. 47) on the view that the SLF is an analytical structure that provides *a way of thinking about livelihoods that is more representative of a complex, holistic reality but is also manageable*. As further observed by IFAD (2011), the

SLF is a tool for prying open the complexities of poverty and the targeting of interventions to address it.

Second, though the SLF has evolved since the 1980s and linked closely to DfID (1999), Sen (1981) and Chambers and Conway (1991) present good starting points for a good analytical preview of the approach. The discussion will therefore begin from these two papers, followed by the more familiar framework contained in DfID (1999).

The critical essence of this preview is just to communicate the basic fact that the SLF has evolved from other conceptual discourse. It is therefore not sacrosanct. Indeed, it is amenable to any analytical review deemed necessary for achieving a more theoretically robust and empirically relevant framework for the design, analysis and evaluation of development policy.

2.1 ON THE DETERMINATION OF WELFARE

Conceptual analyses of the factors that condition the determination of human welfare have been achieved in the economic literature with varying approaches. At the height of global policy and research debate on poverty and famine in the early 1980s, Sen (1981) contributed a seminal study that seems to have significantly influenced the discourse on the subject, even up to the present time.

Narrowing the argument down to the pattern of incidence of famine in some selected developing economies, the paper argues that famine (and therefore poverty) in the developing world is not explained by the long-held conception of food supply inadequacies (or what had been described broadly as the argument of 'food availability decline' (FAD)). Rather, the paper submits the 'exchange entitlement' argument. This argument contends that access to basic needs is determined in society by legally acquired ability to obtain life-needs through exchanges with own produce and capabilities, subject to the mediating role of the prevailing institutions and processes that define the socio-economic order. At the level of an individual, this perspective then implies that the level of exchange entitlement that one can exercise is subject to the level of pre-existing assets, be it tangible or intangible.

From this view, Sen (*op. cit.*) postulates the assets and capabilities of individuals as the single most important factor defining the life-choices and strategies that determine their welfare outcomes, not discounting the mediating role of the policy environment that condition the exercise of this entitlement. To this perspective, Chambers and Conway (1991) reemphasized the capabilities argument and introduced alongside the equity and sustainability dimensions of livelihood to provoke further thinking on what is now commonly referred to as the "Sustainable Livelihood" framework (SLF)[1].

In building their thesis, Chambers and Conway (*op. cit.*) first rejected the then prevailing conception that poverty and famine are problems of production inadequacies, unemployment and the monetization of socio-economic wellbeing. They argued that these approaches are reductionist in nature and fail to account for the varied dimensions of good livelihood, both in terms of the diversity of life and life needs and intergenerational dynamics. On the contrary, they propose a conception of livelihood that integrates the fundamental attributes of capability, equity and sustainability.

Following from Sen (*op. cit.*), Chambers and Conway's use of capability is expressed as the ability by households and individuals to access and exploit livelihood resources, construct and pursue livelihood strategies toward achieving a desired welfare outcome. Capability is also argued to embody the capacity to adjust to new conditions and situations, respond favorably to shocks and pro-actively adjust to the dynamics of livelihood trends and conditions. Hence, the lower a household's capability, the more vulnerable it is to poverty, famine and low standard of living.

Equity, on the other hand, addresses the matter of the distribution of the quality of life arising from the welfare outcomes of livelihood strategies. The concept is therefore adopted to debate the pattern of access to livelihood resources and opportunities. It is therefore the dimension of the sustainable livelihood concept that discusses potential systematic differences in well-being that may exist within the population and how this may pre-condition the vulnerability and incidence of poverty and famine.

On the concept of sustainability, the paper expresses its use to connote responsible exploitation of livelihood resources in a manner that assures intergenerational equity in access and use. The concept therefore brings into perspective, the need to maintain adequacy in asset levels and quality over time, while addressing present needs and development challenges. As noted by the paper, the use of the sustainability concept could therefore be regarded as the social dimension of a similar concept used in the environmental resource discipline, to discuss global phenomena such as deforestation, exploitation of natural resources, pollution and global warming, amongst others.

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[1] The SLA and SLF are synonymous and therefore used interchangeably in this paper.

Altogether, these three concepts (that is capability, equity and sustainability) constitute the sustainable livelihood paradigm of development thinking. This, the paper defines as comprising:

… the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global and in the short and long term (Chambers and Conway, 1991, p. 6).

Generally, the sustainable livelihood framework can be judged to have achieved considerable success. At least, on the basis of the framework, development policy and research since the late 1990s have shifted significantly toward the interpretation of poverty and economic deprivation as results of weak capabilities and assets of the affected economic groups. Extensive application of the framework is reported at both local and global levels, and among some of the prominent institutions, involved in global development efforts as noted above and cited extensively in Hussein (2002).

This notwithstanding, some criticisms persist on the framework. These are discussed below with a review of the SLF, based particularly on DfID (1999).

2.2 THE SUSTAINABLE LIVELIHOOD FRAMEWORK

The SLF posits that households possess different levels of resource endowment and capabilities, endure different scales of exposure to the institutions and policies that condition the environment in which they operate, and the interaction of these factors determine their livelihood choices and the consequent differences in welfare outcomes. Therefore, in the different applications of the SLF, considerable emphasis has been placed on the core issue of individual and household endowments. In Figure 1, a schema of the SLF is presented to highlight the arguments.

According to Ashley and Carney (1999), DfID (1999) and Scoone (1998), the SLF maintains individuals and households as the focus of analysis. In the different uses and adaptations of the framework, these papers identify the vulnerabilities of the poor in society as the core challenge in the design and implementation of development interventions. In so doing, SLF identifies five broad categories of resources from which individuals may determine their production possibilities, especially within the context of the shocks, trends and seasonality of their livelihood and in the light of the institutional structures and processes that they confront. These resource groups are:

1. Natural resources including soil, water, biodiversity, as well as their environmental services;
2. Social capital, which embodies the social networks and claims, affiliations, etc;
3. Human capital such as labor resources, skills and knowledge-base;
4. Physical capital including infrastructure and production equipments; and,
5. Financial capital, encompassing cash, credit and debts, savings and such economic assets.

Depending on the level of endowment in these resource groups, individuals construct and identify possible livelihood strategies that would yield optimal returns in welfare outcomes such as increased income and well-being, reduced vulnerability to economic shocks and natural disaster, improved food security and sustained use of available natural resources. However, decisions on such choices of livelihood strategies are not independent on the institutional processes and structures that dictate the order of economic interactions. Some of these include formal laws and social expectations, cultural and societal sensitivities, legislative regimes and rules of economic exchange.

In fact, beyond own endowments, the framework observes that these institutional arrangements, political organizations and power relations may generate on their own different levels of access to these livelihood resources, which in turn will determine different combinations of livelihood activities to be pursued and their possible outcomes. The key role of institutional and policy factors in the framework is therefore the extent of their influence on access to livelihood resources, construction of livelihood portfolios and the eventual determination of livelihood outcomes (Scoone, 1998).

Therefore, on the merit of the SLF, the welfare of household groups is postulated to be a function of the household assets, the trends, conditions and context of the livelihood formation processes as well as the institutional and policy environment that condition the economic and social exchanges.

In the ensuing discussion, it will be noted that an important missing link in the SLF provided above, is the role of households in the validation of institutions that govern society. It is contended in this paper that this role by households, constitutes the principal driver of institutional evolution and the development path that a society may follow. Contrary to the original framework, this therefore, explains sustainable development outcomes as arising endogenously.

3. THE SUSTAINABLE LIVELIHOOD FRAMEWORK: A RECONSTRUCTION

It is easy enough to make models on stated assumptions. The difficulty is to find the assumptions that are relevant to reality. The art is to set up a scheme that simplifies the problem so as to make it manageable without eliminating the essential character of the actual situation on which it is intended to throw light (Joan Robinson, 1971, p. 141).

3.1.1 Key Assumptions

1. **Households are private and independent of firms and groups:** Private households are defined to mean, an individual or a group of individuals living as a unit under the same housing unit, share housekeeping and catering arrangements and mutually acknowledge one member as the head (GSS, 2004). Thus, by definition, households are assumed to be private and distinct from enterprises and groups. This assumption also implies that except their own understanding of the immediate needs and the circumstances of their livelihood formation, these households depend entirely on institutions to access aggregate knowledge relevant for forming any rational appreciation of societal needs and goals.
2. **Households are rational and welfare maximizing:** Households are assumed to be rational and therefore utilize all available livelihood resources to maximize their livelihood expectations.
3. **Institutions and institutional attributes:** Institutions, existing formally or informally, are assumed to be: independent of households; the embodiment of all societal goals and aspirations; the moderators of economic agents; the principal source of aggregate knowledge; and, credible.
4. **Collective Groups as Institutions:** A coalition of households acting either formally or informally is assumed to constitute an institution of their own. Thus, while households may participate in group action in pursuit of a given agenda, such groups constitute an institution and not a household. The fact that households constituting such groups may still harbor differences in short to long term aspirations, livelihood strategies and vulnerabilities reinforce this assumption.
5. **Exogenous Shocks:** The influence of factors exogenous to the system is real and assumed to be channeled through the prevailing institutions of the system in question. Thus, any shock, influence or interaction between the rest of the world (including external development institutions) and households are moderated by the prevailing institutions and policies of the system or society.

3.1.2 Livelihood Assets

In this section, an alternative construction of the SLF is provided. The first step in this direction is the conceptual disaggregation of livelihood resources and how these transpire in the determination of livelihood outcomes. This approach to resource disaggregation is motivated by Robinson (1971) in the statement above and based on the need to provide an explicit distinction between two sets of livelihood assets necessary for a more rigorous conceptual analysis; namely;

a. **Private Capital**: those assets that households are able to hold and control, whose levels and user rights are directly determined by the decisions and behavior of households themselves; and,
b. **Public Capital** (Goods/Services): those assets that occur mainly as outcomes of policy decisions, whose levels and access are exogenous to the decisions and behavior of households and to which no (explicit) private user rights or control can be exercised by the household.

In particular, it is contended that a better approach to the analytical treatment of resource endowment of households and their relations with the institutions and policy-making processes are further elaboration of resources as originating either from the public sector or in private ownership.

The original SL framework does not make any explicit distinction between resources to which individuals have private, legitimate tenure right and those of public nature. Resources in the framework are broadly treated as though they remain in the domain of households and that the prevailing institutional arrangement only mediates their access and use. As mentioned earlier, this thesis submits the view that some of these resources are public in nature; they are themselves outcomes of the prevailing institutional structure, social arrangements and political processes. In many respects, they are in reality, the manifestation of these institutions (be it formal and informal). They may be as tangible as physical infrastructure and their distribution across the economic system and as intangible as the meanings and interpretations given to gender, ethnic differences or the prevailing policy regime.

Thus, contrary to the perspective presented by the original framework, assets for household livelihood formation are presented in the present framework to embody not just the immediate resources available to households but also the seemingly remote factors that condition welfare formation such as the political environment, social stability and the macroeconomic regime, gender and ethnic differentiation, the credibility of public institutions and the rule of law, access to public infrastructure, information, health care, etc. These assets also include those provided by the private sector or through public private partnership arrangements but existing as public goods for access and use by households. In Figure 2, the Augmented Sustainable Livelihood Framework (aSLF) is presented, showing these public assets as solid lines arising directly from institutional processes and structures, to reflect the "allocation and manifestation" of the relevant institutions. The availability and access possibilities to this category of assets, depend entirely on the true manifestation of the relevant institutions.

A notable attribute of such public resources is therefore simply the fact that these are facilitative (or complementary) in function and do not occur as the core resource-base that households maintain, control and exploit for production and exchange. As complementary assets, they inform and condition households' appreciation of the real value and utility of their asset endowment, the opportunities and livelihood choices available and the actual outturn in overall welfare outcomes.

The availability, access and utility of this resource category to households therefore assume a form and character that is systematically distinct from those resources to which these agents can exercise private tenure rights. Even more, the level and access possibilities of these public resources are just exogenous to the decisions and behavioral patterns of households. On the other hand, private assets are presented in the aSLF framework as broken lines, suggesting the limited degree to which institutions may influence the actual levels that households may hold of this asset category. The fact that these institutions also have limited influence on the livelihood vulnerabilities of households is also presented as broken lines leading to the shocks and seasonality that condition household livelihood formation.

For instance, in the treatment of resource endowment, an implicit assumption is made that these resources are at the disposal of households and could be commandeered for production and other uses at will (and as will be done with private resources). In reality, this is not the case. While private physical capital such as traction machinery could be purchased and used at will, the road on which it will have to travel to the farm is one whose provision depends on the decisions of the public authority.

Similarly, the quality and productivity of private natural resources such as agricultural land and aquarium depend on the actions and decisions of the household with the tenure right over this resource. But the supporting landscape such as the air and water pollution sink, exist as public resources whose use and misuse depends extensively on the state of public policy and the enforcement regime.

3.1.3 The Concept of Relative Cumulative Effect of Institutions

Expressed in a more radical sense, this paper submits the perspective that institutions (as presented in the original SLF) *per se* do not matter at all in the determination of household livelihood outcomes. Rather, it is how they manifest themselves by way of the quality of governance, facilitation of economic exchange, interpretation and enforcement of rules and the creation of public capital that is of practical relevance to the determination of household welfare. Here, one will agree with Udry *et al.* (2005, p.2) on the view that irrespective of the form in which institutions emerge in socio-economic interactions, "*their actual operations* [or effect] *may be quite different than intended"*.

Thus, the mere existence and motives of a Central Bank (CB) as an economic institution, for example, is immaterial to a household's livelihood decisions; rather, it is how the operations of the CB manifests in price levels and asset values that households will deem material in constructing their asset portfolio and forming their livelihood strategies. Over time, this material effect is what then constitutes the CB's cumulative effect on household's livelihood outcomes.

In more broad terms, the concept of *relative cumulative effect* (RCE) of an institution is introduced in this discussion and defined to mean the totality of the material impact of an institution's manifestation on real livelihood outcomes as perceived by households over time. The time dimension in this definition arises from the view that households may not correctly distill the relative effect of an institution's influence on their welfare in the short/ immediate period. However, over time, such effects are easily determined and appropriately attributed to the relevant institution by households. Furthermore, whereas such attribution may be based purely on perception, it may nonetheless be expressed in practical actions/inaction of households.

On the same basis, households feed into the sustenance of a given institution/policy process depending on the magnitude and direction of this *RCE*. That is, on the basis of the RCE, households provide some counter-feedback on the operations of institutions, which serves the purpose of approving/disapproving the operations of such institutions and policies. Cumulatively, such feedback serves the purpose of validating the very existence and effects of institutions on household welfare. In the medium to long term, this then defines the true relevance of such institutions in the socio-economic and political order, which in turn drives the evolution of institutions in the determination of livelihood outcomes.

Arising from this thesis and holding as true the assumption that private households are rational and welfare-maximizing, institutions that exhibit negative relative cumulative effect would generally be resisted by households. This tendency is best reflected in the scenario leading to *the tragedy of the commons* (see Hardin (*op. cit.*)). That is to say, institutions, rules, norms and policy processes whose relative cumulative effect manifest adversely (positively) on household livelihood outcomes, would generally be disapproved (approved) by households, irrespective of their true impact on long term societal aspirations such as the sustainable exploitation of natural resources.

3.1.4 A household-based theory of Institutional Evolution

Based on this concept of relative cumulative effect of institutions on household welfare, the evolution of institutions in the organization of the economic order and the subsequent determination of household livelihood outcomes are postulated in this paper to follow one of three possible evolutionary pathways in any given economic system, *via*:

1. evolve to follow the larger expectations of households (weak/subservient institutions)
2. neutralize their existence (collapsed/failed institutions); and,
3. Work to bring the expectations of households to conform to their effects on livelihood outcomes (strong institutions).

In relation to the aSLF, these possible evolutionary pathways have two important implications. First, institutions that evolve over time do not necessarily reflect good institutions, unless when such institutions are able to bring the expectations of households to conform to their effects on livelihood outcomes. This is achieved especially where such institutions are able to generate aggregate knowledge and achieve a shared understanding of such knowledge with households. Similarly, institutions that fail may not necessarily be bad institutions but are likely those that failed to achieve a shared understanding with households of the knowledge and understanding that they hold of the situation.

Second (and quite related to the first), the sustainability of the overall development path that a society follows, arises endogenously from the balance between households' livelihood expectations and the evolutionary path that the existing institutions follow. Thus, contrary to the SLF, sustainable livelihood outcome is determined endogenously within the framework. This is explicitly presented in the aSLF as the result of the interaction between households and institutions especially via the relative cumulative effect of the latter on household welfare and livelihood formation (see Figure 1).

3.1.5 Exogenous Shocks

The influence of exogenous factors such as international trade and development policies, aid practices, bi/multilateral treaties and aid practices, among others, are very influential in engendering sustainable livelihood at all levels. In the aSLF, a household-based analysis of the impact of these exogenous factors is presented as influences arising from external institutions or the rest of the world. The impact of these shocks are therefore identified in the framework to be limited and channeled only through the institutions of the system in question. Depending on the quality of the prevailing institutions, these influences are mitigated to impact on household welfare in a sustainable livelihood trajectory or the contrary.

3.2 CASE STUDIES

This sub-section provides some empirical issues for analysis and within the context of the aSLF.

3.2.1 Is having large family sustainable?

Beyond the potential pressures that arise with population growth, does the individual incentive (of having another child) conflict with what is sustainable? How does the SLF help us resolve such issues, relative to the aSLF? This is one classical question that seems to identify the very concept of sustainability as potentially amorphous and "slippery". In the context of the SLF, no clear argument could be advanced to provide an objective response to this question. Except households' own expectation of a sustainable livelihood outcome (which could be as vaguely and variedly defined as the number of households involved), the concept of sustainability especially at the aggregate or societal level, is conceived exogenously in the SLF.

In fact, to the extent that an additional human resource (just like additional physical or financial capital) would deepen a family's asset base, the SLF recommends large family sizes. The aggregate implication on livelihood sustainability of this rational response to such individual incentive is however ill-defined or undetermined in that framework. This only reiterates the criticism that the SLF fails to maintain a balance between the macro-sector and households (or the micro-sector).

In the aSLF however, these questions are addressed on the basis that as long as individual incentives for large family sizes remain positive and significant, rational, welfare-maximizing households could only be expected to maintain large family sizes. This is akin to the scenario leading to the tragedy of the commons (as provided in Hardin (*op. cit*)). The aSLF theorizes that the relevant institutions would exert a negative RCE to help maintain a sustainable population growth path and on the basis of the aggregate knowledge that they generate and hold. This, however, would imply an adverse impact on household livelihood outcomes in the short term, which would necessarily contribute to the disapproval of the institution.

The theory of institutional evolution provided in the aSLF further postulates that such institutions (with the negative RCE) can only evolve over time if they are able to share knowledge and bring household's livelihood expectations to conform to what it considers to be more sustainable family sizes. Otherwise, such institutions may neutralize their existence or survive by conforming to the livelihood expectations of households. The latter two pathways would lead to unsustainable population explosion, eventually.

Consequently, in the context of the aSLF, any individual incentive for large family size may prove to be unsustainable at the aggregate, if the relevant institution with the aggregate knowledge assesses the situation to be so. This issue is thus resolved by the interaction between households (with their livelihood expectations) and the relevant institutions (with the aggregate knowledge of trends in population growth vis-à-vis the carrying capacity of the livelihood resource in question). The current policy regime on family planning and family size in most western countries typifies this scenario.

3.2.2 Sector-wide Pro-Poor Development Interventions

The fact that the SLF does not lend itself readily to the analysis of sector-wide, macro phenomenon and policy interventions is sufficiently established in the literature. In a review of the experiences of DfID in the implementation of the SLF since its adoption in the 1990s, Clark and Darney (2008) observe that this weakness underlie the eventual redundancy of the Health and Education and Private Sector Development groups in the implementation of DfID's interventions using the framework. In more recent times, the inflexibility in adapting the SLF to changing trends in international development assistance, especially as related to the increasing shift towards institutional building, the MDGs and sector-wide programs, explain the continued relegation of the framework in development practice. In Maunder *et al.* (2001), this argument is reiterated in the context of the evaluation of public transport infrastructure interventions using the SL framework.

For the aSLF however, these analytical constraints are clearly alleviated. In the framework, these sector-wide, macro interventions are defined to represent those public goods that occur as manifestations of the prevailing institutions and policy processes. They are therefore conceptualized as the relative cumulative effect of institutions as they impact on household livelihood formation processes; occurring directly (as is the case of public goods/assets) or partially (as is the case of private capital and household vulnerabilities).

A case of the empirical application of the aSLF to the evaluation of public infrastructure interventions is provided in Mensah (*forthcoming*). In that study, the aSLF is deployed to assess the differential impact of access to public infrastructure – specifically, electricity, water and transport – on household welfare in rural Ghana. On the basis of the framework, the study is able to conceptualize household welfare as a function of 1) private capital held by households; 2) a vector of public capital that transpire to households through the manifestation of the prevailing institutional structure/ policy processes; 3) households' characteristics (or attributes); and, 4) factors that define the vulnerability context of the livelihoods under consideration.

In the context of assuring sustainable application of public resources, it is then able to further hypothesize that macro-policy interventions, such as investments in public transport, water and electricity can be pro-poor and effective if it is able to perceive heterogeneity in household capital endowment and properly target the provision of such capital in ways that optimally complement households' private endowments.

3.2.3 Traditional Institutions and the Sustainable Exploitation of Environmental Resources

Until the onset of the global climate change phenomenon and the upsurge in formal rules on environmental protection and biodiversity conservation, many rural communities in developing countries (especially in Africa) operated highly informal rules and norms on the use and extraction of natural resources. Some of these rules included the reservation of clusters of forest lands around villages and communities as sacred groves (*nsamanpow* in the Fanti language of Ghana). Hunting and related extraction activities in forest lands, rivers and water bodies (including the ocean) were also prohibited within these set of informal rules for specific days of the week and some specific months in the year. These usually coincided with the breeding periods of the predominant fauna and flora in the ecosystem. As explained below, the relative cumulative effect of these traditions and norms (or institutional arrangements) in the early years of these communities did not yield important adverse impact on livelihood outcomes such as food security, crop and fish harvests, etc.

However, as the population of these societies grew and per capita resources declined, livelihood outcomes declined and household welfare dipped in the process. To maintain balance, these traditions and norms came under the attack of households (following the argument of the RCE). In the absence of specific adaptation strategies, much of these institutions neutralized their influence to make way for uninhibited access to these reserves, culminating in the worsening state of forest cover, depletion of fish stocks and the overall acceleration in the degradation of natural resources. Admittedly, the institution of some formal rules and policy arrangements has helped in halting the pace of the resource extraction albeit with limited success.

The adverse implication of these developments on livelihood sustainability has been manifesting consistently over the recent years, suggesting that where livelihood outcomes are narrowly defined especially by households, good institutions and policies that exhibit negative RCEs could be rendered invalid. This argument is as valid for formal institutions like tax regimes as it is for informal institutions like traditional rules and norms.

In the aSLF, a probable policy response to enable such traditional structures and institutions maintain their relevant impact on the sustainable exploitation of such resources is for those institutions to share knowledge and bring the livelihood expectation of households to conform to the institutions' impact. This may even involve the widespread devolution of alternative livelihood and adaptation strategies. In relation to such common resources like the forest and marine/freshwater fish stocks, this is necessary to avert the tragedy envisioned in Hardin (*op. cit*) and in the particular context of ensuring effective local governance of natural resources.

4. CONCLUDING COMMENTS

This paper has provided a revisit of the SLF. The core objective was to provide a new and a bit more holistic construction of the framework as an analytical tool that is realistic in its elaboration of household assets and still able to advance more plausible understanding of how these household asset types influence livelihood construction, institutional development and the consequent interactions that feed into the evolution of livelihood and overall development outcomes.

Amongst others, the paper establishes that the sustainability of livelihood outcomes is a product of the interaction between household livelihood expectations and the evolutionary pathways that the prevailing institutions follow. In other words, for as long as households remain rational and welfare maximizing, the sustainability of a society's development path depends entirely on the quality of institutions, and more so as these institutions function as the principal source and repository of aggregate knowledge. On this basis, the aSLF postulates that a more plausible evolutionary pathway to assure sustainability of a society's development outcomes would be the instance where institutions bring households' livelihood expectations to conform to their effect on welfare outcomes through knowledge generation and sharing. Institutions that fail to evolve along this line would therefore generally fail to engender sustainable development trajectory of that society.

Furthermore, in the broad context of livelihood analysis, the aSLF reinvigorates the Sustainable Livelihood analytical framework as a micro-macro analytical tool. In particular, to the extent that a household's access, use and utility of public resources are defined by factors exogenous to these households (and contrary to what will be expected of a household's own endowment), the distinction in asset holdings and degree in tenure rights bring into better perspective the role of institutions and the macro-sector in the determination of household welfare. Here, the criticism that the SLF *is too micro, too household focused* is clearly avoided (Clarke and Darney, 2008).

Since both resource types are identified at the same scale and relevance as in the framework, one cannot be emphasized over the other. This treatment also helps in addressing some of the other outstanding criticisms of the SL framework.

As noted by Clarke and Darney (2008), notwithstanding the integrative, cross-sectoral approach that the SL framework may be argued to advocate, the idea of maintaining people and the priorities of the poor at the centre of policy thinking consistently create a loss of balance. At the end, a sustained, generalized disposition toward building household assets as a response to poverty and economic vulnerabilities dominate. Here, this paper has shown that such tendency arises mainly because assets in the framework are narrowly presented. That is, where assets are dominantly viewed purely from the perspective of what households are able to construct and administer, then the frequent reality of the corrosive effect of institutional failures and policy inadequacies on private assets will always be discounted. The aSLF redresses this weakness.

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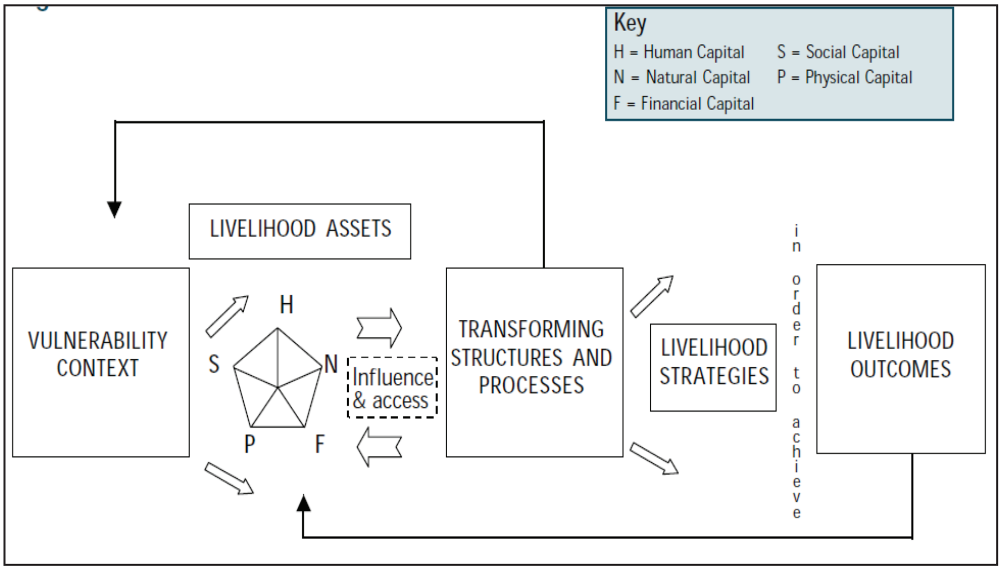
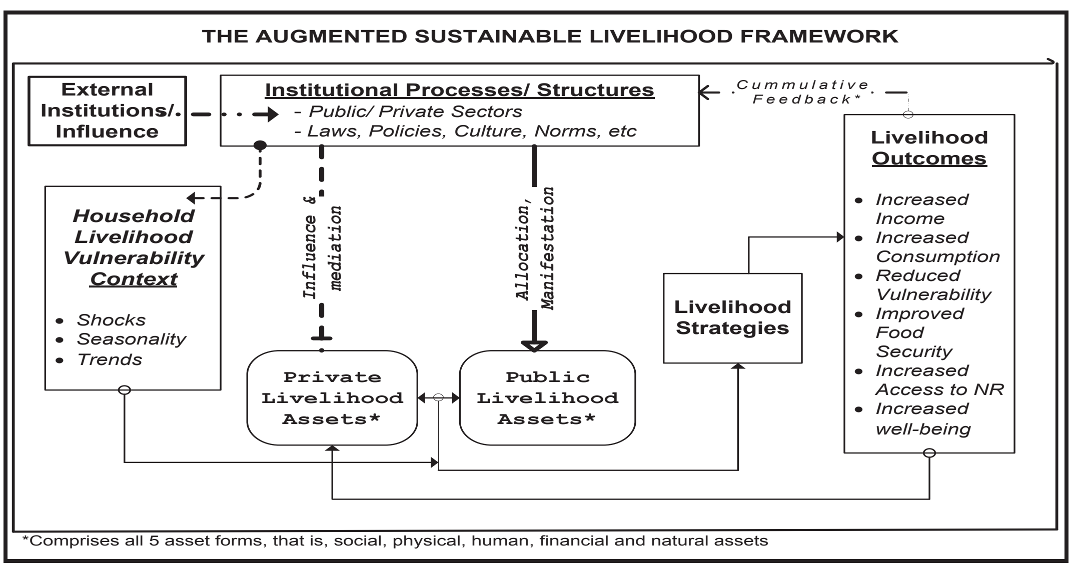
FIGURES

Figure 1: The Sustainable Livelihoods Framework (based on the DFID Schema)



Source: Sustainable Livelihoods Guidance Sheet (DfID, 1999, p. 1)

Figure 2: The Augmented Sustainable Livelihood Framework



ource: Author, based on DfID (1999)