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LIVELIHOOD CAPACITY BUILDING ON THE ECONOMIC RESILIENCE OF THE URBAN POOR: A SYSTEMATIC REVIEW

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ABSTRACT
The Philippine government has long been initiating efforts to empower and equip families with various livelihood skills training. Through these initiatives, adherence to the Sustainable Development Goals, specifically targeting SDGs 1 and 2, has been at the forefront of the list of priorities of concerned government agencies such as the Department of Labor and Employment (DOLE), Technical Skills and Development Authority (TESDA) and as well as the Department of Social Welfare and Development (DSWD) and a number of other stakeholders both public and private. This has been the priority to alleviate poverty and address the hunger of families living below the poverty line. This top-down approach has been in the headlines regarding the effectiveness of these measures. It has been going on since time immemorial. Nevertheless, the number of families in impoverished areas and communities is still the primary contributor to the heightened poverty incidence in the country.

The plight of the urban poor led to this systematic review of existing studies on the effectiveness of established livelihood training programs, which addresses the fundamental issues in comparable contexts. To ensure that the review is systematic, transparent, and organized in its approach, the researcher utilized and adhered to the PRISMA 2020 guidelines for systematic review. A total of 150 studies were initially identified from databases and sources; however, selection criteria reduced the number of selected studies to 20.

The review yielded findings that the initiatives of these agencies were not a perfect fit for the current situation of the urban poor and did not correlate with and ensure the long-term economic resilience of the target beneficiaries. Initiatives that impart new skills and provide livelihood opportunities can facilitate the launch of micro-enterprises, whether individually or as a group, but tend to be short-lived. Most of these livelihood training addresses immediate needs.

Generally, these interventions are effective in helping families face urgent crises or cope with unexpected problems, whether calamities or economic shocks brought about by a sudden rise in prices of goods and services. In the case of the urban poor, however, the long-term and sustained economic transformation remains inconsistent and negligible. Although participants may become slightly more adept at facing hardship, they still struggle to translate these opportunities into significant improvements in their future economic state. With these difficulties, two underlying reasons prevent them from achieving long-term improvements; one is the absence of secure land tenure, which resulted from dwelling in informal settlements near urban centers, and another is that the beneficiaries are left to solve and face unfamiliar problems due to the lack of post-training monitoring and mentorship from the agencies that provided the training.

For achieving a substantial impact, changes in the fundamental provision of these trainings need to be addressed (Darko et al., n.d.). Replacing one-off training sessions with comprehensive approaches that include post-training mentorship and skills development may directly address the reasons mentioned for not achieving long-term and lasting economic improvement of these beneficiaries.

Keywords:
Livelihood training programs, urban poor, economic resilience, poverty alleviation, systematic review

INTRODUCTION

Urbanization in the Philippines is at its rapid state, accompanied by the proliferation of informal settlements in city centers (Gallego, n.d.). With this phenomenon, more people inhabit urban centers, increasing the population, and due to crowding, several issues arise. The increased population in these informal settlements is accompanied by high unemployment rates, informal economies, health emergencies, and environmental degradation resulting from poor waste management, etc. (Bikis & Pandey, 2023). To address these challenges, the focus is now on steering the situation

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away from systemic poverty through various initiatives, primarily on livelihood skills and improvement that aim to lead the urban poor towards stable jobs and micro-entrepreneurship (Lienert & Burger, 2015).

For CY 2024, the government has allocated ₱ 32.720 billion to livelihood and employment programs, which include both short-term job schemes, such as TUPAD, and long-term interventions (*Empowering Filipino Workforce: Livelihood, Employment Programs Get P32.720 Billion under FY 2024 GAA*, n.d.). This allocation has been utilized in several ways and packaged to alleviate poverty and address the immediate needs of urban poor populations. However, this strategy proved to be a band-aid solution for deeper, underlying systemic causes of poverty. According to reports from the Philippine Statistics Authority, the incidence of poverty continues to increase, particularly in remote rural areas, rendering efforts to alleviate poverty ineffective in creating and fostering lasting economic resilience (Béné et al., 2014).

Economic resilience, according to (Hu & Hassink, 2020), is defined as a long-term ability to withstand and adapt to uncertainties. It cannot be guaranteed or ensured through a simple one-day training/seminar. Resilience goes beyond having livelihood skills that can be leveraged through entrepreneurship or earning a minimum income (Hallegatte, 2014). It primarily focuses on a family or individual's economic circumstances to allow them to thrive despite adversity, recover from setbacks, and develop the capacity to face economic shocks over time.

Resiliency can be explained through three capacities according to the study of Jeans et al. (2017). The absorptive capacity of a family or an individual depends on the capacity to cope with sudden economic shocks. They might use options such as using their savings to cover necessary expenses, engaging in informal business, or taking on temporary employment. Another capacity is to adjust or adapt to the current situation. Families may tend to make changes gradually, such as learning new skills with readily available resources or seeking ways to diversify their income after an emergency. Lastly, the capacity to change or transform the causes of poverty, such as securing land tenure or joining groups to address their need for market access for their current enterprise, is crucial for maintaining the sustainability of their current economic state. In these situations, unfortunately, current government policies on economic resilience often focus on absorptive and adaptive capacities, overlooking the transformative capacity and, in some cases, leaving it to be addressed by the urban poor themselves, resulting in lapses in inclusivity (Ziervogel et al., 2016).

Therefore, this systematic review, adhering to the PRISMA 2020 guidelines, aims to shed light on and determine whether the budget allocations and initiatives of the Philippine government provide lasting economic resilience building and, by doing so, enable policymakers with evidence that can be translated into sound policies for enhancing livelihood skills.

METHODS

Study design and guidelines

This review incorporated both qualitative and quantitative research on the links between livelihood interventions and economic resilience, adhering strictly to the PRISMA 2020 guidelines (Page et al., 2021). A checklist ensured a transparent, systematic, and replicable process throughout all stages of the review (Haddaway et al., 2022).

Eligibility Criteria

This systematic review employed detailed criteria for the inclusion and exclusion of studies to define the boundaries of what studies would be considered part of the review and within the scope of the research. Studies that meet the criteria must focus on the population of urban poor, informal settler families, and households living below the poverty threshold, residing in densely populated informal settlements. This specific population is the most vulnerable to economic shocks and inequalities, leading to their marginalization and sustained difficulties, despite being beneficiaries of the government's livelihood initiatives, which makes them the focus of the study on resilience (Cui et al., 2023). The following criteria for selection should highlight the interventions, whether from national governments or non-governmental organizations (NGOs), to ensure levels of oversight and scalability. Emphasis on livelihood training, skills development, grants, or entrepreneurial efforts is vital, as these initiatives have a significant impact on long-term economic resilience and stability (Reeg, 2013). Studies must contain empirical data and measurements of economic resilience, as this is one of the criteria that proves beneficial to utilize clear indicators, such as the capacities mentioned earlier in this review. The responses to changing economic shocks, coping mechanisms, and sustained capacities long after receiving livelihood training are included to ensure that these interventions not only address immediate needs but also have a long-lasting impact on the lives of the beneficiaries.

Major databases were consulted and utilized, such as Google Scholar, Scopus, the Asian Development Bank, articles from the World Bank, and the Philippine Institute for Development Studies. The research strategy involved the use of Boolean terms such as "livelihood training" or "capability building", "economic resilience", "urban poor", "informal settlers", etc.

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Study Selection and Data Extraction

The screening process involved reviewing titles and abstracts to filter out studies that did not meet the criteria set by the researcher. The studies relevant to the criteria were read in full text and downloaded. For the selected studies, substantial content was recorded, including types of livelihood training designs and the nature of grants, as well as their amounts. Through these, an emphasis on economic resilience was observed, including points related to different coping mechanisms and their capacities. These indicators not only reflected the immediate gains from livelihood training but also the potential outcomes of long-term, sustainable economic stability. Through documentation and analysis of the indicators, outcomes, and detailed insights, it was found that different initiatives on livelihood have varying levels of effectiveness, which in turn may be the basis for sound policy recommendations and the formulation of more successful interventions for the urban poor.

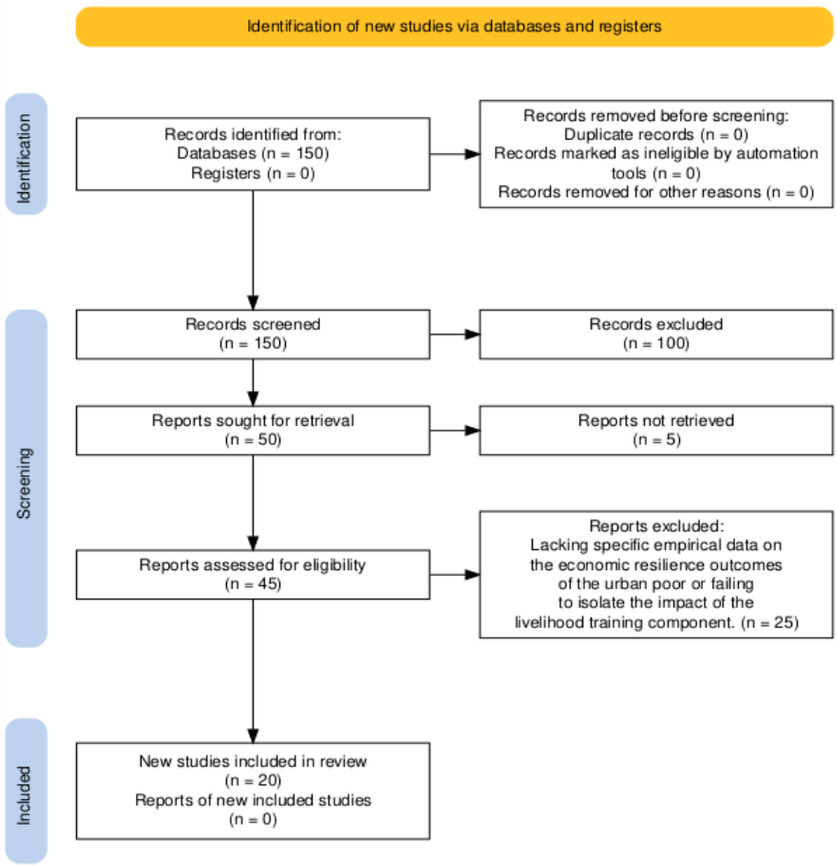

Figure 1. PRISMA Flow Diagram

RESULTS AND DISCUSSION

The initial search provided 150 studies. These studies were sourced from reputable databases. The selection process was stringent, given the scarcity of empirical studies focusing on the urban poor in the literature. Most studies have focused on non-urban issues, are entirely theoretical, and emphasize health-related interventions. Given the recent pandemic, which has challenged the economic resilience of every person, this scarcity is particularly notable. After the initial search, 100 studies were excluded because they were irrelevant to the study, which has multiple focal points. Twenty-five studies were excluded because they lacked empirical data on the cost of the various interventions. In comparison, five studies were excluded because of the payment schemes required to access the PDFs.

After complete evaluation, 20 studies were included in the final systematic review. These studies contained government impact evaluations, such as the PIDS study on the DSWD SLP. Studies sourced from the ADB contained policy analysis. At the same time, the rest were syntheses of community-level studies that generated valuable data on the impact of livelihood training on the economic resilience of the urban poor.

Synthesis of Core Findings

The findings of the included studies were categorized into three main themes, primarily highlighting the gaps between program delivery and sustained economic resilience and stability.

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1. **Skills Enhancement and Market Mismatch**
   The included studies confirm that the initiatives on livelihood skills training enhance the capabilities and technical skills of the beneficiaries. However, after the acquired skills were insufficient to address other pressing issues, such as marketability and failed alignment with current viable opportunities, the new set of skills acquired through training and seminars did not translate into a measurable increase in long-term income stability, let alone economic resilience (McGuinness et al., 2018).

2. **The Resilience Gap: Coping is high, transformation is low**
   This issue was demonstrated (Ballesteros et al., 2017) from PIDS. The goal of empowering and strengthening the participants' capabilities was met. However, it had no impact on their household income, expenditure, and savings, and, most importantly, their resilience in facing future economic shocks. In reality, operational issues plagued the day-to-day functions of the recipients, leading to closure and low profits that outweighed the intended gains for the program.

   The findings suggest that even though grants and training were given to augment the income of the beneficiaries, they still faced hindrances that needed top prioritization, such as insecure land tenure of the members, limited access to formal institutions, and poor market research that prevents expansion beyond their current economic level (Coulibaly et al., 2021).

3. **The Need for Post-Training Mentorship**
   This is the most significant predictor for economic resilience in relation to livelihood training. It is one thing that agencies provide training and skills enhancement, and another thing that agencies provide post-training mentoring and monitoring. After the training, there is no after-action review or follow-up for the participants. In some cases, monitoring may be conducted, but only for quantifiable variables such as income and the number of members participating; however, these are not used to measure resilience. This leads to more micro-enterprise closures and group disbandment (Oxenham et al., 2012). This is in contrast with interventions that were provided with sustained support. Studies show that programs with sustained support gained more traction towards success, such as interventions adhering to the Graduation Approach, according to the Asian Development Bank et al. (2023). This approach encompasses several key points regarding mentorship and coaching, including financial inclusion, social empowerment, asset transfer, and training, all defined within a two-year model. This proved to be successful as one of ADB and DOLE's pilot programs yielded positive results from bi-weekly coaching sessions and post-monitoring (Sulaiman, 2016). This initiative would serve as a preventive measure for high-rate closures of micro-enterprises, which have sustained positive impacts on food security, income, and overall poverty reduction, in contrast to one-off training models.

DISCUSSION

The review confirms that the existing policy framework, which relies heavily on skills training and small capital grants, is a necessary but ultimately insufficient strategy for poverty alleviation. These unsuccessful strategies emanate from a lack of depth in the interventions and fragmentation at the grassroots level.

Market Alignment

The absence of post-training/capability-building monitoring leads to confusion and uncertainty among the urban poor. With these issues, market alignment and commercial viability screening are constantly faced alone by the beneficiaries, leading to a lack of sustained economic resilience. To maximize the support alongside the foundational skills provided by various skills training, the government should focus more on providing post-training mentoring sessions to equip the beneficiaries with the necessary problem-solving skills related to livelihood, which would then translate into strengthened economic resilience.

Institutional Dynamics

Moreover, lasting improvement cannot be met due to various structural issues, such as insecure land tenure. The urban poor are often forced to prioritize formalizing their settlements over applying what they have learned during the training. Income augmentation is a great starting point for this, but the longevity of economic resilience must be prioritized by the training providers, given the large amount of budget allocation. This leads the urban poor to invest their scarce resources in resolving land disputes, thereby isolating livelihood programs from land administration, which prevents economic growth and stability in the long run (Acosta & Avalos, 2018).

LIMITATIONS

Of the 150 studies initially searched, 130 were excluded after review because they did not address resilience in a manner relevant to the plight of the urban poor. Another obstacle was the lack of focus on economic resilience and

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the difficulty in measuring it. Additionally, five studies initially considered were behind paywalls and could not be accessed through the searched databases. Future works may conduct meta-analysis or qualitative synthesis.

RECOMMENDATIONS

To transform government livelihood programs from temporary relief measures into drivers of sustainable economic growth, a shift in operational strategy is required. Moving beyond isolated training sessions, the focus must turn to interconnected agency collaboration, centralized data management, and long-term coaching. The following points highlight the critical steps needed to modernize capacity building and ensure that government efforts effectively support the economic resilience of the urban poor:

- **Transition to Long-Term Mentorship:** While government funding for capacity building is a positive step, the strategy must evolve from traditional "one-off" training sessions to sustained professional coaching and post-training mentorship.

- **Adoption of the "Graduation Approach":** Utilize the Graduation Approach framework to ensure interventions are holistic and sustained, as short-term measures have proven ineffective against external shocks such as calamities, health crises, and accidents.

- **Centralization of Beneficiary Data:** To prevent fragmentation, inter-agency collaboration must be anchored by a single institution responsible for managing beneficiary data. This eliminates the "reverse" approach where agencies operate in silos before data consolidation.

- **Elimination of Operational Inefficiencies:** Unifying efforts will resolve current issues caused by fragmentation, specifically:
    - Duplication of services.
    - Biases in beneficiary location and point-person selection.
    - Seasonal biases that hinder activity implementation.

- **Institutionalizing Post-Monitoring:** Coherent collaboration enables dedicated resources for post-monitoring and coaching. Additional monitoring indicators, such as income variability and shocks, are vital for success.

- **Goal: Economic Resilience:** Ultimately, enhanced data sharing and inter-agency coherence will improve the quality of capacity building, leading to genuine economic resilience for the urban poor.

CONCLUSION

Economic resilience through livelihood skills training proves to be feasible when support systems are in place after the training. Teaching new skills for income augmentation or enterprise development nowadays tends to be shallow and only addresses immediate needs and shocks. To develop a deeper sense of economic resilience, collaboration rather than fragmentation is necessary at the grassroots level. The underlying factors that hinder families from achieving stability must also be addressed before transferring assets to the beneficiaries, or the interventions will be for nothing. Transformation requires land tenure and institutional support. One-and-done training proves to be superficial unless policymakers address the root cause and establish sound interventions to ensure that a sustainable livelihood translates into stronger economic resilience of families. Empowering them to face challenges and navigate complex problems, such as economic shocks, should be the top priority of stakeholders.

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