

Governance and Sustainable Livelihoods

Parak Hoon and Goran Hyden

INTRODUCTION

Development has always been about breaking barriers and cutting across scales. Whether social or technological, the frontiers of development have tenaciously been expanded, typically with more attention to benefits than costs. It is only now, as we enter the third millennium, that scholars and policy-makers alike have come to realize that our Promethean urge has left behind a legacy of questionable value. “Sustainable Development” (SD) is an articulation of this belated concern.

The purpose of this chapter is to examine how SD may be best conceptualized and operationalized in a context where competing concerns about alleviating poverty at the micro level are given renewed emphasis by the principal international development agencies. It argues that SD becomes meaningful to the poorer segments of the population only if translated into a focus on sustainable livelihoods. The latter may be viewed as the micro equivalence of SD at the national and international levels. It is our argument that the local level is easily overlooked in the multi-scalar perspective that SD brings to the most recent phase of development discourse. We believe that special attention needs to be paid to how the livelihood concerns of the poor – the majority of the world’s population – can be incorporated into an SD approach.

This leads us to emphasize the importance of governance. Governance, as used in this chapter, refers to the way rules are formulated and implemented by state or society actors in the public realm. Rules are neither created nor managed in a power vacuum.

They reflect the relative power and influence of contending social forces. In a world, however, where reducing social inequities is getting renewed support by the international community and regimes around the world are under pressure to become more democratic, there is a window of opportunity to realign the rules guiding state-society relations in ways that may provide the poor with a more enabling and supportive environment. If this opportunity is not being seized, we see the danger of much more confrontational scenario ahead of us – both at international and national levels.

This chapter begins by placing the current debate about SD in its historical context and offers a way of thinking about it that relates to practical problems and challenges in a world that is characterized by a growing divide not only in technological but also socio-economic terms. We continue by introducing a brief discussion about the governance concept before embarking on a discussion of how sustainable livelihoods at the local level can be more effectively incorporated into the implementation of a multi-scalar SD strategy.

THE HISTORICAL CONTEXT OF SL

In his *The Age of Empire*, Eric Hobsbawm (1987) states that at the beginning of the 19th century per capita gross national product in what we now call the less developed countries was substantially the same as that of what is now the developed world. During the 19th century this situation changed, at first slowly but then at an accelerating rate: by 1880 the developed world had twice the per capita of the less developed countries. In 1913, the ratio stood at 3 to 1; by 1950 it was 5 to 1; by 1970, 7 to 1. And, this massive

division of the world into the rich and productive and the poor and struggling has continued. Behind these statistics lie the story of development.

The globalizing consequences of development in terms of greater inequality and non-sustainability may be divided into three separate waves. This is not the place for a lengthy discussion of each but some brief references to the historical context of SD are necessary. The first was associated with European colonization in different parts of the world and the creation of “neo-Europes” in those places. This had already begun before the 19th century with the discovery of America, the rounding of the Cape of Good Hope, and the papal decree of 1493 that gave all lands not already colonized by Christian monarchs to Ferdinand and Isabella of Spain. It is significant that these events were independently listed by as different theorists as Charles Darwin, Adam Smith and Karl Marx as epochal events and landmarks in the progress of mankind. Even though these events had taken place long before these theorists reflected upon them in the 19th century, it was only in their time that their full consequences were becoming evident, as Hobsbawm’s figures suggest. This was the time when the conquest of nature became a systematic concern to promote the development interests of metropolitan countries in Europe. It was also the time that analyses of social change began to position modernity opposite to community. As, for example Agrawal (1997) notes, the ghost of traditional community hovered over the positivist sociology of Auguste Comte and for both Marx and Engels capitalism was the hand-maiden of modernity as it threatened to dissolve all existing social relationships. In this kind of perspective, development became inevitably associated with the destruction of the weaker in both the biological and social sense (cf.

Darwin's principle of the "survival of the fittest" and Marx's assumption of historical laws).

The second wave coincides with the period after the Second World War, when colonies were freed in a political sense but investments in science and technology were supposed to help transform the still backward corners of the world. These were the days of the "Green Revolution" and similar efforts that rested on the premise that science could salvage the world from threats to its survival. The second wave also fostered the notion that all countries were following an identical tack of progress. By transferring capital and technical expertise from the rich and already successful to the poor and still backward, the wheels of progress would begin to spin even there. "Development" was still located in historical or real time, because by recognizing the responsibility of sovereign states to create better conditions for their people, context mattered. Both modernization and underdevelopment theory, though proposing radically different pathways, emphasized the awkward structural conditions of the less developed countries.

The third wave began with economic liberalization in the 1980s and was reinforced by the post-Cold War democratization efforts of the 1990s. It is no longer the visible hand of the Western expert but the invisible hand of the market that is meant to continue modernity's attack on the traditional and the indigenous. The new approach takes little note of history, because in the marketplace the mind is focused on the immediate condition. Being somewhat reminiscent of the notions of 19th century philosophers had of the progressive role of capitalism, the neo-classical renaissance at the turn of the 21st century takes place in a context where the potential consequences of a blind faith in the market are bound to be even more far reaching than those perceived

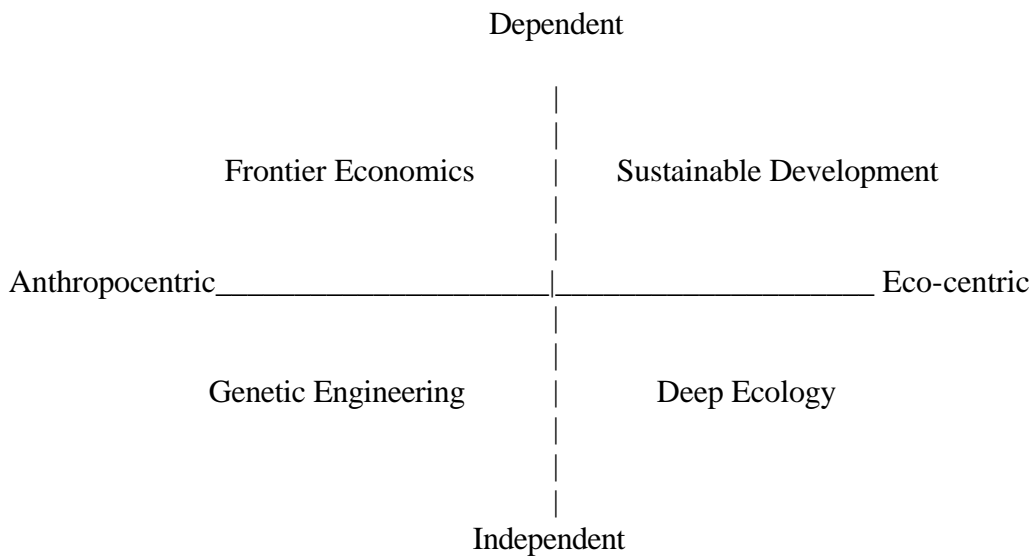
some hundred fifty years ago. What we are witnessing now is not only the privatization of common property and a pauperization of growing numbers of people but also a reduction in biodiversity and the existing gene pool. The reach is not only horizontal but also vertical in the sense of affecting psyches, societies, and biospheres in ways never previously encountered. Development is not only global in reach but also multi-scalar in depth.

One does not have to be a “doomsday prophet” to realize that what is happening in the world today is potentially threatening to future generations of humankind as well as existing species with whom we have co-habited the earth for a million years. Although no one wishes to deny that we have all learnt a lot from previous experiences, we are still struggling to cope with the accumulated legacies of three waves of globalizing development. Bringing the element of sustainability into development thinking and practice remains one of the biggest contemporary challenges facing humankind.

The growing sense that we are at a crossroads has generated different approaches to how we might move ahead. There are at least four different paradigms that currently battle for hegemony in the development policy field. They can be distinguished from each other by their position along two separate dimensions. The first is the extent to which they perceive resource extraction as dependent on nature, the other the extent to which development is viewed as anthropocentric or not. As suggested in Figure 1 below, these four approaches include what we call *Frontier Economics*. The dominant method for achieving this is the unlimited exploitation of natural resources for the benefit of humankind; hence its strong anthropocentric focus. The neo-classical approach to economic development echoes all its basic canons. Its most extreme opposite is *Deep*

Ecology, for whose adherents development is constrained by an insistence on harmony with nature. They are eco-centric (even bio-centric) in their call for “bio-species equality”. In this sense the Deep Ecology paradigm presupposes that humankind can continue to experience benefits without having to destroy its natural resources. While this position can hardly be described as “mainstream” thinking, there are pockets of vocal and articulate representatives of this school in many countries around the world.

Figure 1. Current contending conservation and development paradigms.



Sustainable Development is not as extensively grounded in an eco-centric perspective but is closer to recognizing the importance of the environment by insisting on “ecologizing the economy” and the notion that human development is not possible without giving priority to how we exercise the stewardship of our natural resources. In an SD perspective, therefore, we are highly dependent on nature. *Genetic Engineering*, on the other hand, is anthropocentric in that it emphasizes human progress, but does so on

the premise that science and technology can make us less dependent on nature through experimentation with and manipulation of genes. Whether in regard to the human species or any other, the idea is that progress knows no limits because of human ingenuity in developing new revolutionary scientific methods.

Current international development discourse draws more heavily on FE and SD than the other two paradigms, although GE has its strong supporters among those concerned with how the world will be able to feed itself in the future and DE is embraced, e.g. by conservationists within the NGO community. International finance institutions have been in the forefront of exhorting FE in the name of the “Washington Consensus”, while SD has been embraced by other multilateral agencies, in recent years notably by the United Nations Development Programme (UNDP). For that organization – and many others sympathetic to the concept – SD refers to expanding choice for all people in society, both rich and poor, while at the same time protecting the life opportunities for future generations and the natural systems on which all life depends (see e.g., UNDP 1994). SD, however, is a lofty concept and it is easy for it to become just another rhetorical device. Because it is multi-scalar and broad in reach, it is difficult to operationalize in ways that will address real problems faced by the majority of the world’s population. That is why we believe that a focus on sustainable livelihoods is a necessary component of any effort to make SD a workable approach.

SL is not completely new. It is a concept that was first introduced by the Brundtland Commission on Environment and Development in the mid-1980s as an approach to enhance resource productivity, secure ownership of and access to resources and income-earning activities, as well as ensure adequate stocks and flows of food and

cash to meet basic needs. The Commission viewed sustainable livelihood security as a precondition for stable human populations and a prerequisite for good husbandry and sustainable management of natural resources. SL, however, remained in limbo for quite a long time because conservation and development were treated as opposite rather than complementary entities. The conservationist lobby at national as well as international platforms was more concerned about halting destruction than about incentives for people to build conservation into their efforts to make progress. Agenda 21 was the first inter-governmental forum to integrate SL into mainstream development thinking by pointing to its significance in the context of such objectives as poverty alleviation or eradication. Subsequent international meetings such as the Social Summit in Copenhagen and the Beijing Conference on Women made use of SL in their program statements as have an increasing number of agencies, both multilateral and bilateral, as they have increasingly turned their attention to poverty alleviation. It was at the core of the Summit on Sustainable Development in Johannesburg in 2002.

We believe that there is at present a window of opportunity for problems, policies, and political actors to come together in a “garbage can” – or better said – catalytic fashion (March and Olsen 1976). To seize the opportunity, however, it is necessary that SL be viewed in a broader political context. What changes in rules are needed to make SL a more reachable objective?

SL AND GOVERNANCE

Let us first examine the SL concept more closely. At the core of this approach are two broad principles. First and foremost is its integrative potential. The concept allows policies to address issues of economic growth, natural resource management, and poverty alleviation simultaneously. Second is its emphasis not just on jobs but also on the full complexity of livelihood systems, which need to be understood and addressed in the context of families, households, and communities. The overall policy objective of SL, therefore, as the Social Summit emphasized, is that of “identifying the livelihood systems, survival strategies and self-help organizations of people living in poverty, and working with such organizations to develop programmes for combating poverty that builds on their efforts, ensuring the full participation of the people concerned....” (World Summit for Social Development 1995, Programme of Action, para 26).

SL has evolved as perhaps the most useful conceptual derivative of SD by recognizing the linkages between micro action and macro conditions and policies. It starts from the premise that individuals must empower themselves but any such effort must take advantage of local assets and strengths (whether entailed in knowledge systems or strategies for coping with or adapt to changing conditions). The capacity to cope with stress and shocks, however, cannot succeed without access to supplementary resources from outside the local context or community. Nor will it succeed without recognition of the cross-sectoral nature of the SD enterprise. Livelihoods, then, are a function of all the varying activities, assets, and entitlements which people use to make a living.

Interest in SL within the scholarly community has so far generated two types of principal contributions. The first consists of those like Chambers and Conway (1992), Davies (1993), and Singh and Titi (1994) who have focused on developing participatory

methodologies that may facilitate the implementation of SL. This “bottom-up” approach places the individual actor on center-stage. The assumption is that empowering the poor through participatory methods is the key to success. While there is quite a lot to be said for such an approach, it also suffers from an under-socialized interpretation of actors. The institutional or structural constraints are, if not overlooked, nonetheless underestimated.

A second approach has focused on the systems level and pointed to the disjuncture between the way natural and human systems are managed. Edited volumes by Costanza (1991) and Gundersen, Holling and Light (1995) advocate a more adaptive approach to the management of natural resources than is implied in the conventional ways that public agencies or private corporations have so far gone about doing it. Humans need to be more sensitive to the internal dynamics of these natural systems and build on it rather than blindly interfering in the process. Any attempt at building a “sustainability science” needs to discard the positivist canons that have characterized development studies to date (Kates et al. 2001).

These contributions have been instrumental in changing perceptions also in the policy arena. Participatory and stakeholder types of analysis are increasingly being used to decide on policy choices. The same can be said about the idea of a more adaptive approach to interacting with and managing natural resources. What tends to be still missing in the literature – and in the policy analysis – of SD and SL is their political implications. With the exception of a few regional studies, e.g. Okoth-Ogendo and Tumushabe (1999) on political change and natural resource management in Eastern and Southern Africa, there is little political science literature to draw upon that discusses the role that governance plays in this context.

Governance is very commonly used in the current international development discourse, but it is a concept that is much abused. Governance has at best a heuristic value to its proponents. Rarely is it applied with a view to providing analytical value. For example, UNDP has been using a definition that sees governance as “the exercise of economic, political, and administrative authority to manage a country’s affairs at all levels” (UNDP 1997:2-3). The World Bank has been ready to distinguish between an analytical and an operational use of governance. Thus, it refers to three aspects of governance: (1) the form of political regime, (2) the process by which authority is exercised in the management of a country’s economic and social resources for development, and (3) the capacity of governments to design, formulate, and implement policies and discharge functions (World Bank 1992). It is significant that the Bank has opted to focus on the latter two of these aspects on the premise that regime issues are the prerogative of the sovereign state – the member institution of the Bank – to decide on such matters.

The problem with the ways that these organizations, and most others in the international development community, use the concept is that governance becomes everything and, therefore, nothing. Because it is seen as an all-encompassing concept, it permeates all sectors – public, private, and voluntary – and all phases of making public policy. It has taken on the same vague ring as “development management” had in the 1970s. Some policy specification has evolved through the adoption of the notion of “good governance”. International development agencies – both multilateral and bilateral – are now trying to give governance a liberal-democratic content, insisting that the adoption of good governance measures by a prospective recipient government is a condition for

funding. Thus, these agencies have moved full range from having operated with a concept that meant everything and nothing, on the one hand, to a concept that is heavily loaded with Western normative preferences. Neither of these positions provides much of a foundation for a more analytical approach to governance.

There are two aspects of governance that need to be highlighted in the analysis of SL. The first is that governance in the academic literature is associated with regime rather than state or civil society (Hyden 1992, Stokke 1997; and, Hewlitt de Alcantara 1998). The concept refers to the alignment of state-society relations or, more specifically, to the constitution or reconstitution of rules that guide public or political action. Governance is one aspect of politics. It focuses on the basic – or constitutional – rules that determine behavioral conduct and choice. The second is that governance is different from policy-making, public administration, or project management. As illustrated in Table 1, governance, as used here, is seen to take place at an analytical meta-level, meaning that the other activities listed above are circumscribed by the rules established at the regime or governance level.

Table 1. Governance and its relation to related concepts and activities.

Level	Concept	Activity
Meta	Governance	Politics
Macro	Policy-Making	Policy
Meso	Public Administration	Program
Micro	Management	Project

It is important to emphasize that these different levels are empirically interconnected, but there are good reasons for keeping them analytically apart. Rules are, empirically speaking, set at different levels. For example, a community may decide to change the rules by which its members abide in order to improve the prospects of enjoying sustainable livelihoods. Such a revision of rules – the local community regime – has a bearing on how policy is made and implemented or singular activities, e.g. specific projects, are managed. Governance is also present at higher levels, ultimately in terms of establishing and managing constitutional principles of a given country or the norms guiding the relations among states or the growing number of transnational actors. Governance, then, is multi-scalar. Its significance in the context of this chapter is that rules operate at different levels and the challenge for those concerned with SL is to see how local regimes can be nurtured and adapted rather than just overpowered by guardians of rules at higher levels.

With this more precise definition of governance, it is possible to distinguish between a distributive and a constitutive side of politics. The former addresses the perennial question of “who gets what, when, and how?” This approach to the study of politics is generally referred to as political economy because it focuses on how public goods are allocated in society. The latter addresses the question of “who sets what rules, when, and how?” Instead of focusing on the state, it centers on regime issues or the rules of the “political game.” This is what we call here governance.

This distinction is particularly important in relation to SL. The conventional needs approach relies primarily on the distributive side and does not ask for changes in the rules of the game to achieve its objectives. Institutions are taken for granted and are seen only

in their functional context. SL, on the other hand, which focuses on empowerment and enhanced access to resources, calls for a change in rules and, by implication, a shift in power relations. SL, as an approach that addresses the concerns of those whose livelihoods are threatened, calls for attention to the constitutive side of politics, i.e. governance.

In this perspective, it is important that governance is treated not just like a loosely connected set of activities (or a portfolio of programs) but as a “tool” that analysts can apply in promoting SL. As such, governance may be treated as the equivalence of “strategic management” in business administration. Governance deals with how actors can cope and adapt in an uncertain and changing environment. In business, these conditions arise first and foremost from changes in the market or in technology (Burns and Stalker 1962). In politics, such changes are primarily caused by the wishes of empowered groups of people to change the conditions under which they are ruled. Governance, then, encourages actors to think beyond “business as usual” or the need for only incremental changes that do not call for reform of the existing regime. Governance, like strategic management, becomes a way of looking at a problem in the context of the “big picture”, of adapting systems of rule to changes in the environment (political, economic, technological as well as socio-cultural), and of encouraging leaders to find consensual – and positive-sum – solutions to problems their constituents or followers encounter. It encourages analysis of the way power relations are – or may be – shifted through institutional means.

OPERATIONALIZING GOVERNANCE IN A SL CONTEXT

The demobilization of the state-centered and state-directed approach to development, which has been ongoing for the past two decades, does not end with the liberalization of the economy. That is only a first, albeit important step in the direction of an alternative approach that starts with the individual, household, or community. Because actors enter the marketplace differentially endowed, it is not an even playing field. Already wealthy individuals have an initial advantage and special measures are typically needed in order to enable the poorer segments of the population to succeed. With a trimmed down state apparatus, compensatory interventions by government are not likely to play the role in fostering a more even development that they did in the past. That is why the SL approach emphasizes greater reliance on local resources and strategies to cope with social and economic issues, empowerment of local actors, and the need for improving their access to additional resources that can help them make progress on their own. Reducing their sense of vulnerability and powerlessness implies, as suggested above, realigning power relations and creating an environment that is not only *enabling* (a concept associated with economic liberalization) but also *reassuring* (one more closely connected to SL).

Governance is one – but by no means the only – tool to accomplish SL. For instance, science and technology are other important factors (Juma 2001). The rest of this paper will be devoted to a discussion of how governance may be operationalized to serve the implementation of SL. We suggest a four-pronged approach that takes into consideration that changes in power relations typically are the result of leadership interventions from above as well as citizen demands from below. The first aspect of changing power relations is *articulation*, i.e. the readiness and ability of individuals to

demand the autonomy to make decisions of their own on issues that concern the use of common-pool or public goods. The second aspect is *mobilization*, that is, the readiness and ability of groups of citizens to work together in order to maximize gains for themselves without doing so – in a zero-sum fashion – at the expense of others. Like articulation, this aspect refers to the generation of citizen demands from below. The third aspect is *distribution* of power, which becomes important as more and more groups begin to compete for influence. In order to accommodate this growth of demand for the right to organize in pursuit of more sustainable livelihoods, it is important that the political leadership is ready to change the power structures so that the political system becomes more pluralist and groups have access to complementary resources through the market, state, or other relevant institutions. The fourth aspect is *confirmation* of power. This typically takes place through decisions made by judicial institutions but is also dependent on the readiness of both citizens and organizations – private or public – to respect the principle of rule of law. This aspect is important in an SL context because it points to the importance of a rights-based approach to development.

The operationalization of governance is built around the implementation of SL in specific programmatic and institutional contexts where particular principles and objectives become important. Table 2 contains a summary of the objectives, principles, and issues that arise in the implementation process:

Table 2. Operational aspects of governance in the context of SL.

Governance aspect	Program principle	Program objective	Institutional issue
Articulation	Ownership	Empowerment	Self-organization
Mobilization	Capability	Civic Engagement	Social Capital

Distribution	Access	Pluralism	Social Space
Confirmation	Rights	Rule of Law	Strength

We shall now discuss how each of these four aspects of governance may be translated into a set of programs that are mutually supportive and have a direct relationship to how sustainable livelihoods can be developed and enhanced.

a) Articulation

Being able to articulate an opinion on a public issue is for the majority of the poor the first step on a long path toward realizing SL. It is when individuals begin to express their own views that a meaningful discussion and dialogue with others emerges and the prospects for a spontaneous organization of efforts become real. If SL, like human development, means expanding the choices for all people in society, it points to the importance of increasing the opportunity of both men and women to participate in, and endorse decisions affecting their own lives. Governance, therefore, means changing the rules so that such self-organization becomes increasingly possible.

Such measure may include new rules for who can participate in community affairs and decide on such matters. For example, in many patriarchal societies, the idea of extending opportunities to women on an even basis – and taking the necessary measures to realize that objective – would be one relevant case in point. Studies have shown that women in such societies are especially hesitant to voice their opinion in public unless they have been given a chance to learn how to speak and thereby gain confidence to

interact with men in public for a (vonDoepp 1999). Another example would be a group of peasants or workers initiating a move to have the rules changed in order to allow them greater influence over what transpires on their farm or in their factory. Such action would be important to provide them with an opportunity of self-reflection and to feel that they are stakeholders in the exercise. This is usually not merely a matter of enhancing social equality but also of prudent management. A member organization often has an advantage over a regular corporate organization in realizing this first aspect of governance.

The important thing for the development policy analyst here is to use governance as a lever. Development is no longer viewed as taking place within finite systems governed by equilibrium dynamics but coming out of open systems characterized by boundary transgressions and governed more by the logic of self-organization and reflexivity (Hess 1995). The idea that governance is multi-scalar and addresses the “big picture” can be used in order to demonstrate how issues that may have been buried in a local parochial context can be raised to a higher level and thereby open up opportunities for change in the relations between members of a given community or group. Governance, therefore, can serve as a catalyst for organizing efforts at the local level by helping people understand their own position in a broader and comparative perspective.

It is important to stress that when dealing with poor people governance must be seen as complementary to other supportive measures. For example, many people live in such poor circumstances that aspiring for more freedom and control over one’s own destiny is overshadowed by more basic concerns such as “just getting by”. Real investments in technological measures may be equally important steps in such circumstances. SL cannot be achieved through governance alone, nor can it be pursued

from the bottom up only. What governance may do is to provide a more hospitable environment for innovation and investment in support of more sustainable livelihoods for the poor.

Poverty is often the result of exploitation of one social group by another, but it may also stem from an inadequate resource base. It would be a worthwhile research project to examine more systematically which of these two conditions is most likely to generate self-organization. Do the antagonisms caused by a legacy of exploitation crystallize into feelings of solidarity that can form the basis of new group action? If that is the case, one might expect that local actors, regardless of their economic resource endowment, would take action together to change the circumstances of their life. In so doing, they would then also contribute to changes in the rules governing relations of power. For example, they may earn respect for human rights – whether civil-political, or social and economic – that have been denied them in the past. These scenarios are discussed here as being potentially interesting and worth the effort of more systematic investigation. The point we are trying to make is that changes in the rules by actors at the local level could have cascading effects on rules also at higher levels of the political system.

b) Mobilization

Local initiatives, however, stand the best chance of becoming empowering experiences if they also generate lasting social capital. The latter is a product of social trust and the readiness to engage in reciprocal action. Trust itself is an outcome of reliable

social interaction (Fukuyama 1995). Reliable social interaction, in turn, is more likely to be present in small-scale and often primary forms of social organization such as family, clan, or village. The problem is often that local actors are not given the opportunity to choose the organizational formula that suits them best. Higher-level actors determine the rules that apply for those below them. This kind of situation is not congenial to the development of social trust. It must be avoided in a SL strategy.

Since the latter implies the use of local knowledge and information, the principal challenge is more often social than technical. People usually have the requisite technical know-how, but missing are the social skills that translate into sustaining local initiative and power. That is why the concept of “capability” is more appropriate than “capacity”, which connotes technical or physical ability. By referring to capability, the approach emphasizes the importance of institutional or social dimensions of realizing the objectives of SL. Particularly significant is the readiness and ability of people to engage each other in a “civic” manner, civic referring to behavior that is consistent with the rule of law and is tolerant of the view of others. While there has been a good deal written about the need for “scaling up” successful local development initiatives (e.g. Uvin and Miller 1994), the point here is that equally important – maybe a prerequisite for scaling up – is “scaling out”, i.e. the idea that people can extend their contacts beyond the scope of their primary social organization and work or interact with people whom they may not have known before. Such branching out or “networking” provides the necessary social learning that in the end may enable local actors to reach for new external resources and challenge monopolies or entrenched social forces that have subverted or held back local initiatives in the past.

An interesting governance measure would be to encourage local-local dialogue with a view to improving solutions to grassroots problems and creating opportunities for local groups, including women, to participate in public policy-making. Learning in such contexts comes at a pace and in a format that are often more in tune with what local actors prefer. This avoids creation of large bureaucratic organizations and is typically more cost-effective than measures aimed at instructing local-level actors from above in training institutions. The rules that need to be reformulated, therefore, are political rather than administrative. They aim at making various actors more mindful of the need to respect local ownership while at the same time feed new ideas and other resources into the minds of various stakeholders. This requires more patience than what many actors, especially government departments and international donor agencies, have been ready to give to the exercise in the past. Yet, one of the principal lessons learnt from previous attempts to foster development is that accelerating the process in an artificial manner without local understanding and support leaves it untenable. Science and technology cannot succeed where social capital is absent.

The point we are making here is that such capital is formed when actors have enough time to get to know each other and learn from each other's experience. Trust, confidence, and reciprocal action are most likely to emerge in support of civic engagement in conditions where the autonomy of local action is respected and not neglected; and, where it is building on local initiatives without being perceived by others first and foremost as a threat to their own livelihoods. SL does not only consist of material improvements that can be measured but also of more diffuse – yet important –

process outcomes such as greater trust among the stakeholders and better understanding and appreciation of each other's constraints and opportunities.

Seligson (1996) has demonstrated that social capital in developing countries may be particularly strong in community-based organizations. Her study of social capital in Central America indicates that other types of organization manifest less evidence of social capital. This tallies with our argument here that governance measures aimed at strengthening civil society must pay special attention to the needs of local level organization, because it is often their untapped potential that provides the best hope for making SL a reality.

c) Distribution

Although both articulation and mobilization are important aspects of realizing SL, we do not prescribe some form of local autarchy. Empowerment at the local level is seen here as an integral part of any effort to let the poor have greater access to complementary external resources, whether found at the national or international level. The provision of more social and political space at the local level is a means to an end. Governance for SL, then, raises expectations of the political leadership to realign the rules. More specifically, governance under this sub-heading involves two measures of special significance: (a) delegation of power and responsibilities, and (b) the institutionalization of political pluralism.

The former must aim at ensuring that locally elected bodies are allowed to play a greater role in administering development. Many acts of decentralization have been

pronounced in the past but most of them have amounted only to deconcentration of administrative authority rather than delegation of real political power and responsibility (Rondinelli, Nellis and Cheema 1984). SL requires a strengthening of intermediary institutions that are accountable to local constituents. These would include elected local government authorities but may take other institutional expressions that allow the poorer segments of the population greater control of their own destiny and a stronger bargaining position in pursuit of external resources. It would be worthwhile, for example, to examine the rapid development of China's rural areas in terms of a flexible – albeit cautious – approach to strengthening organizations at the township and prefectural levels.

Too much power in the past has been concentrated to central government ministries and other state institutions that have been accountable “upwards” to individual ministries rather than to the public. Very few of these have worked in the public interest, leave alone the interest of the poor. The vast majority has been inefficient and many have been corrupt as well. Delegation of power and responsibility, therefore, has included privatization of many such state bodies. Although privatization is no panacea, because there is always the risk that privatized enterprises and activities are taken over by individual tycoons with little interest in the public welfare, as long as there is competition such tendencies might be mitigated. Whatever one thinks of the market, it has at least one quality that is helpful in the SL context: the rules of the market tend to be less restrictive than those found in the political arena. Moreover, in the market, it is easier to arrive at “split-the-difference” type of compromises over their content.

In the interest of a more equitable distribution of opportunities and control of resources, we believe that a genuine political decentralization in combination with a

functioning and strengthened market constitute necessary ingredients in realizing the objectives of SL. For a long time – especially during the 1960s and 1970s – the general assumption among political leaders in developing countries was that concentration of power to a single set of institutions controlled from above was the most appropriate model for accelerated development. As we enter the 21st century, there is a growing realization that more rather than fewer institutions are needed to promote development. Especially challenging is the attempt to bring the grassroots closer to the summit of society in new and innovative ways that combine participation with respect for feasibility considerations.

One way of building new partnerships and transcending the limits inherent in hierarchical government organization is the public, but politically autonomous, development fund. This model of funding development combines professional and technical criteria in allocating resources with a demand-driven and stakeholder-based approach from the bottom up. The autonomous development fund (ADF) was first explored as an alternative to conventional modes of funding development at an expert consultation in Kampala, Uganda in 1995 (Dag Hammarskjold Foundation 1995). Such funds would be set up to support development projects in a specific sector or under a particular theme like “women and development”. They would raise their funds from donors or in other creative ways that are appropriate and possible in any given country. They would be legal entities registered in the country where their funding takes place. They would be administered by a board of trustees drawn from government, civil society and resource providers, e.g. donor agencies. It is this triangular relationship that would make it sufficiently autonomous from executive control by a single agent, e.g. the Head

of State or a cabinet minister. The ADF is especially suitable in countries where development efforts to date have been influenced by patron-client relations. It has the potential of ensuring greater impartiality and respect for professional criteria rather than partisanship and personal considerations in allocating funds for development.

We see this kind of institutional innovation as more important for the realization of SL than the introduction of multi-party politics. The latter does not always produce results that are congenial to helping the poor, because it encourages short-term rivalries that often undermine the longer-term concerns about improving livelihoods. In such a political dispensation, as experience not the least from Africa shows, it is not unusual for groups of people being denied access to public resources because governments “punish” them for having voted for the opposition. The ADF has the potential of transcending such partisan loyalties and perspectives, thereby making resources available to groups, regardless of political stance. This is not to denigrate the assumption that freedom is an important condition for development (Sen 1999). People must feel free to express themselves in public and also organize without fear. A vibrant civil society is necessary to keep governments responding to demands and interest in the public arena. Governance, therefore, must be directed at establishing such rules that provide greater freedom for members of the public to associate and act independently. What we are also arguing here, however, is that freedom without responsibility to the public interest, is detrimental to the pursuit of sustainable livelihoods and sustainable development. That is why in many countries ADF type of institutions are needed as important counterweights to partisan, and often parochial, institutions that are associated with the competition for power in multi-party settings.

d) Confirmation

Confirmation of realigned relations of power is perhaps the most challenging of all governance measures. What is at stake under this heading is the institutionalization of power relations that are meant to give greater social space and strength to groups that previously may have been both ignorant and placid. Most of what has been suggested under previous sub-headings would be to little avail unless the new rules can be assured by society. Such a process takes time and involves finding ways that allow actors to engage each other without making them feel they are losing face or respect. As suggested in Table 2, providing disadvantaged and poor segments or groups in society greater strength centers on the establishment of a human rights regime, in which the rule of law prevails. Because of their comparative weakness, these groups are particularly prone to abuse of power by others in society. The latter often take action as if the poor do not matter. An unregulated market is especially likely to fail the poor, because actors do not start with the same endowment of resources. Marginalization of many is a probable outcome. Similarly, a state-controlled system where the market has no role in allocating resources also causes skewed distribution of benefits, because those in power have no one to challenge them. What is needed, therefore, is a regime in which the costs of a market or state failure can be reduced to a minimum by virtue of rules that respect each person on an equal basis and are attuned to the conditions of the poor and disadvantaged in society.

Governance measures to redress previous imbalances in the social and economic sectors would include ensuring that development in these sectors is being approached, not in a patronizing manner in terms of meeting perceived needs, but in terms of rights activism. The latter would emphasize that states are not solely responsible for the destiny of their people but the latter themselves, through their own organizations, share in this effort. Such a redefinition of how to foster development, however, requires a broader understanding and recognition of the rights that go with it. Various social and economic rights that are targeted on improving the living conditions for the disadvantaged in society, not the least women and children, must be elevated to a higher level of political significance. They must be interpreted in the context of the “big picture” which means that these rights should be presented as helpful not only to those particular groups but also to society at large. The problem with development efforts so far has been that the longer-term public or national interest has been overlooked in favor of narrow, often special interests that have undermined the prospect for sustainable livelihoods.

Social and economic rights constitute a special challenge because they are typically not justiciable, i.e. a matter for courts to decide, but rather political in kind. As such they depend for implementation more on the predisposition of political leaders. Yet, the experience of a few countries like India suggests that a progressive judiciary, which sees its role as creating new rules for how society conducts its affairs, can make a difference. Judicial power does not have to contradict popular power. If imbued with the notion of how rights fit into the bigger picture of securing sustainable livelihoods for a larger percentage of people, it can play a very constructive role.

If work on social and economic rights entails both creating and securing rights for the poor, any effort in the domain of civil and political rights would be focused on reassuring people that they apply equally to all. The international community has adopted a multitude of conventions that reaffirm these rights, even though the ratification of these instruments and their incorporation into national legislation still fall far short on expectation. One issue facing those working on SL, therefore, is to ensure that these conventions are being part of national laws and effectively implemented by court systems. This is not going to be easy because with a more complex human rights regime in the making at the global level, there is also scope for different interpretations of which particular set of rights applies in a given situation. For example, in recent years – confirmed at the International Human Rights Conference in Vienna in 1993 – there has been an interest in securing the rights of indigenous peoples or minorities. This has been an important step forward in the broader context of development, but it is clear that such a rights regime can also be called upon to challenge the notion that rights are universal. This is what happened, for instance, in Fiji where the indigenous population, a de facto minority but in control of the army and most other instruments of state, has invoked the new rights regime of indigenous peoples to challenge the political powers of the immigrant Indo-Fijian majority.

Such contestations notwithstanding, the important point about the emergence of a global rights regime is that state sovereignty is being challenged. In the past fifty years, the international community has moved from a recognition of the rights of all people to enjoy political independence within the context of their own state to one in which notion of sovereignty is shifting away from state and territoriality toward people, or groups

within people, that are especially vulnerable. This gradual change in outlook is now being acted upon as both governments and non-governmental organizations refer to universally adopted declarations on human rights as justifications for getting involved in the plights of people who are being exposed to oppression or exploitation by state machineries or unscrupulous individuals with economic power. The idea of “non-interference in the affairs of another state” is no longer such a sacred principle as it has been in previous years.

Governance measures under this heading, however, would not necessarily have to be confined to strengthening state institutions like the judiciary that have an official role of adjudicating on how rules apply to specific cases. Equally important is that these confirmatory measures include attention to institutions that can challenge efforts by those in state power – or those with money – to influence court judgments in a particular direction. This means supporting not only human rights organizations that work to educate the public on their civil and political rights but also such organizations that can ensure that the market becomes more social, i.e. considerate of the interests of the poor and disadvantaged. Such organizations have an important role to play in helping the poor understand that the market is not just an instrument of exploitation, but a potentially helpful institution in which conflicts over resources can be resolved in a positive-sum manner. By institutionalizing rules for how the market operates, considerable gains can be made in ensuring that SL becomes more of a reality for the poor.

CONCLUSIONS

Recent years have witnessed a growing effort within the international community to overcome the perceived contradiction between conservation and development. Conservation in the name of environmentalism was for a long time after the Stockholm Conference on Environment in 1972 regarded as a separate policy track. Since the Brundtland Commission first attempted it, analysts have tried to combine conservation and development in the notion of Sustainable Development. With an increased concern with poverty alleviation, the significance of approaching SD through a systematic focus on sustainable livelihoods has grown. The pursuit of SL has many dimensions, economic as well as technological, that are important if this new interpretation of development is going to make sense. At the same time, it is clear that little progress, if any, will be made unless attention is paid also to the political – or governance – side of SL.

This chapter has tried to provide a sense of how the rules of the political game need to be reconsidered in order to fit an SL approach to development. This implies, most significantly, the attention to multiple levels because ensuring a better life for poor people is not a matter that can be handled at the micro level alone. Through the market and other institutional mechanisms, these people are linked to activities with global reach. Because the pursuit of SL is multi-scalar, any governance intervention needs to be considered in such perspective. This chapter has tried to outline one way of thinking about how governance can be operationalized to match the challenges of SL. It is clear to us that the set of issues discussed here is worth continued attention by researchers as well as policy-makers for whom sustainability matters.

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