Changing the Political Economy of Poverty and Ecological Disruption

BY DAVID REED
INTRODUCTION

This publication presents an intervention approach that is designed to help community organizations, civil society groups, government offices and development agencies in their efforts to change the underlying causes of poverty and ecological disruption. Building on a political economy perspective, this approach seeks to change the interactions among social groups, private economic actors and the state as they compete and seek to accumulate wealth and build political power. The explicit purpose of this approach is to increase the ability of poor communities to compete and thrive in the emerging economic order and to increase their ability to manage natural resources in a sustainable manner, be they in rural, peri-urban or urban contexts.

We believe that this approach can serve as an important complement to poverty reduction strategies adopted by international development agencies and national governments. Reviews of those strategies have underscored that, in relying on export-oriented growth strategies, those approaches tend to relegate environmental and sustainability issues to the margins of development plans and investment programs. It is our belief that growth strategies must be accompanied by explicit policies, programs and development processes that increase the ability of the poor, notably the rural poor, to interact with and compete in markets, influence institutional arrangements and improve prevailing natural resource management regimes in a multitude of ways.

This intervention approach was developed, tested and further refined through a range of activities carried out over a four-year period at local, subnational and national levels in five countries—China, El Salvador, Indonesia, South Africa and Zambia. The interventions led to outcomes that in some cases surpassed all expectations, whereas in others they created expectations that could not be fulfilled, largely because of a lack of political influence and the control that vested interests exert over institutions and political processes.

In the following pages we summarize the steps that our partners pursued as they sought to open opportunities for improving living standards and changing natural resource management regimes in rural areas of their respective countries. The first section, The Country Experiences, presents succinct summaries of the experiences in the five countries as parties worked to change poverty-environment dynamics at local, subnational and national levels. These summaries reference the socio-economic context in which partners operated, identify major objectives of their interventions and offer a general assessment of successes and limitations. These experiences are the building blocks on which we have developed a more generalized “intervention approach.” The second section, The Intervention Approach: Basic Steps, dissects the four major steps carried out at local, subnational and national levels by our partners in each country. These four steps highlight the diverse sets of activities partners pursued in promoting change in their respective countries. The final section, Lessons, offers a series of lessons drawn from those experiences. They underscore the importance of policies and institutions at the national level, the interface between growth and improving natural resource management and the specific strategies needed to implement changes at the three levels.

David Reed, Ph.D.

David Reed is the Director of WWF’s Macroeconomics Program Office (MPO), located in Washington, D.C. Created in 1989, MPO analyzes the environmental impacts of economic policies and practices of governments and international development agencies. Using this analysis, MPO then promotes alternative approaches to ensure that environmental and equity concerns are fully integrated into economic policies and practices at national and international levels. As Director, he has managed research programs, lectured widely, and published numerous books on structural adjustment and the environment, the Global Environment Facility, macroeconomic adjustment and the environment, the Global

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1. The Country Experiences

The reader should bear in mind that the interventions presented below were built on a six to 12 month research process that is presented in greater detail in this publication’s companion document, *Analyzing the Political Economy of Poverty and Ecological Disruption* (Bred 2004). That research process required our partners in the five countries to meet three analytical standards, as follows:

1. Analyze and document the dynamic between poverty and the environment at the local level in selected communities and locales;
2. Establish linkages between the local poverty-environment dynamics and factors originating at subnational and national levels;
3. Analyze the influence of economic policy, institutional arrangement and ecological factors across the local, subnational and national levels.

In addition, we should be clear in introducing these country summaries that the three assumptions presented below underly the intervention processes that took place in the five countries:

1. The rural poor are relegated to the margins of national political processes and have comparatively negligible influence over factors that shape their lives. Therefore, fundamental change in their political influence is needed to improve their livelihoods and promote sustainable natural resource management in rural areas.
2. Strengthening the influence of the poor requires active interventions so that they can compete effectively in markets and influence policy and institutional dynamics at the local, subnational and national levels.
3. Building alliances, partnerships and stronger working relations between the rural poor and urban institutions and individuals—government offices as well as international organizations and agencies—is central to changing the relative influence of poor people on matters that affect their lives.

Though varying from locality to locality and country to country, these assumptions seemed to hold true throughout the course of the interventions initiated by country partners.

**China**

WWF-China’s interventions focused on the Baimaorexshan Nature Reserve in the rugged and scenic mountains of Yunnan Province of the Tibetan plateau, home to 60,000 people from 13 different ethnic minority groups. Recent expansion of this nature reserve placed a large number of Deqin County residents within its territorial boundaries. As a consequence of their newly designated status, these communities experienced severe restrictions on their traditional livelihood strategies of agriculture, livestock rearing, hunting and foraging for food. Directives from the central government in Beijing, including the 1998 logging ban following massive floods on the Yangtze and Songhua Jiang rivers, significantly altered the livelihood opportunities for many of the 30 million people living in and around China’s nature reserves. Conflicts between local communities and managers of the reserves increased in Deqin County as livelihoods were threatened.

In the late 1990s, WWF-China worked with selected communities in the nature reserve to improve living conditions and reduce conflicts with existing policies. Direct efforts to raise living standards through a combination of microcredit, improved agricultural production technologies and formation of small enterprises proved successful but, due to the capital and input intensity of these activities, they proved unsustainable and not replicable on a broader scale. To address the growing strain between improving livelihoods and protecting the natural environment, fundamental changes in forest management were needed.

The starting point of WWF-China’s intervention strategy was at the local level, involving working simultaneously with managers of Baimaorexshan Nature Reserve, officials of Deqin County and members of local communities. Activities focused on studying the advantages of developing and implementing a community co-management regime and involved study trips, including one to Thailand, to explore the advantages of co-management approaches. The approach designed by the participating parties featured an equitable benefit-sharing system, compliance with legal standards and management decentralization.

With the successful adaptation of the co-management regime at the local level, WWF-China initiated an educational and advocacy program with provincial authorities to encourage adoption of the approach through the province. In this program, provincial-level poverty alleviation agencies and experts demonstrated the welfare gains to be achieved through improved natural resource management.

Along with its efforts to increase acceptance of the approach at meso-level government institutions, WWF-China organized a series of presentations and interventions at the national level for policy experts and government agencies. Seminars, consultations and meetings at the national level underscored how increased community responsibility translated into improved resource management and increased economic opportunities in rural areas often left behind by economic growth centered along the coast. A WWF-sponsored international conference on forest co-management was organized in Beijing to explore the possibility of promoting national legislation that would increase the rights of communities in managing forests and other natural resources.

**Indonesia**

At the turn of the century, WWF-Indonesia found that its previous successes in improving forest and water management on Lombok Island in the province of Nusa Tenggara Barat were under serious threat. The most pervasive pressure came from rural families as they extended small-holder agricultural production into the protected forests of the island, leading to deforestation and declining water resources for the island’s population of 2.4 million. Yet, as local analysis had revealed, other driving forces were equally

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EL SALVADOR

The interventions adopted by Salvadoran Research Program on Development and Environment (PRISMA) in El Salvador sought to address the prevailing adverse economic and ecological conditions in the rural areas after the country’s civil war ended in 1992. Despite redistribution of land to some 22 percent of rural households as part of the peace accords, small-scale agriculture and forestry failed to provide incomes capable of pulling the rural poor out of poverty.

The collapse of the rural economy reflected and was reinforced by national development policy that focused on urban development and reliance on financial flows from Salvadorans living outside the country. Depopulation of some rural areas did have a salutary environmental effect that was reflected in ecological regeneration in previously degraded lands as human pressures abated. However, in many areas, the continued reliance of the rural poor on small agricultural plots reinforced the trend toward environmental degradation experienced in previous decades.

In response to these conditions, PRISMA’s intervention strategy in the highlands of Chalatenango intended to reverse the national policy disregard for rural development and the environment and to “develop a participatory territorial planning process to expand and diversify livelihood opportunities while restoring the local environment.” In addition, the organization sought to generate policy reforms to increase the importance of rural development and rural areas in national development strategy.

The strength, dynamism and diversity of local organizations that had developed in Chalatenango during the years of civil war provided the institutional foundation for PRISMA’s interventions, which were carried out at three levels:

- Promoting a series of local livelihood and conservation initiatives through technical, managerial and organizational capacity building.
- Increasing coordination and planning mechanisms among mayors’ organizations, development agencies and the private sector at the meso level.
- Organizing a national dialogue with government offices, civil society organizations and development agencies to increase the importance of rural development and resource management in national development strategies.

The outcomes of the interventions have been mixed. Local farmers’ and producers’ organizations have improved planning and technical capacities, contributing to diversifying livelihoods and strengthening market opportunities.

Planning, cooperation and coordinated advocacy activities at the meso level have strengthened the voice of the communities in shaping subregional and regional development plans and programs. Issues of integrated rural development planning, land use planning and economic diversification have been given increased visibility and recognition at the national level among government and development agencies. Financial support from a number of

In response to local protests against the destruction of the forests by logging companies, residents were being offered chainsaws with little regard for the long-term impacts on the island’s ecological fabric. Underlying the local problems, national standards and regulations governing forest management contained ambiguous, if not contradictory, policies and incentives.

WWF-Indonesia adopted a two-pronged intervention approach. The first effort focused on reforming regulatory directives at the national level to increase the involvement and voice of local elected bodies in communal forest management. This intervention approach required building a broad coalition of stakeholders, including members of parliament, civil society organizations, academia and the private sector, many of whom were based in Jakarta and other urban centers.

The second effort focused on organizing broad stakeholder consultations and mobilizing public support at local and meso levels. Targeting district governments, the public engagement process sought to demonstrate public support for the development of local forest management policies that would reflect the economic and environmental needs of local communities.

The results of the interventions have changed the policies governing the forested areas and altered the management practices in these areas. At the local level, two district governments have developed their own forestry management programs, whereas community organizations and farmers’ business organizations have been involved in understanding and carrying out their responsibilities under the new management programs. In addition, numerous small business opportunities, ranging from tourism to water management programs, are being developed. At the national level, a national forestry policy has been signed and the regulatory standards await approval by the Ministry of Forestry.

For one, district governments, recently empowered under the country’s decentralization policy, had started to harvest timber to support local budgets, whereas local government agencies signed contracts with local timber companies to cut into the protected areas. Soon, in response to local protests against the destruction of the forests by logging companies, residents were being offered chainsaws with little regard for the long-term impacts on the island’s ecological fabric.

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international development agencies ensures that these efforts will continue in the coming years.

The successes notwithstanding, the project demonstrates that without a decisive commitment at the national level to promote rural development and integrated resource management, enduring and widespread improvements in rural livelihoods remain elusive. Commitment at the national government level is required to create the institutional mechanisms and provide investment incentives to shift to a sustainable development path in rural areas. Including rural areas in national development strategies remains the principal challenge to be addressed by PRISMA and its local partners.

SOUTH AFRICA

The political revolution of 1994 and the subsequent dismantling of apartheid created political and social conditions under which many poverty and environmental issues can be addressed. South Africa's constitution, widely regarded as one of the most progressive in the world, is built on a rights-based framework and bill of rights that articulate individual, social and environmental rights and responsibilities and place social equity at the very heart of the country's development strategy.

Since the establishment of the country's new political foundation, a multitude of reforms have been enacted to put in place authoritative mechanisms to translate the country's commitment to social equity into all institutions and levels of the new South Africa. As regards rural areas, for example, the Restitution of Land Rights Act established the means by which communities and individual claimants can regain control of lands taken during the decades of racial segregation. To promote development of long-neglected rural communities, the Municipal Systems Act provides mechanisms and resources to promote development programs that balance economic, social and environmental goals.

In many ways, the community of Riemvasmaak in the Kalahari in Northern Cape Province reflected the worst excesses of apartheid. Opportunities for rebuilding the community, dispersed and displaced by the military for decades, appeared in 1996 when the government returned 70,000 hectares of land, followed by another 4,000 hectares in 2004. With its land restored, the community faced two distinct challenges that became the focal points of the intervention strategies sponsored by the Group for Environmental Monitoring (GEM) and IUCN-South Africa (IUCN-SA), our local partners in South Africa. The first challenge was to overcome internal divisions in the community and build entrepreneurial capacity so the community could embark on commercial endeavours—notably ecotourism, small-scale mining and diversified agriculture—to raise incomes. The second challenge was to build internal community cohesion to obtain development funds from the district and provincial governments for infrastructure and economic development, in keeping with the government's institutional reform programs.

IUCN-SA and GEM embarked on a multitude of training and capacity-building activities with community members. Management training for the community trust was provided, communications infrastructure was offered for this previously isolated area, and contacts with nearby capital-intensive farming operations were established. Through the project, community members visited other rural communities bordering national parks, established ties with district and provincial authorities and explored various approaches to developing ecotourism.

In contrast to the interventions undertaken in the four other countries under the purview of this project, the South African interventions focused exclusively on changing local conditions and building local capacity, because national and meso-level policies and institutions provided optimal opportunities to address rural poverty and resource management issues. Many uncertainties remain as to whether these inputs and activities will allow the community of Riemvasmaak to raise incomes in substantial measure and develop a sustainable resource management regime. Tenure on communal lands, lack of a master land-use plan, internal community conflicts and uncertain institutional capacity of the trust are among the points of uncertainty and conflict that will determine the ability of this fragile community to take advantage of the opportunities offered under the country's new political system.

ZAMBIA

The strategic interventions of our Zambian partner, Mano, unfolded in the context of a national economy beset by continuing fiscal constraints, lack of foreign investment, and limited technology and human capital resources. Rural communities in Zambia are subject to conflicting institutional and legal frameworks that provide few opportunities for the rural poor to escape the growing incidence of poverty. Rural society is under the legal aegis of tribal authorities or chieftains that hold rights of land allocation. Overriding this traditional authority are modern land rights that vest ownership of all lands in the president, who can assign title to designated private parties. Under this arrangement, villages and villagers cannot convert their traditional land rights into modern “deeds” to collateralize loans or sell the land to interested buyers. Moreover, the prevailing natural resource management regime, characterized by Mano as “predatory,” drains natural wealth from rural areas without returning revenues to local communities for development purposes.

On the basis of its decades of direct involvement in rural areas across the country, Mano identified changing the legal-institutional framework governing rural lands and villages as the pivotal reform needed to break the current cycle of poverty and environmental degradation besetting rural areas. A second objective was to create a transparent government mechanism by which villages would be given the long-promised revenues derived from safari hunting in adjoining game reserves.

Fulfilling the first objective required enlisting the ablest land-tenure lawyer in the country and mobilizing the support of members of parliament and ministerial authorities. The legal reform promoted by Mano and ultimately accepted by land authorities was the establishment of a trust that would be responsible for managing large tracts of Mumbo woodlands, which would be converted from traditional tenure to modern titled land. Under the trust, a communal conservancy would be created and given responsibility for establishing various tourism enterprises whose revenues would be distributed directly to the villages and villagers.

The establishment of this expanded form of community-based natural resource management has opened a wide range of new opportunities for villages and chieftains across rural Zambia. Actual implementation of the trust and conservancy approach under Mano’s guidance in Chief Mpumba’s area of the Northern Province has moved forward gradually and with numerous difficulties, because of the need to strengthen local institutions and management capacity. The successful implementation of this approach, demonstrating the benefits to local villages, will be critical to ensuring that the approach becomes a permanent tool for economic development and improved natural resource management in deep rural areas of Zambia.

The second objective—increasing responsiveness and accountability for the distribution of safari revenues—was addressed successfully through legal action taken on behalf of specific village plaintiffs. Establishing widely accepted payment processes is a task for the future.
The political revolution of 1994 and the subsequent dismantling of apartheid created political and social conditions under which many poverty and environmental issues can be addressed. South Africa’s constitution, widely regarded as one of the most progressive in the world, is built on a rights-based framework and bill of rights that articulate individual, social and environmental rights and responsibilities and place social equity at the very heart of the country’s development strategy.

Since the establishment of the country’s new political foundation, a multitude of reforms have been enacted to put in place administrative mechanisms to translate the country’s commitment to social equity into all institutions and levels of the new South Africa. As regards rural areas, for example, the Restitution of Land Rights Act established the means by which communities and individual claimants can regain control of lands taken during the decades of racial segregation. To promote development of long-neglected rural communities, the Municipal Systems Act provides mechanisms and resources to promote development programs that balance economic, social, and environmental concerns.

In many ways, the community of Riemvasmaak in the Kalahari in Northern Cape Province reflected the worst excesses of apartheid. Opportunities for rebuilding the community, dispersed and displaced by the military for decades, appeared in 1996 when the government returned 70,000 hectares of land, followed by another 4,000 hectares in 2004. With its land restored, the community faced two distinct challenges that became the focal points of the intervention strategies sponsored by the Group for Environmental Monitoring (GEM) and IUCN-South Africa (IUCNSA), our local partners in South Africa. The first challenge was to overcome internal divisions in the community and build entrepreneurial capacity so the community could embark on commercial endeavours—notably ecotourism, small-scale mining and diversified agriculture—to raise incomes. The second challenge was to build internal community cohesion to obtain development funds from the district and provincial governments for infrastructure and economic development, in keeping with the government’s institutional reform programs.

IUCNSA and GEM embarked on a multitude of training and capacity-building activities with community members. Management training for the community trust was provided, communications infrastructure was offered for this previously isolated area, and contacts with nearby capital-intensive farming operations were established. Through the project, community members visited other rural communities bordering national parks, established ties with district and provincial authorities and explored various approaches to developing ecotourism.

In contrast to the interventions undertaken in the four other countries under the purview of this project, the South African interventions focused exclusively on changing local conditions and building local capacity, because national and meso-level policies and institutions provided optimal opportunities to address rural poverty and resource management issues. Many uncertainties remain as to whether these inputs and activities will allow the community of Riemvasmaak to raise incomes in substantial measure and develop a sustainable resource management regime. Tenure on communal lands, lack of a master land-use plan, internal community conflicts and uncertain institutional capacity of the trust are among the points of uncertainty and conflict that will determine the ability of this fragile community to take advantage of the opportunities offered under the country’s new political system.

ZAMBIA

The strategic interventions of our Zambian partner, Mano, unfolded in the context of a national economy beset by continuing fiscal constraints, lack of foreign investment, and limited technology and human capital resources. Rural communities in Zambia are subject to conflicting institutional and legal frameworks that provide few opportunities for the rural poor to escape the growing incidence of poverty. Rural society is under the legal aegis of tribal authorities or chiefdoms that hold rights of land allocation. Overlying this traditional authority are modern land rights that vest ownership of all lands in the president, who can assign title to designated private parties. Under this arrangement, villagers cannot convert their traditional land rights into modern “deeds” to collateralize loans or sell the land to interested buyers. Moreover, the prevailing natural resource management regime, characterized by Mano as “predatory,” drains natural wealth from rural areas without returning revenues to local communities for development purposes. On the basis of its decades of direct involvement in rural areas across the country, Mano identified changing the legal-institutional framework governing rural lands and villages as the pivotal reform needed to break the current cycle of poverty and environmental degradation besetting rural areas. A second objective was to create a transparent government mechanism by which villages would be given the long-promised revenues derived from safari hunting in adjoining game reserves.

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ELEMENTS OF THE ANALYTICAL APPROACH

1. Analyzing Poverty–Environment Dynamics at the Local Level
   A. Establishing a historical context
   B. Establishing a quantified baseline of socio-economic conditions
   C. Deepening analysis of environmental problems
   D. Analyzing the influence of a multitude of local institutions
   E. Conducting qualitative analysis of social and economic dynamics
   F. Interpreting the results of the local research

2. Analyzing the Influence of Meso-Level Institutions
   A. Institutional analysis
   B. Identifying key actors

3. Establishing Linkages to Macro Policies and National Institutions
   A. Macroeconomic policies
   B. Sectoral policy reforms
   C. Institutional structures and arrangements
   D. Institutional reforms
   E. Interpreting the impact of these macro-level policies and institutions

4. Interpreting the Results
   A. Interpretive maps
   B. Institutional charts
   C. Policy matrices
   D. Identification of principal obstacles to poverty reduction and sustainable resource management
   E. Written presentation of the analytical work

THE INTERVENTION APPROACH

1. Translating Socioeconomic Analysis into Intervention Plans
   A. Identifying factors that would shape interventions
   B. Matching interventions with political possibilities and existing capacity
   C. Choosing final intervention strategies

2. Implementing Direct Interventions at the Local Level
   A. Building human capital
   B. Building social capital
   C. Building alliances at the local level
   D. Lobbying local governments
   E. Promoting local enterprises

3. Influencing Meso or Subnational Institutional Arrangements

4. Influencing National Policies and Institutions
   A. Promoting institutional reforms
   B. Building strategic alliances at the national level
   C. Conducting public awareness campaigns
   D. Ensuring sustainability

4. Identifying Strategic Interventions
   A. Identifying the potential actions to be taken
   B. Matching intervention options with existing capacity
   C. Choosing final intervention strategies
Carried out over a six-month period, the analytical work was oriented to identifying the economic, institutional and other obstacles that prevent local communities from improving livelihoods and strengthening natural resource management. The analysis combined data collection, quantitative and qualitative analysis and extensive interviews with key players at local, regional and national levels, from which a fairly inclusive understanding of poverty-environment dynamics could be developed. These understandings were codified in a range of formats, including interpretive mapping, institutional charts, policy matrices and written narratives that interpreted the interactions among many diverse actors at the local, meso and macro levels. The research work was systematized in an analytical approach that is presented in greater detail in this document’s companion publication, Analyzing the Political Economy of Poverty and Ecological Disruption (2004).

The last of the five steps in the analytical approach—identifying strategic interventions—was also the first step in the intervention approach. This transition from analysis to designing interventions is the pivotal moment on which the subsequent effectiveness of the project hinged.
interventions that would provide new opportunities for the communities to improve natural resource management and encourage economic growth. These options included exploring alternative income-generating opportunities (e.g., cultivating mushrooms, producing orchids, producing grapes); reforming natural resource regimes at provincial and national levels (e.g., changing forest management systems, changing agriculture cultivation standards in forested areas, developing land-use plans); reforming institutional and legal arrangements (e.g., reforming land-tenure laws, changing ownership laws on national parks); and engaging in capacity-building processes (e.g., training for local communities, building partnerships with neighboring communities). It is important to note that local partners sought to make the list of potential options all inclusive rather than constraining it to options that reflected the actual capacity of the local team and its potential partners.

B. MATCH INTERVENTIONS TO POLITICAL POSSIBILITIES AND EXISTING CAPACITY

We cannot overemphasize the importance of this phase of the work, that is, matching what partners deemed necessary to change in order to improve their livelihood conditions with what change was in their capacity to influence and bring to fruition. The principal problem that surfaced with most of our partners was the tendency to propose overly ambitious activities that would require considerably more time and resources than were available in the context of the project. To address this tendency, we hired an external strategic planner who worked with each team to help it formulate specific, realistic objectives for the project. This facilitation process occurred in the context of a weeklong strategy retreat and obliged each team to produce specific logical frameworks identifying objectives, work methods and indicators of success.

C. FINALIZE INTERVENTION STRATEGIES

For each desired change, the teams rigorously assessed their own capacities and the potential contributions of partners at different levels. They then charted the specific activities that would lead to fulfillment of the chosen objectives. These charts were not completely filled out at the end of this phase of work because additional information and understanding about political processes and dynamics were needed to complete the implementation plan. We also recognized that teams would understand the political paths and institutional intricacies involved in reaching the desired goals only through direct engagement in advocacy and lobbying activities.

Regardless of the inclusiveness of the information-gathering, interpretation and strategy-planning process undertaken to this point, the previous experiences and organizational biases of our five partners invariably influ-
enced both their interpretation of analytical results and the subsequent choice of strategic interventions. To balance the perspectives of our local teams, we ensured that three supplemental activities were carried out:

- First, we required each team to establish a national advisory committee of eminent persons who could provide complementary, if not contrary, perspectives on the team’s work and proposed strategies. This advisory committee was to be composed of persons from diverse disciplinary backgrounds and of recognized competence and stature in the respective countries.
- Second, we organized an international advisory committee composed of eminent experts from the southern and northern development agencies, whose purpose was to review in detail the proposed intervention strategies. This review process (which took place in Chalatenango, project site of the El Salvadoran team) enabled the five teams to revise and strengthen many aspects of their intervention plans.
- Third, the review by international experts was followed by individual support from an expert who specialized in project planning. This final activity sought to ensure that proposed intervention objectives were clearly articulated and feasible and had a strong probability of success.

One final comment: As the project summaries presented earlier indicate, successful demonstration projects for resource-management and poverty reduction at the local level could be sustained and replicated only if national laws and meso-level institutions underwent considerable reform. Only in South Africa, where the political revolution of 1994 and the subsequent dismantling of apartheid created very positive conditions at the national level, did project partners give exclusive attention to working at the local level.

2. IMPLEMENTING DIRECT INTERVENTIONS AT THE LOCAL LEVEL

The direct interventions undertaken by the five teams are so diverse that they defy simple categorization. Despite the simplification entailed, we have organized the interventions according to the level at which they were carried out, that is, the local, meso or macro level.

A. BUILDING HUMAN CAPITAL

With few exceptions, local teams initially sought to increase the understanding of local communities and their leaders of the surrounding social, economic and ecological environment. The six-month process of analyzing local, meso and macro conditions was an integral part of the endeavor to build human capital and often involved taking local community members on interviews, meeting local and regional authorities, and discussing conditions with others in neighboring communities. Increased understanding of complex social dynamics at local and higher levels was the requisite condition for identifying and agreeing on ways to overcome obstacles.

As a next step, the project teams focused on providing direct training and capacity-building workshops and seminars to address recognized limitations and conflict within the communities. For example, our project partners in South Africa (IUCN and GEM) organized a series of seminars in Riemvasmaak to address conflicts within the communities, to explain and explore the functions of the trust established to manage the ecotourism business, and to develop relations with regional authorities, private companies working in the community and communities in other parts of the country. These interventions brought together representatives of all stakeholders in the community—including Nama, Damara, Xhosa and colored people, and the Riemvasmaak Development Trust—for problem-solving activities and workshops to clarify problems, overcome misunderstandings and propose medium-term solutions.

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provide economic and resource management opportunities for local communities. These training activities were designed to increase community members’ awareness of different approaches to resource management and to identify the functions that were required to organize new management systems.

B. BUILDING SOCIAL CAPITAL

Where many forms of private capital—financial, technical, natural and human—are scarce, social capital becomes indispensable in creating opportunities for improving human welfare and ecological sustainability. By “social capital” we mean the multiple organizations and means by which social groups work together in pursuit of shared objectives. Building social capital, therefore, is a process of forging working partnerships, building organizations, negotiating objectives and mobilizing resources for collective or communal purposes.

Project partners in South Africa organized numerous activities to strengthen the functioning of the local trust in Retrouvaamak, to improve financial planning and management systems and to establish accountable, transparent reporting relations to the community. IUCN and GEM partners in South Africa organized numerous activities to strengthen the functioning of the local trust in Retrouvaamak, to improve financial planning and management systems and to establish accountable, transparent reporting relations to the community. IUCN and GEM partners in South Africa organized numerous activities to strengthen the functioning of the local trust in Retrouvaamak, to improve financial planning and management systems and to establish accountable, transparent reporting relations to the community.

C. BUILDING ALLIANCES AT THE LOCAL LEVEL

The underlying assumption of the interventions undertaken by our partners was that rural communities are relegated to the margins of political life and have negligible influence over the forces and institutions that shape their lives. The project assumed that building dynamic working relationships with a wide range of organizations and individuals was necessary to alter the ability of the communities to improve their living standards and natural resource management. One of the criteria used in selecting local partners was a demonstrated ability to work with local authorities, the private sector and other community organizations.

Partners in the five countries embarked on alliance-building processes at the local level in diverse, often surprising, ways. Once Maoni had established the legal mechanism to create the Mupama Conservation Trust in Zambia, local expertise was needed to provide business oversight to the trust. To this end, a representative of Mutinondo Wilderness, a privately held game reserve, agreed to participate on the trust’s management council, as did a nationally recognized land-rights lawyer and a prominent conservationist.

In Lombok, Indonesia, the WWF office engaged a number of local entrepreneurs in an effort to identify economic opportunities ranging from establishing payment for water environment services with the local water authority to making tourism plans with local tourism companies. Similarly, the office created dynamic relationships with local universities to help carry out research, propose forest and water management systems and monitor the availability of and quality of those resources.

D. LOBBYING LOCAL GOVERNMENTS

Lobbying local governments, especially breaking through resistance from mid-level government employees, proved to be a time-intensive endeavor. Efforts to build support at the provincial level proved difficult because of institutional rigidities and the disinterest of the authorities. WWF’s Indonesia office successfully lobbied district governments to adopt new community forest management systems. The adoption of these management regimes was made possible by years of work with local farmers and farmers’ organizations that sought to increase access to state-owned forested areas. The work involved offering land-use plans, identifying financial and economic returns to government and farmers and presenting convincing arguments to local authorities.

E. PROMOTING LOCAL ENTERPRISES

Efforts to expand or create local enterprises resulted from initiatives taken by local producers and, on occasion, from activities initiated by our local partners.

In Zambia, Maoni explored numerous options for generating village-based enterprises relating to conservation and natural resource management. These included ecotourism projects involving former illegal hunters and the creation of a conservation center and campsites for overland tourists passing through Zambia.

WWF-Indonesia, responding to initiatives of local farmers, helped them reach agreement with the district government so that regulations for community-based forest management now allow local communities to receive 100 percent of the profits from nontimber forest products planted on the land (e.g., papaya, banana, cassava). Revenue derived from timber species will be shared between local people and the government. In West Lombok, this revenue will be shared 50:50, in East Lombok, it will be shared 70:30.

WWF-China responded to repeated community initiatives to allow the establishment of small businesses inside the Baixiuaoshan Forest Reserve. The success of those economic endeavors was a determining factor in garnering widespread community support for changing the forest management regime. In particular, the formation of a matsutake mushroom dealers’ association in Deqin County significantly improved marketing opportunities for the matsutake producers, in turn made possible by new opportunities to produce mushrooms inside the reserve.

3. INFLUENCING MESO OR SUBNATIONAL INSTITUTIONAL ARRANGEMENTS

The definition of meso- or subnational institutions varies significantly across countries. In state-driven hierarchical societies such as China, the lines of accountability from national policymakers to provincial and district authorities and then to lower-level organs such as county and village authorities are quite clear. The functions and scope of decision making at each level are likewise clearly delineated. In contrast, it is difficult to identify exactly what constitutes a meso-level institution in Zambia, where the political links among traditional chieftains and nationally elected officials are tenuous and highly personalized. The situation in Indonesia is equally complex because the recently implemented political decentralization process is significantly altering responsibilities and lines of authority at local, district and national levels.

In China and Indonesia, influencing meso-level institutions proved to be very difficult. In Indonesia, difficulties arose because the decentralization policy of the national government vested increased authority and decision-making power in provincial and district officials who were very reluctant to yield any of their newly acquired power. In China, on the other hand, Yunnan provincial officials were accustomed to implementing policies handed down from above and were very resistant to taking the initiative, regardless of the potential benefits.

In El Salvador, PRISMA invested considerable effort in building social capital among local organizations in order to influence government policies at the meso or regional level. Although cooperation among community and regional organizations increased significantly, including efforts to develop a regional land-use plan, the national government showed little interest in supporting rural development initiatives. The government’s development plan remained urban-oriented and treated rural areas as targets of welfare transfers rather than potentially vibrant parts of the national economy.
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In Yunnan, the centerpiece of the WWF team’s intervention was demonstrating how the forestry co-management regime could work through expanding cooperation between Baimaxueshan park managers and local communities situated within and contiguous to the forest reserve. This process included developing local management plans, agreeing on new responsibilities for forest reserve. This process included developing local management plans, agreeing on new responsibilities for local communities. These training activities were designed to increase community members' awareness of different approaches to resource management and to identify the functions that were required to organize new management systems.

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4. INFLUENCING NATIONAL POLICIES AND INSTITUTIONS

A. PROMOTING INSTITUTIONAL REFORM

At the time of project implementation, all five countries were undergoing major economic changes that included diminution of the economic role of the state, liberalization of domestic markets and pursuit of export-oriented growth strategies. Though the reforms were creating economic opportunities for dynamic sectors of the economies, the new economic policies translated slowly, if at all, into new opportunities for the rural poor.

Concurrent with the economic policy changes, governments were implementing major institutional reforms, ranging from decentralization and realignment of political systems to altering land-tenure and natural resource management regimes. More often than not, project partners focused their national efforts on established or emerging institutional arrangements rather than national economic policy per se. The institutional arrangements seemed to be the mechanisms by which opportunities were created for the dynamic, privileged and usually urban-based economic actors, whereas the rural poor were frequently excluded from the benefits of new incentives and market structures. As a consequence, interventions in China, Zambia, El Salvador and Indonesia sought to influence decision-making processes, establish mechanisms for public participation and increase public accountability of government offices.

- WWF-China considered the establishment of a co-management regime in Baimaxueshan Forest Reserve more than just “expanding participation” to include local communities. The goal was to redistribute responsibility from central government organs to local communities.
- Mano, our partner in South Africa, tried to expand the current interpretation of land-tenure law to increase the economic and resource management opportunities for the villages and chiefdoms. In addition, Mano used legal means to pressure government offices to abide by established regulations and laws to increase the status and respect for rural communities.
- In El Salvador, PRISMA sought to challenge the urban-oriented economic policies of the government and create responsive institutions through which rural economic development and improved resource management could take place.
- WWF-Indonesia promoted reforms in national social forestry laws and regulations so that local communities could determine the character of local forestry management arrangements.
- In China, successful demonstration projects at the local level proved effective in sparking the interest of national policymakers in the forest co-management system and created the distinct possibility of replicating the approach throughout poor regions of the country.
- Expansion of Zambia’s land-tenure law has created a legal precedent that can be used by villages and chiefdoms in other provinces around the country.
- The El Salvador project did not succeed in reorienting national institutional arrangements to improve planning mechanisms and resource management systems in rural areas because national policymakers focused attention on growth in urban areas.

Success in achieving the designated objectives varied significantly.

- Despite WWF-Indonesia’s considerable success in generating support at the national level, the community forestry law languished in the president’s office, awaiting renewed public pressure to open new opportunities for communities across the archipelago.

B. BUILDING STRATEGIC ALLIANCES AT THE NATIONAL LEVEL

Success in accomplishing the reforms sought by our partners hinged on building dynamic alliances with influential constituencies. Three approaches were important in the alliance-building process.

National advisory committees. From the outset, we assumed that actions and change would be required at local, subnational and national levels. We also believed that preparing for interventions at each level was mandatory, not as the project evolved over several years, but from the very outset. To this end, the project required that country partners establish national advisory committees to anchor the work in national political centers. In South Africa and Zambia, national committees never became effective instruments. In South Africa, interventions never extended beyond the subnational level and thus lacked a national context for creating a national advisory committee. In Zambia, previous externally driven projects and their short-lived consultative groups had been widely discredited; Mano saw little benefit in reproducing what appeared to be a discredited approach.

In China and Indonesia, however, national advisory groups provided the critical link to replicating the positive local experiences and creating a policy dialogue at the highest levels of government. Members of the national committees were selected because of their political and institutional standing and their influence over public policy issues. As project results emerged from local and district
4. INFLUENCING NATIONAL POLICIES AND INSTITUTIONS

A. PROMOTING INSTITUTIONAL REFORM

At the time of project implementation, all five countries were undergoing major economic changes that included diminution of the economic role of the state, liberalization of domestic markets and pursuit of export-oriented growth strategies. Though the reforms were creating economic opportunities for dynamic sectors of the economies, the new economic policies translated slowly, if at all, into new opportunities for the rural poor.

Concurrent with the economic policy changes, governments were implementing major institutional reforms, ranging from decentralization and realignment of political systems to altering land-tenure and natural resource management regimes. More often than not, project partners focused their national efforts on established or emerging institutional arrangements rather than national economic policy per se. The institutional arrangements seemed to be the mechanisms by which opportunities were created for the dynamic, privileged and usually urban-based economic actors, whereas the rural poor were frequently excluded from the benefits of new incentives and market structures. As a consequence, interventions in China, Zambia, El Salvador and Indonesia sought to influence decision-making processes, establish mechanisms for public participation and increase public accountability of government officials.

- WWF-China considered the establishment of a co-management regime in Baimaxueshan Forest Reserve more than just “expanding participation” to include local communities. The goal was to redistribute responsibility from central government organs to local communities.
- Mano, our partner in South Africa, tried to expand the current interpretation of land-tenure law to increase the economic and resource management opportunities for the villages and chiefdoms. In addition, Mano used legal means to pressure government offices to abide by established regulations and laws to increase the status and respect for rural communities.
- In El Salvador, PRISMA sought to challenge the urban-oriented economic policies of the government and create responsive institutions through which rural economic development and improved resource management could take place.
- WWF-Indonesia promoted reforms in national social forestry laws and regulations so that local communities could determine the character of local forestry management arrangements.

Success in achieving the designated objectives varied significantly.

- In China, successful demonstration projects at the local level proved effective in sparking the interest of national policymakers in the forest co-management system and created the distinct possibility of replicating the approach throughout poor regions of the country.
- Expansion of Zambia’s land-tenure law has created a legal precedent that can be used by villages and chiefdoms in other provinces around the country.
- The El Salvador project did not succeed in reorienting national institutional arrangements to improve planning mechanisms and resource management systems in rural areas because national policymakers focused attention on growth in urban areas.

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levels, these influential members became enthusiastic advocates for policy and institutional reforms in various government agencies. El Salvador set up an informal national advisory committee composed of representatives of civil society groups, development agencies and research institutes; it drew on this committee for specific tasks and in response to specific needs.

**Partnerships with donor agencies.** Poverty reduction and environmental sustainability themes have been actively promoted by development agencies in the past. Working with representatives of these agencies and with local partners funded by them proved vital to generating impacts at local and national levels. In El Salvador, where the government had withdrawn from rural areas, European development agencies continued to provide support for a number of rural groups and initiatives, enabling PRISMA to work at the meso level to strengthen the voice and influence of emerging organizations and activities. In China, WWF efforts to reach out to key donor agencies became an important mechanism for sharing lessons, translating experiences of others into approaches at the local level and driving common policy messages at the national level. WWF-China hosted a series of events on resource management reform with agencies of various European governments, creating greater government interest and understanding.

**Alliance building with urban-based organizations, institutes and experts.** The political marginalization of rural communities required a dedicated effort to forge enduring relationships with groups and individuals that had expertise across many disciplines. Without technical or lobbying expertise, the gains made by the five partners would have been significantly reduced. Expanding the Zambian land-tenure law was possible only through the legal competence and experience of Wynter Kabimba, the country’s foremost land-tenure lawyer, who analyzed the existing legal codes, identified reform opportunities and influenced government officials to grant authorization to proceed with a demonstration project in Mpumba Trust.

WWF-Indonesia concluded that the success of its advocacy campaign was attributable in large measure to alliances built with activists and organizations in Jakarta. It concluded that the delay of the community forestry law’s final legal approval resulted from the lack of broader, longer-term advocacy with potential partners in the nation’s capital.

Our Salvadoran partner’s ability to achieve the political reforms it sought was hampered by the lack of engagement and support from other rural areas; widespread support might have coalesced into major advocacy efforts focusing on policymakers in the nation’s capital. The disappointing outcome was not the result of a lack of dedicated efforts; PRISMA conducted numerous policy dialogues, seminars and outreach activities in San Salvador. Instead, failure was attributable largely to uneven support from rural areas and the government’s one-dimensional focus on promoting urban economic expansion based in the financial and retail sectors.

In China, collaboration with the China Agricultural University brought a higher profile and greater legitimacy to the project because of the close policy links between the university and the National’s People’s Congress. WWF-China’s active engagement with the university created many opportunities to draw attention to the project at the highest levels of government.

**C. LAUNCHING PUBLIC AWARENESS CAMPAIGNS**

For the teams in China, Indonesia and El Salvador, building public awareness campaigns figured in the last stage of their respective programs. The campaigns were necessary at that point for several reasons. First, local demonstration and reform programs had proved successful, and it was necessary to communicate the concepts to other potential stakeholders. Second, embryonic alliances had been created with important groups and advocates in national capitals; more ambitious partnership building could take place as more groups became aware of successful activities. Third, influencing national political targets required more public pressure to demonstrate that proposed reforms enjoyed public support.

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national electoral processes at a time when many alliance-building and public media activities were being organized. This political climate provided a natural springboard for interacting community forest management issues into public debate. In China, careful coordination and planning with donor agencies and national policy institutes was required to raise the issue of forest co-management regimes in national poverty reduction seminars and government activities. In addition, the videos, publications and policy seminars organized by MPO provided supplemental opportunities for disseminating results of the projects to national and local audiences in the five countries.

### D. ENSURING SUSTAINABILITY

From the outset of the project, we realized that four years would provide only enough time to establish the foundations of a longer-term process of policy and institutional change. Reforming national institutions, improving economic policies and increasing the political influence of rural groups were long-term endeavors that would require years, if not decades. For this reason, we insisted from the outset of the project that the teams be responsible for submitting sustainability initiatives as an integral part of their intervention strategies. These initiatives would ensure that alliances and financial, government and institutional support would remain in place to ensure the continuation of the project after its formal termination. These sustainability initiatives took various forms:

- **Sustainability and replication of forest co-management systems in China depend on continued support from national policymakers, who will decide whether to allow dissemination of the management regime. Current government responses strongly indicate that continued advocacy, information activities and policy dialogue by WWF-China will lead to replication of this approach in nature reserves in other parts of the country.**

- **WWF-Indonesia has reached agreement with district governments to lease degraded state forestland to local communities for community forest projects. State forestland will be allocated to local communities for a period of 25 years, although local communities must demonstrate that they can manage the land effectively before this term is definitively granted. Establishment of payment for water environment services with the local water authority is still being negotiated and may provide the financial basis for ensuring long-term sustainable water management.**

- **Despite the difficulty in fulfilling policy objectives, the continuing ecological and economic crisis in El Salvador’s countryside has ensured continued financial support for work in Chalatenango from international development agencies. Through PRISMA and local partners, efforts will continue to strengthen regional planning and reinsert rural development into national development policy.**

- **IUCN-SA succeeded in building a host of support systems around the fledgling trust and community organizations in Boroswaak. The ability of the trust to sustain its improved management capacity will determine whether district and regional offices of the government will continue to provide resources and technical support.**

In short, transitions and opportunities for sustained growth and institutional reform have been put in place. Responsibility for fulfilling the potential for continued reform now lies primarily with local partners.

### III. LESSONS

#### 1. WORKING AT THE LOCAL, MESO AND MACRO LEVELS

The most important lesson to be drawn from these experiences is that it is imperative to work at all levels to bring about fundamental changes in the ability of the rural poor to raise their living standards and improve natural resource management. The interplay among the three levels can be summarized as follows:

- At the local level, the primary task is to demonstrate how resource management and poverty reduction activities can be implemented effectively through direct community involvement and responsibility. Successful demonstration efforts to raise incomes and improve resource management are mandatory to ensure long-term support of local populations. Moreover, success at the community or village level is critical to capturing the attention of authorities at local and higher administrative levels. Success of the initial demonstration projects was pivotal in allowing partners to replicate and expand new resource management approaches.

- Influencing institutional arrangements and building effective working relationships with government offices at the meso or subnational level is vital for ensuring that new opportunities can be made available to other communities. Despite the fact that subnational authorities frequently have little inclination or authority to implement innovative reforms, they control provincial, district and county budgets that can either stifle or support reform processes.

- National-level institutions and policies are the critical gateway to creating opportunities at the local level in many circumstances. Reforming institutions inherited from earlier economic periods or improving institutions and policies recently implemented under the neoliberal economic regime is required to change the political economy of rural poverty and ecological disruption.

Though some significant successes were registered under this project at the national level, partners found that they lacked the political capital, technical expertise and mobilized public support required for delivering on this final goal.

II interventions at any of the levels were dropped, disregarded or unfulfilled, prospects for implementing sustained change for the rural poor and rural environments dimmed accordingly.

#### 2. ECONOMIC GROWTH AS A PREREQUISITE FOR IMPROVED NATURAL RESOURCE MANAGEMENT

We conclude that it is very difficult, if not impossible, to significantly improve natural resource management over the long term unless a process of economic growth is under way that raises the incomes of the rural poor. Despite the well-documented diversity of survival strategies used by the rural poor to support their families, precariousness and vulnerability characterize rural livelihoods. As a consequence, resistance to implementing major changes in natural resource management regimes—be they for land, water, forests, mangroves, pastures or fisheries—is inherent in their response unless demonstrable economic improvement will accompany the regime changes. Conversely, the projects demonstrate that as soon as the rural poor experience the economic benefits of changing natural resource management systems, they quickly embrace the new regimes. Thus, such reforms will be enduring only to the extent that poor people see tangible improvements in living standards or very real prospects of improvement that will accrue as a result of the changes.

No example could be clearer than the experience in Yunnan Province. The incomes of the villagers increased quickly and significantly as a result of being able to produce matsutake mushrooms in the forest reserve for Japanese markets. The dramatic improvement in their welfare encouraged community members to quickly embrace...
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Moreover, the economic initiatives were predicated on sound natural resource policies that recognized that sustainable management was crucial to ensuring the long-term stability of the enterprises. This approach is in direct contrast with many economic development programs currently being implemented, which disregard both the environmental and equity considerations of growth on the false assumption that such concerns will be addressed in environmental and equity considerations of growth on the currently being implemented, which disregard both the contrast with many economic development programs term viability of the enterprises. This approach is in direct sustainable management was crucial to ensuring the long-sound natural resource policies that recognized that.

The five experiences demonstrate that, despite the importance of welfare supports, the financial transfers do little to help the rural poor move out of their current conditions of ecological and social vulnerability. If anything, they maintain the marginal, dependent status of the rural poor without providing incentives and institutional support to break the cycle of marginalization.

The five experiences were, either directly or indirectly, efforts to convert rural localities into economically dynamic and ecologically sound areas that could make an important contribution to national economic and social wellbeing. The projects demonstrate that, with a modicum of external financing and strategically applied technical and organizational support, rural areas such as these can become sources of dynamic growth and livelihood. WWF-Indonesia and WWF-China negotiated with district and county governments to use budgetary transfers from national and regional capitals to local governments to support the establishment of new forest management regimes. IUCN and GEM focused on building local capacity in Riemvasmaak to enable the community and the trust to gain regular access to economic development funds available through district government. The essence of PRISMA’s engagement at the local and regional levels was to seek a national policy context in which local initiatives and welfare funds could contribute to a sustained process of growth and improved ecological management. These experiences pose challenges to the current concept of rural welfare transfers and provide examples of how groups from civil society can work with government to fundamentally alter the current status of rural communities and rural areas.

A proactive alliance-building process was required at the local, subnational and national levels to achieve many of the project objectives. What stands out from the country experiences is the primary importance of building alliances among rural organizations and specialized institutions and groups in urban centers, particularly national capitals. The marginalization of rural communities can be overcome only through an aggressive effort to find common interests and partnerships with sophisticated groups in urban areas. The rural communities needed and sought technical and political expertise in the following areas: legal analysis, political analysis, lobbying expertise, mobilized public support, contacts to markets and private companies and support from government officials.

The process of creating these rural-urban links was greatly enhanced by the operational assumptions of the project, which required country teams to assemble national advisory committees composed of preeminent experts and specialists who could influence national political processes. Relationships between rural and urban partners might have emerged spontaneously in the course of the work; however, establishing the rural-urban political relationship through a national advisory committee at the outset gave the projects a solid foundation for strengthening and diversifying those working relationships as the need arose.
forestry co-management system. In contrast, difficulty in implementing institutional changes at the meso level in El Salvador was tied to uncertainties that proposed land-use and regional planning would bring tangible benefits to the communities. The lack of support from the national government further discouraged mayors and community leaders from pressing forward with territorial planning programs.

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3. CONVERTING WELFARE TRANSFERS INTO A SOURCE OF ECONOMIC GROWTH AND SOUND ECOLOGICAL MANAGEMENT

Governments in the five countries provided varying degrees of financial support to the rural poor through a wide range of social welfare programs and safety nets, from modest health and educational programs to direct financial transfers to local governments for food security and social stabilization. These support mechanisms are very important, particularly during times of economic transition. Not only do they help maintain living standards, they relieve pressure on natural resources that are susceptible to intensified use during times of economic crisis.

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5. BUILDING SOCIAL CAPITAL

Country teams placed considerable emphasis on a range of activities to build social capital as an important step in increasing the ability of rural groups to compete in emerging markets and undertake new entrepreneurial activities. The lack of financial, natural and man-made capital obliged rural communities to increase their influence by pooling resources and joining in communally driven activities. The contribution of expanding social capital was apparent in all five countries; it was the springboard for other activities, such as building more effective alliances with other groups, starting new businesses and negotiating with government officials.

The initiatives taken by the various local and subregional civil society organizations in the highlands of Chalatenango, including efforts to develop a regional land-use and development plan, reflect the contribution social capital can make toward poverty alleviation and improved natural resource management. However, there are some important limitations on the role of social capital. First, as the experience in El Salvador demonstrated, without a policy context and opportunities for working with various levels of government, expanded social organizations and their activities can function in a void and fail to influence the policies and institutions that shape rural livelihoods. Second, expanded social organizations and activities often need to be combined with other forms of support and capital (for example, financial capital) to enter markets and create local enterprises. Third, social capital can deteriorate unless it is channeled into activities that have a direct and enduring impact on the livelihoods of the rural poor and their broader communities. From the perspective of poor people, what good are institutions and meetings if they don’t address immediate survival needs? Sharp analysis is required to understand the balance that must be struck between building social capital and addressing the other factors that shape rural lives and natural resource use.

6. SCALING UP SUCCESSFUL PROJECTS

One of the frequent misconceptions about successful development activities involves the process for “scaling up” positive outcomes. Two basic approaches tend to prevail in efforts to scale up successful local projects. First, agencies and activities frequently view scaling up as a process of multiplying on a far wider scale the initial pilot experience. That process is replication, not scaling up. Second, agencies often try to extrapolate successful local experiences to a higher level. For example, they may encourage adoption of a community-based forestry management system at the county, district or even higher level. Though this kind of extrapolation occasionally succeeds, it usually fails, because different management systems are required at different levels, and programs on a broader scale require a specific set of incentives, fiscal policies and institutional conditions.

This project suggests that designing and implementing interventions at the three levels from the outset is the crucial element in being able to scale up successes. The success of the demonstration project at the local level is the linchpin for engaging in a scaling-up activity. However, as these experiences demonstrate, local successes can be sustained only if conducive policy and institutional arrangements are in place at higher levels of government. Both replication and scaling up require the implementation of carefully designed institutions, fiscal policies, economic growth strategies and natural resource management regimes designed specifically to promote the needs and interests of the rural poor.

7. NEED FOR A LONGER TIME HORIZON

We have affirmed the necessity of working at the three levels—local, subnational and national—to bring about enduring changes in the lives of the rural poor. We have also highlighted the important role of building rural-urban alliances as a central strategic element in effecting changes at the national level.

The project has also demonstrated that although changes at the local level can begin to take root in a four-year period, consolidating policy and institutional reforms at the meso and macro levels requires considerably more time. Changing national institutions necessitates mobilizing a wide range of organizations and individuals who can build broad-based support for changes in rural areas. The country projects employed numerous strategies for building broader support systems in urban centers through campaigns, public education activities and direct lobbying. Achieving the desired goals at the national level would require at least two more years to overcome resistance and effect necessary institutional and policy changes.

We highlight this point to underscore the importance of establishing the proper sequence of activities from the local up to the national, then allowing ample time for the national changes to take root and be codified in policies, laws and institutional reforms.

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5. BUILDING SOCIAL CAPITAL

Country teams placed considerable emphasis on a range of activities to build social capital as an important step in increasing the ability of rural groups to compete in emerging markets and undertake new entrepreneurial activities. The lack of financial, natural and man-made capital obliged rural communities to increase their influence by pooling resources and joining in communally driven activities. The contribution of expanding social capital was apparent in all five countries; it was the springboard for other activities, such as building more effective alliances with other groups, starting new businesses and negotiating with government officials.

The initiatives taken by the various local and subregional civil society organizations in the highlands of Chalatenango, including efforts to develop a regional land-use and development plan, reflect the contribution social capital can make toward poverty alleviation and improved natural resource management. However, there are some important limitations on the role of social capital. First, as the experience in El Salvador demonstrated, without a policy context and opportunities for working with various levels of government, expanded social organizations and their activities can function in a void and fail to influence the policies and institutions that shape rural livelihoods. Second, expanded social organizations and activities often need to be combined with other forms of support and capital (for example, financial capital) to enter markets and create local enterprises. Third, social capital can deteriorate unless it is channeled into activities that have a direct and enduring impact on the livelihoods of the rural poor and their broader communities. From the perspective of poor people, what good are institutions and meetings if they don’t address immediate survival needs? Sharp analysis is required to understand the balance that must be struck between building social capital and addressing the other factors that shape rural lives and natural resource use.

6. SCALING UP SUCCESSFUL PROJECTS

One of the frequent misconceptions about successful development activities involves the process for “scaling up” positive outcomes. Two basic approaches tend to prevail in efforts to scale up successful local projects. First, agencies and activities frequently view scaling up as a process of multiplying on a far wider scale the initial pilot experience. That process is replication, not scaling up. Second, agencies often try to extrapolate successful local experiences to a higher level. For example, they may encourage adoption of a community-based forestry management system at the county, district or even higher level. Though this kind of extrapolation occasionally succeeds, it usually fails, because different management systems are required at different levels, and programs on a broader scale require a specific set of incentives, fiscal policies and institutional conditions.

This project suggests that designing and implementing interventions at the three levels from the outset is the crucial element in being able to scale up successes. The success of the demonstration project at the local level is the linchpin for engaging in a scaling-up activity. However, as these experiences demonstrate, local successes can be sustained only if conducive policy and institutional arrangements are in place at higher levels of government. Both replication and scaling up require the implementation of carefully designed institutions, fiscal policies, economic growth strategies and natural resource management regimes designed specifically to promote the needs and interests of the rural poor.

7. NEED FOR A LONGER TIME HORIZON

We have affirmed the necessity of working at the three levels—local, subnational and national—to bring about enduring changes in the lives of the rural poor. We have also highlighted the important role of building rural-urban alliances as a central strategic element in effecting changes at the national level.

The project has also demonstrated that although changes at the local level can begin to take root in a four-year period, consolidating policy and institutional reforms at the meso and macro levels requires considerably more time. Changing national institutions necessitates mobilizing a wide range of organizations and individuals who can build broad-based support for changes in rural areas. The country projects employed numerous strategies for building broader support systems in urban centers through campaigns, public education activities and direct lobbying. Achieving the desired goals at the national level would require at least two more years to overcome resistance and effect necessary institutional and policy changes.

We highlight this point to underscore the importance of establishing the proper sequence of activities from the local up to the national, then allowing ample time for the national changes to take root and be codified in policies, laws and institutional reforms.
8. SUSTAINABILITY PLANNING

The longer time horizon required to bring about changes at the three levels required us to establish sustainability objectives for country teams from the very outset of the project. We left the exact nature of these objectives fairly open but required that each country team present a strategy that would allow the changes initiated during the four years to continue well beyond the project’s duration. In some cases, such as that of El Salvador, strategies emphasized building relations with other donor agencies that were then asked to support the next stages of work. In Zambia, China and Indonesia, the key to long-term sustainability was involving private companies in developing local enterprises. In South Africa, the pathway to longer-term economic stability was deepening ties with district and regional government offices and demonstrating the community’s enhanced managerial capacity.

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