Sustainable Development through Policy Integration in Latin America

A Comparative Approach

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Occasional Paper Seven

Social Dimensions of Green Economy and Sustainable Development

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Contents

Acronyms

AS	Araçuai Sustentàvel
BF	Bolsa Floresta *(The Forest Conservation and Allowance Programme)*
BFF	Bolsa Floresta Familia *(Family Forest Allowance)*
BNDES	Banco Nacional de Desenvolvimento Econômico e Social *(Brazilian Development Bank)*
CDM	Clean Development Mechanism
CECLIMA	Centro Estadual de Mudanças Climáticas *(State Centre for Climate Change)*
CO_2	Carbon dioxide
CPCD	Centro Popular de Cultura y Desenvolvimiento *(Centre for Popular Culture and Development)*
EUA	European Union Allowance
FAS	Fundaçaõ Amazonas Sustentavel *(Sustainable Amazonas Foundation)*
FUNAI	National Indian Foundation
GTA	Grupo de Trabalho Amazonico *(Amazon Working Group)*
IDESAM	Instituto de Conservação e Desenvolvimento Sustentável do Amazonas *(Institute for the Conservation and Sustainable Development of the State of Amazonas)*
INPA	Instituto Nacional de Pesquisas da Amazônia *(National Institute for Research on the Amazon)*
NGO	Non-governmental organization
PES	Payment for Ecosystem Services
REDD	Reducing Emissions from Deforestation and Forest Degradation
SD	Sustainable development
SDS	Secretaria de Estado do Meio Ambiente e Desenvolvimento Sustentável *(State Center for Climate Change)*
UEA	Universidade do Estado do Amazonas *(Amazonas State University)*
UFAM	Universidade Federal do Amazonas *(Federal University of Amazonas)*
UNDP	United Nations Development Programme
Y-ITT	Yasuní-Ishpingo Tambococha Tiputini
YNP	Yasuní National Park

Summary

Whereas sustainable development used to be conceptualized in relation to differentiated development stages and contrasts between "consumer" and "basic needs" societies (Redclift 1991), the emerging green economy has internalized the new geopolitical conditions created by "globalization". Latin American countries, for instance, have characteristics of both "consumer" and "basic need" societies. Their challenge today is in large part similar to that of developed countries, in that they too need to translate socioeconomic development objectives into a model that maintains ecosystem services, biodiversity and low carbon emissions to support Earth Stewardship (Chapin et al. 2011). This paper examines how social and political actors in Brazil and in Ecuador propose to govern natural resource use sustainably, and how they work at building an alternative political economy based on ecosystem protection, biodiversity, renewable energy use and poverty reduction.

The first case study shows how sustainable development is being reinvented by Brazilian grassroots organizations working in partnership with government agencies at various levels (municipal, state and federal) and with large Brazilian companies such as Braspetro. Nominated for a Global Award last year, this project combines popular education with a whole range of environmental conservation programmes to address structural poverty and environmental degradation in a semi-arid region from which people have had to migrate in order to survive. Through its holistic approach to sustainability in a municipality of around 38,000 inhabitants, the project has created the conditions for the flourishing of a local economy based on family farming and local services. It has already inspired other municipalities, both in the Amazon region (in Brazil and in neighbouring Spanish-speaking countries) and in Mozambique and other locations in Africa. This project illustrates the fundamental role played by small and medium-sized towns in creating resilient socioecological systems in the tropics. It also demonstrates the ways in which engaged citizenship can deepen the quality and the meanings of "development".

The clearest policy lessons relate to the sense of ownership and pride that local, grassroots participants have developed through this project. This directly links with the processes through which the project has been conceptualized and executed, as a form of self-help activism deeply rooted in regional traditions, a sense of belonging and a strong ethic of care. As Cornwall and Coelho remark:

> For people to be able to exercise their political agency, they need first to recognize themselves as citizens rather than see themselves as beneficiaries or clients. Acquiring the means to participate equally demands processes of popular education and mobilization that can enhance the skills and confidence of marginalized and excluded groups, enabling them to enter and engage in participatory arenas (Cornwall and Coelho 2007:8).

The radical politics of development (Mohan and Hickey 2004) promoted here highlight the ways in which rights, entitlements and capabilities can be extended through the exercise of deeper control by marginalized citizens (mainly women and youth) over decisions that affect their lives. Without the popular education programmes that have transformed the whole town into a space for change, these children would not have succeeded in the state's schooling system, nor would their parents have been able to uphold their citizenship rights and responsibilities. Having overcome their shame and sense of exclusion, these active and organized citizens have been able to move from being recipients of welfare programmes to taking a proactive role in public affairs, often coordinating directly with government officials and working in partnership with them, to improve the quality of imparted social services, expand redistributive social policies or challenge covert policy goals. By celebrating the values of simplicity, natural beauty, practicality and self-reliance, this project challenges the view that progress and modernity are best achieved through migration to megalopolises, or that consumerism offers the best material culture. As it spread into the rural areas surrounding the town, the project gave increasing importance to the environment, especially water and soil

conservation, species diversity and love for wild creatures; all considered to be directly related to human well-being.

The second project aims to promote sustainable development in the conservation units of the state of Amazonas through actions that decrease deforestation and reduce poverty. It shows how Brazil can use its political structures creatively, by creating legal structures that enable subnational levels of government to ally with private partners to share the cost of controlling and enforcing forest conservation policies. In this model, state ownership is devolved, not to the communities, but to subnational governments. The families living in conservation units have no legal ownership on the land they occupy; they are registered as being granted the right by the government to live there and are rewarded if they commit themselves to forest stewardship obligations. Conservation units seem to be the best legal instrument to protect environmental and ecosystem services in a country where land tenure is a thorny political issue, and the state of Amazonas has instituted its own laws to facilitate Payment for Ecosystem Services (PES). The funding mechanism and the organizational structure might also be replicated in other locations. For example, the contract (structured in four parts) allows the project to receive funding from a wide range of sources, both through the Clean Development Mechanism (CDM) and the Amazon Fund (which funds only capacity-building activities).

However, the participatory methodology used and the principle of paying communities for not deforesting do not stem from the same commitment to grassroots ownership. As a result, they have been vigorously contested by social actors who have felt excluded, and who have seen in the project an attempt to privatize both state land and social services. Actions aimed at decreasing deforestation and reducing poverty other than the monthly conditional cash transfer do not seem to be as successful, as they are costly and require the active cooperation of a large number of governmental and non-governmental partners. This project has also been criticized for being developed in a region where land use change pressures are minimal, population scarce and the risks of conflict or of loss of natural capital minimal, especially given that other parts of the Amazon biome are under threat, and that 70 per cent of the population live in urban settings, where the lack of drinkable water and waste management facilities is acute.

The third project, led by the Ecuadorian government, proposes to generate new funding by keeping oil in the ground to support a new national development plan which would ensure: the protection of 38 per cent of the national territory; the reforestation, afforestation or natural regeneration of one million hectares of forest owned by small landholders and indigenous communities; the increase of national energy efficiency and savings; the promotion of social development in Yasuní-Ishpingo Tambococha Tiputini's (Y-ITT's) buffer zone; and, finally, the financing of scientific research and technology. Ambitious and costly, this project raises many issues regarding decentralization, government planning, indigenous rights and local ownership, as well as potential conflicts between different policy frameworks, as Ecuador is also promoting a Reducing Emissions from Deforestation and Forest Degradation (REDD) national framework. The project also raises interesting questions regarding bilateral trade and multilateral aid policies.

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Introduction: The Green Economy Agenda

With hundreds of organizations preparing for Rio+20, "sustainable development" (SD)—a term familiar to us since the Earth Summit (the United Nations Conference on Environment and Development)—is in the limelight again. Often disparaged in academic circles as ambiguous, ideological, inoperable and ineffective (in short, a theoretical dead end), SD now looks as though it may finally make it as a full-blown development paradigm under the label "green economy". Whereas the Brundtland Report (World Commission on Environment and Development 1987) emphasized intergenerational relations, the Earth Summit focused on the "three pillars". The aim was to produce policies that would integrate environmental, social and economic objectives according to "win-win" scenarios, or, in other words, policies that would support continued economic growth while protecting the environment. The popularity of the three-pillar approach was such that it quickly led to official endorsement by governments all over the world, with many countries preparing national sustainable development strategies and creating multistakeholder sustainable development councils.

However, mainstreaming rarely translated into effective implementation and, during the first decade of the twenty-first century, SD became increasingly associated with social justice and human rights. Moreover, SD became increasingly conceptualized in terms of a better quality of life for all, "now and in the future…while living within the limits of supporting ecosystems" (Fernando 2003:7), perhaps under the growing influence of Amatya Sen's (1999) vision of "development as freedom" and under the rise of a people-centred approach to development. Today, SD is being slowly reconfigured in terms of, on one hand, a new focus on human development as an end in itself (with economic growth being squarely identified as an incomplete and imperfect means to achieve this ultimate goal) and, on the other hand, a realization that natural capital needs to be restored (Aronson et al. 2010), including through investment policies that protect productivity in developing countries from destruction (Muradian and Rival, forthcoming).

An emerging consensus that the economy needs to remain within biophysical limits (Hall et al. 2001) has led authors such as Daly and Farley (2011) to argue that the three pillars need to be renamed and reordered. Environmental sustainability, which is an issue of scale, would come first, as an acknowledgement that the physical size of an economy should be relative to the supporting ecosystem. Social sustainability—an issue of income distribution and the recognition that the distribution of wealth must be just—would come second. Economic sustainability—that is, efficient resource allocation through property rights and markets—would come third. This reordering indicates that only a limited number of resources are efficiently allocated through market mechanisms. Regulating and supporting ecosystem services are best treated as public goods (see also Farley and Costanza 2010) while many provisioning and cultural services are best understood as common-pool resources (see also Ostrom and Cox 2010; Brondizio et al. 2009). Daly and Farley (2011) also stress that each type of sustainability requires a different kind of policy, and that, therefore, we need to renew our