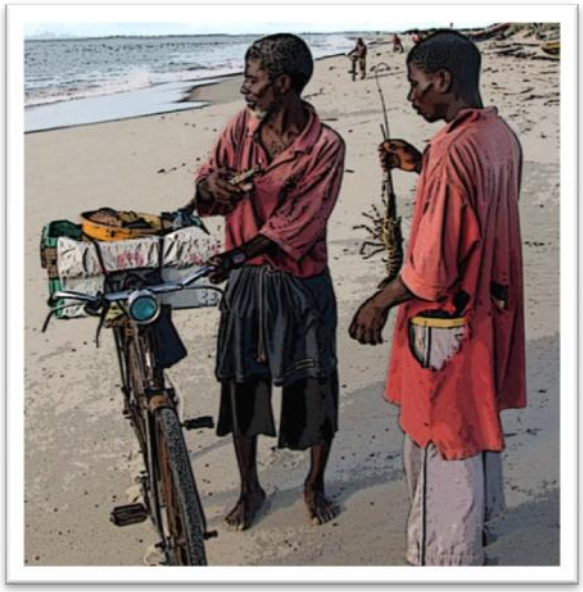
Negotiated Conservation and Development:
Lessons and Recommendations for the CARE-WWF Alliance
Based on Past Programs Addressing Livelihoods and Biodiversity



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1. Summary of Findings

1. The Millennium Ecosystem Assessment in 2005 posited "that people are integral parts of ecosystems and that a dynamic interaction exists between them and other parts of ecosystems, with the changing human condition driving, both directly and indirectly, changes in ecosystems and thereby causing changes in human well-being."[1]

2. The Millennium Assessment also acknowledges the tension between conserving nature for its intrinsic value and conserving nature for its utilitarian value for humans. The debate over how to reconcile these competing perspectives has existed for over a century and is unlikely to be definitively resolved. While acknowledging intrinsic values, *the CARE-WWF Alliance is focused specifically on addressing how society's disadvantaged, especially women and girls, can improve their livelihoods while natural resources are sustained.*

Framing Conservation and Livelihood Programs

3. Explicit efforts to link natural resource (biodiversity) conservation and improved human livelihoods (poverty alleviation), unusually termed Integrated Conservation and Development Projects (ICDPs), have been underway for over a quarter century. But a lack of clarity about what these concepts mean, along with a desire to offer something for everyone, created problems in framing program objectives to address each. This in turn has confounded past efforts and left inconclusive results.

4. Vulnerable People: Development NGOs have focused their programs on societies that are most vulnerable. Often this was in reaction to an emergency, such as famine, wars or floods, but over time programs have expanded from emergency response to longer-term development interventions.

[1] Millennium Ecosystem Assessment, Ecosystems and Human Well-Being: Synthesis, Island Press, 2005 v.

Given accessibility for provision of services and rural-to-urban migration, cities are a logical and significant focus for many poverty-focused organizations, but provide limited opportunities for overlap with the biodiversity concerns of conservation organizations. However, even with growth of cities, rural poverty remains acute and is characterized by high vulnerability, limited opportunity, inequitable access and control over resources and limited ability to impact decision-making. A deeper analysis of rural poverty and vulnerability leads to a particular focus on women heading rural households who are highly dependent upon natural resources, and are affected by inequitable access to and control over resources and decision-making. *Thus the primary Alliance livelihood focus should be in rural areas and on households that are highly dependent on natural resources, with special attention to women.*

5. Vulnerable Places: Biodiversity (the diversity of species, taxa or ecosystems) includes: (1) Wild nature, which is increasingly rare and threatened; (2) Natural resources that are used by people, are more common and may or may not be in decline; and (3) Domesticated or cultivated species and agro-biodiversity. Traditionally the focus of conservation organizations has been on wild nature, but experience has shown that except in unusual circumstances there are limited opportunities to significantly increase human well-being while keeping wild nature in a relatively pristine state. On the other hand, development organizations are traditionally focused on improving or providing new forms of domesticated or cultivated species which are not a priority concern for most conservation groups. Both conservation and development groups have a shared interest in natural resources that are wild but in use by humans, either as a safety net or as a subsistence resource. *Because of the direct utilitarian linkage, the greatest opportunity for the Alliance conservation focus is on natural resources used for livelihoods. This primary focus may be supplemented by socially sensitive protection of wild nature and improving agro-biodiversity and cultivated species, with environmental safeguards*.

   Since the mid-1980s WWF has been engaged with species and ecosystems that are of value and used for livelihoods, first through its Wildlands and Human Needs Program (that included some joint projects with CARE), subsequently in WWF's Macroeconomic

Development Program Office (MPO) and recently in the WWF Markets program. Despite this extensive history, *WWF has not been – but should be – explicit that its priorities extend beyond wild nature, endangered species and ecosystems to include a broader range of natural resources, specifically those of particular value to the poor.*

6. Assessments of past ICDPs and community-based projects have shown that rarely can any single project meet multiple conservation and livelihood objectives, especially in small geographic areas, which is the case with most national parks and ICDPs. Instead *the Alliance should look at larger geographic regions, and within those regions develop a 'constellation of activities and interventions' covering the range of natural resources from endangered nature where the primary activity is protection (using a 'do-no-harm strategy that addresses the social cost of such conservation actions) to improve cultivated species and manage natural resources that are in use but becoming depleted*.

   In seeking locations that qualify for collaborative CARE-WWF engagement, the Alliance should seek opportunities with the potential for creating a constellation of activities addressing a range of natural resource concerns. Based on previous experience, the Alliance should avoid a single-project approach trying to accomplish many objectives, and focus instead on a cluster of loosely linked actions that *become part of a regional vision to increase livelihood prospects while conserving the natural resource base and addressing livelihoods.* The vision also needs to look at 'zones of influence' (such as urban and infrastructure) that can provide livelihood diversification opportunities while relieving pressure on resources. While initial planning may be along ecological boundaries, actual implementation should be based on geo-political realities.

Hypothetical Alliance Program in Coastal Mozambique

An Alliance 'constellation approach' in coastal Mozambique could have a mix of activities. On the socially sensitive (do-no-harm) protection end of the spectrum would be endangered species, such as sea turtles and the Dugong; a number of community-agreed 'no-take' reefs and islands; and the sacred forest where only cultural uses would continue. On the environmentally linked developmental end would be conservation agriculture that would stabilize agriculture expansion, improve disease-resistant cassava and introduce new varieties of cashew and aquaculture. Between these would be management of natural resources with an eye for both development and conservation, especially of the fishery (exclusion of external industrial boats from the artisanal zone); and increased value-added marketing and development of new uses of wild resources (i.e., fattening of mangrove crabs). The activities will need a national-level policy component to address external threats to fisheries, and opportunities such as improved infrastructure for greater marketing in the interior of the country and regional port developments that create non resources-based livelihoods removed from biologically vulnerable areas.

Designing or Supporting Resource Governance Systems

7. Within a particular geographic region or landscape, the focus of the Alliance is on how natural resources are managed in order to improve livelihoods while not being depleted in the process. This is a question of governance – who controls and benefits from the resources, which groups can use them and exclude others from use, who creates incentives and for whom and how rules are made and enforced. There are four resource governance options: open access (owned by no one), which eventually leads to depletion; state-owned, appropriate in some instances but providing limited scope for improving livelihoods; private (by individuals, corporations or communally held); and co-managed, usually as a blend of community and state control. *The Alliance activity 'constellation' might include any of these arrangements for different resources within the area, but given their potential for improving well-being, the primary focus will be on co-managed resources or communally held/common property resources*.

To explore their relevance for the Alliance, insights and recommendations from assessments of three governance systems are summarized: (1) Community self-governed systems through the International Forestry Resources and Institutions program (IFRI); (2) Literature on co-management and the Advancing Conservation in a Social Context project (ACSC); and (3) State-managed resources with community components, which are primarily ICDPs.

8. *Community-governed resources:* The IFRI research initiative was created in 1992 by Elinor Ostrom to study the conditions under which social groups would organize themselves to create a system for the sustainable management of a natural resource. A number of key ingredients have been identified involving the characteristics of the resources in question, such as size and carrying capacity, and whether it is migratory or sedentary in nature. Because community-managed systems require reciprocity, the characteristics of the user group are equally critical – for example, is the group culturally cohesive, what is its size, etc. Finally, the rules or systems by which the resource could be managed also need to be understood – for example, to be sustained the cost of creating and enforcing the rules cannot exceed the value of the resource to the users. An assessment of these factors can help the Alliance understand whether community self-management is an option, or could be, if missing elements are encouraged or strengthened.

9. *Co-management of resources:* Where community self-management is not an option, co-management through sharing of power and responsibility between resources users and the state should be considered. Co-management (which could be called 'negotiated conservation' to parallel CARE's concept of 'negotiated development') is less a structure than an ongoing participatory process through which a group of actors generates and adjusts alternatives followed by decision-making. Co-management reflects some of the same IFRI insights in assessing the socio-economic and ecological conditions, but while IFRI studies the situation, co-management is focused on actual engagement to facilitate a process of change.

Implicitly, the role of the Alliance, if it strictly follows the co-management recommendations, would be to create a process for negotiating alternatives and then making decisions, but not to push for a specific solution. The neutral broker role envisioned in co-management does not address the reality that in previous ICDPs the external institutions (and their funders) were not agnostic about the outcomes of the process.

10. *Negotiating trade-offs over resources*: The Advancing Conservation in a Social Context (ACSC) research project was created by the MacArthur Foundation in 2007 to better understand why so many ICDPs and community-based projects were struggling. The ACSC concluded that the 'win-win' ideal – that ecologically valuable areas could simultaneously be conserved and significantly address local issues of poverty – masked the reality that benefits and costs of conservation varied widely over time and space and between different groups. ACSC focused on one of the central challenges of co-management: how to define and negotiate management responsibility, entitlements and lost opportunities among a diverse group with very different values, knowledge and power. ACSC specifically asks whether an external organization (such as the Alliance) can be a neutral broker if it is an interested party. As with IFRI and co-management, the essential role of institutions and legitimacy of governance arrangements were identified as a key variable. In negotiating trade-offs, ACSC stressed the problems of the discrepancies of power, the inadequacy of monetary calculations to measure value, the destabilizing impact of exogenous events and challenges of bridging inconsistent approaches of scientists, policymakers and practitioners, in addition to differences between and among communities and governments.

11. *State-managed resources:* State-managed national parks are at the heart of conservation strategies to protect valuable and threatened ecosystems, and most ICDPs were conceived as an approach to further their protection. Strict protection of natural resources, especially in national parks, is now under attack primarily based on a history of negative social impacts.

However, some natural resources and ecosystems are of such value and under such threat, and community capacity so limited, that strict government-sanctioned protection must remain among the conservation management options. Recognizing the potential social impact of a strict protection option, more flexible approaches should be explored first – but, absent a viable, effective alternative option, *strict protection remains a valid and justified conservation approach for the Alliance if the social consequences are assessed and addressed.*

National Policy and Governance

12. Assessments of past ICDPs and other community-based programs found that many of the root causes of environmental deterioration (as CARE found with poverty) lay beyond the geographic focus of most field-oriented service delivery programs. The diagnosis of the root causes by the CARE Governance Working Group is quite similar to that of WWF's MPO program; in both cases, the problem is primarily the lack of access to resources and opportunities by marginalized people, especially women. Both call for a sophisticated institutional analysis, linking that analysis to the problem and designing a program to increase the voice and power of those communities, and especially to strengthen institutional leadership and capacity to sustain the improvements.

13. *National policy and governance is an area where CARE and WWF, acting in concert, can break new ground.* With an historic focus on field delivery, both organizations have limited staff capacity to analyze and intervene in in-country policy dialogue, and the political nature of this activity makes both organizations wary. Also, at WWF, there is limited strategic integration between Field Programs and the MPO about the underlying causes of environmental deterioration. Given the challenges of assessing the impact of policy reform programs, funders have avoided supporting policy engagement and local institutional capacity-building. At a larger scale, a focus on policy and governance provides an opportunity to link place-based work to a broader vision of rural social transformation. This area needs attention from the Alliance to strengthen both organizations.

Program Implementation: Incremental Decision-making and Adaptive Management

14. Most assessments of past development programs and ICDPs, as well as most practitioners, stress that it unrealistic to attempt to identify and plan for all the contingencies in a highly complex social situation. Therefore, *the ability to adjust programs during implementation is essential.* The Alliance will make a huge contribution to the field if it confronts the issue of why flexible implementation is so difficult in practice.

15. Recognizing that there are simply too many variables, major thinkers in both biological science (adaptive management) and social science (incremental decision-making) have acknowledged the need to adjust programs in the face of complexity, uncertainty and change. There are subtle differences between the two approaches in terms of how and who are involved in the change process – one being more evidence- and expert-based and the other relying more on experience and participatory engagement – but they share a conviction that no amount of planning can anticipate every factor and that changes are inevitable.

16. If flexibility during implementation is so widely recognized as desirable, why does it so rarely happen? A significant problem arises from good intentions – accountability and transparency – gone wrong. Funders do not conceive of development as a venture capital investment with inevitable risks, but rather as an engineering project where detailed blueprints and accounting for everything will eliminate risk and uncertainty. This donor perspective has two undesirable results. First, more and more effort is poured into planning at greater and greater detail, making it virtually impossible to adjust the complex edifice thus constructed. Second, the requirement that everything must be quantified drives projects toward activities that can be easily measured and away from those that are hard to measure but that experience has shown really matter, such as building self-sustaining local institutions, policy dialogue and reform.

17. It is important to alter the present situation, where vastly more effort goes into detailed planning that seeks to predict the future, compile data for reporting and implement inflexible plans in the face of change and unforeseen circumstances. It is essential to build flexibility and adjustment back into the system. The Alliance also needs to make the case for activities that are fundamental to sustaining change even if they present a challenge to measure. *The Alliance should lead a coalition of similar-minded organizations, think tanks and development thinkers to work with funding organizations to determine how legitimate concerns for accountability might be addressed without undermining effective programs in the developing world.*

Conclusion

18. In an endeavor as complex as linking livelihoods and conservation, a simple choice between success or failure is unrealistic, yet the accepted wisdom is that past ICDPs and community-based conservation programs have failed. The reality is that results have been mixed, but a lack of clarity on goals ultimately makes it difficult to judge project impacts, and overselling of the idea created unrealistically optimistic expectations. The assessments of past activities did show that overly complex projects that are inflexibly implemented for too short a time period, in partnership with uncommitted governments with limited capacity and weak civil society, which are also micro-managed by funders unwilling to accept uncertainty and risk, are likely to fail regardless of the label attached. For the Alliance, the challenge is to learn from this history. We must be more candid about the knowledge we do and do not have and resist attempts to predict the future; we need to maintain the ability to engage local participation in an ongoing process of innovation and adjustment in the face of inevitable surprises and change; and we will have to tackle the politically delicate task of policy reform and build and trust local institutions and leadership even though quantifiable measures remain evasive. For this to occur, the Alliance will need the understanding, patience and support of the senior leadership of both organizations, especially their Boards.

Despite the challenges, if we retain the passion which animated the pioneering approaches to linking livelihoods and resource management and add the more sophisticated understanding gained over recent decades, there is every reason to be optimistic about the ability of the Alliance to make a significant impact on the lives of the poor and the security of the planet.

2. Table of Contents

Annexes

WWF & CARE

Pro-poor. Pro-planet. Progress.

> *Vulnerable people. Vulnerable places. Some of the world's poorest people live in some of the world's most naturally rich places. Neither can survive without the other. And time is running out. We have to make progress. And we can—by doing the hard work of linking livelihoods and landscape in ways that work for people and the planet. Together with local people, their governments, international agencies, development organizations and businesses, we design and implement policies and practices that bring greater opportunities to the poor and greater success in conserving the places that are important to all of us. We know the future of the planet is as vulnerable as the most vulnerable among us. Join us and secure a better future for people and places by being pro-poor and pro-planet. It's the way to make progress.*[2]

Preamble: A Short History of 'Conservation with a Human Face'[3]

Balancing the value of nature for the benefit of people has been debated since at least the beginning of the last century.[4] The question of whether limiting economic development would address the principle cause of environmental damage or would inhibit development essential to address poverty was a central focus of contention at the 1972 UN Conference on the Human Environment in Stockholm, at the dawn of the modern international environmental movement. The prevailing belief was that nature in the north was threatened by forces of development that were creating unprecedented affluence, and that nature in the south was threatened by the poor who were depleting resources in their struggle to

[2] Draft message prepared by Neimand Collaborative based on CARE and WWF staff discussions 2010.

[3] Richard Bell, "Conservation with a human face: conflict and reconciliation in African land use planning" in David Anderson and Richard Grove, Conservation in Africa: People, Policies and Practice, Cambridge Press, 1987,79-101

[4] In the US the debate is captured in the contrasting ethical arguments of John Muir, father of the Sierra Club, and the pragmatic utilitarianism of Gifford Pinchot, founder of the forest service, reprised some 90 years later by William Cronon and his like-minded colleagues in Uncommon Ground: rethinking the human place in nature, Norton 1995 and the rejoinder from the Michael Soule and Gary Lease edited Reinventing Nature? Responses to postmodern deconstruction, Island Press 1995

survive. The developing countries took a contrary view, arguing that addressing poverty and improving quality of life had to take precedence, and that environmental deterioration was not the result of uncontrolled economic development but rather of underdevelopment. Emerging from Stockholm was a broad – although hardly universal – consensus that the concept of development needed to be expanded beyond narrow economic growth objectives to incorporate environmental and social goals. [5]

The debate at the global level in the early '70s incorporated all aspects of development and the environment, with a special concern about pollution and industrialization. But the debate was mirrored within the modern conservation movement with its focus on species, habitats and natural ecosystems. The international movement emerged in decades after World War II with the creation of the International Union for the Conservation of Nature (IUCN) in 1948, and the establishment of the first WWF national organizations in the U.S., the UK, the Netherlands and Switzerland in 1961.

Despite conciliatory rhetoric emerging from the 1972 Stockholm conference, with only a few exceptions the dominate goal of practicing conservationists remained, as it had been during the colonial era, the physical separation of people and species of concern, particularly in the form of strictly protected national parks. Then a subtle but significant change came with IUCN's publication of the World Conservation Strategy (WCS) in 1980. The WCS was the culmination of wide global debate among 700 international scientists and practitioners during which the six drafts evolved from a traditional species and habitat protection strategy to one that argued conservation could not be achieved without attention to issues of poverty, which was now seen as a primary driver of species loss and depletion of the environment. The WCS sought to correct the misconception that "conservation is only concerned with wildlife and wilderness … [and that] the idea of conservation and economic development are, by their nature, contradictory … conservation in the devastated regions of the Third World awaits rural development programs that would give hundreds of millions of desperately poor people a chance to escape the vicious cycle of poverty in which they are trapped."[6] This paradigm shift was reinforced at the Third World Parks Conference on National Parks held in

[5] Report of the Panel of Experts, Development and Environment, Founex, 1972
[6] IUCN, World Conservation Strategy: An Introduction, Gland, Switzerland, 1984. pg 8

Bali in 1982, which focused on the social role of what the flagship strategy is for nature protection.[7] The Conference highlighted a smattering of innovative initiatives around the world that were experimenting with how to implement this new more people-centered approach, and in 1985 WWF-U.S. launched the Wildlands and Human Needs Program seeking to take a more systematic, admittedly experimental, multi-project approach to addressing poverty and conservation. [8]

In the ensuing years, the number of projects - especially protected areas - seeking to integrate the needs of local people with the conservation of natural resources grew exponentially. Major funding came from development agencies attracted by the prospect of meeting their primary development mission while addressing environmental concerns. Over the next decade the scale and financial resources grew even larger. Seeing the trend, in 1992, The World Bank, WWF and USAID decided to review the experience of 23 projects for which the authors coined the term Integrated Conservation and Development Projects (ICDPs).[9] The resulting report noted that it was remarkable what these pioneering, first-generation projects had achieved in light of the huge complexity of the tasks they had taken on; however, the findings were otherwise sobering.[10] Nevertheless, the imperative to link conservation and development remained and over the next two decades many institutions and projects a number of which have involved partnerships between WWF and CARE - have continued to struggle with the complexity of achieving these dual goals,.

People and Parks was the first of what has become a flood of studies, reports and initiatives, indeed a whole subfield, looking at the question of whether and how to improve the livelihoods of people in the

[7] Jeffery McNeely and Kenton Miller, ed. National Parks, Conservation and Development: the role of protected areas in sustaining society, Smithsonian 1984

[8] The author designed the WLHN program which was partially funded through a matching grant from USAID. See Stone, Roger Wildlands & Human Needs: Reports from the field, WWF 1991. Note the first CARE-WWF collaboration in Uganda was part of the program.

[9] Terminology in the area depicts important differences so, for example, most ICDPs are large with significant bilateral or multilateral funding and linked directly to a park or protected area while most CBNRM (community based natural resource management) projects emerged in Southern Africa around the transfer of wildlife use rights over communal lands and were not always adjacent to a park. These distinctions are important but for ease of communication in this paper all these projects will be loosely termed ICDPs.

[10] Michael Wells and Katrina Brandon, People and Parks: Linking Protected Area Management with Local Communities, World Bank, WWF, USAID 1992. A deeper analysis followed in 1999 Michael Wells, et.al. Investing in Biodiversity: a review of Indonesia's Integrated Conservation and Development Projects, The World Bank 1999.

developing world and also address the alarming global loss of species, destruction of habitat and simplification of biodiversity.[11]

Culminating two decades of struggles with these challenges, the United Nations established the Millennium Ecosystem Assessment (MEA) in 2001 to assess the consequences of ecosystem change for human well-being and to provide a scientific basis for action. The MEA was conducted by scientists from more than 100 countries, directed by a Board with representatives of five international conventions, five UN agencies, international scientific organizations and leaders from the private sector, the NGOs sector and indigenous peoples. The MEA reports focus on how human well-being is compromised by the changes in the services which ecosystems provide to people. The assessment found "Human well-being and progress toward sustainable development are vitally dependent upon improving the management of the Earth's ecosystems to ensure their conservation and sustainable use."[12]

Almost 30 years after Stockholm and 20 years after the World Conservation Strategy, a broader and increasingly urgent call has been issued to attend to the deteriorating condition of the planet, for its sake and for those whose very survival depends upon it every day.

The Alliance: CARE and WWF are now building on their past joint projects through an Alliance which elevates their past collaboration on livelihoods and conservation to a new organizational level.[13] To support this effort, this review seeks to capture key insights and recommendations from past experience. The literature is vast and simply enumerating lessons could fill volumes, so this document will take a particular and practical perspective. It will start from the point of view of an Alliance team seeking to undertake a pro-poor, pro-planet program in the field and then focus specifically on broad recommendations or key questions that can inform such an effort as it targets,

[11] Dilys Roe, "The Origins and Evolution of the Conservation-Poverty Debate: A Review of Key Literature, Events and Policy Processes" Oryx 42(4) 491-503

[12] Millennium Ecosystem Assessment, Ecosystems and Human Well-Being: A Framework for Assessment, Island Press 2003. The services include provisioning services (food, water, timber, fiber), regulating services (that affect climate, floods, disease wastes and water quality) cultural services (recreation, aesthetics and spiritual) and supporting services (soil formation, nutrient cycling and photosynthesis).

[13] Phil Franks, "The CARE-WWF Partnership: Lessons Learnt and Recommendations" unpublished paper, 2009

designs and implements its program.[14]

4. Framing: The Center of the Bull's-eye

"In the long run, men hit only what they aim at." Henry David Thoreau

The draft mission statement for the CARE-WWF Alliance at the beginning of this report is inspirational. As a mission should, it lays out guiding principles and is a statement of the aspirations and values that underpin and animate the Alliance. However, the experience with past efforts to link the dual objectives of conservation and livelihoods demonstrates that at the operational level the Alliance must have greater precision about the targets and goals the Alliance seeks to accomplish.

Clarifying the Target

Confusion over language, exacerbated by a desire to offer something for everyone, has bedeviled conservation and development projects and programs almost from the beginning.[15] A plethora of terms are used to describe these dual goals: sustainable development; Integrated Conservation and Development (ICDP); wildlands and human needs; biodiversity conservation and poverty reduction (or alleviation); ecodevelopment; community-based natural resource management (CBNRM). Similarly, biodiversity, species, environment and natural resources are used interchangeably or in various combinations. Even organizations that share the goal of biodiversity conservation use different criteria to set priorities and means for accomplishing that end.[16] In the development field, there have also been shifts in the meaning of poverty and priority approaches to rural development, from economic modernization to a small-farmer focus

[14] The review condenses detailed material and in the process has undoubtedly simplified complex concepts and nuances explanation. It seeks to lay out the broad approach but I would urge the reader to looks into each in more depth.

[15] Thomas McShane and Michael Wells ed, Getting Biodiversity Projects to Work: Towards More Effective Conservation and Development, Columbia 2004, 398

[16] Kent Redford, et.al. "Mapping the Conservation Landscape" Conservation Biology 17 (1) 2002 116-131; William Murdoch, et.al. "Tradeoffs in Identifying Global Conservation Priority Areas", Nigel Leader-Williams, et.al, ed. Trade-Offs in Conservation: Deciding What to Save, Wiley-Blackwell 2011 35-55

to integrated rural development to state-led market liberalization back to grassroots sustainable livelihoods.[17] Arun Agrawal and Kent Redford observe, "If one cannot make definitive statements about whether a particular policy measure can alleviate all aspects of poverty or conserve all components of biodiversity, surely it is foolhardy to hazard that a particular policy can simultaneously alleviate poverty per se *and* conserve biodiversity."[18]

When a debate about the key goal exists within both the conservation and development fields, it is not a surprise that confusion is compounded by the complexity of joining the two together. But language matters. Having clear, agreed-upon goals is essential to determine where the Alliance should focus its program activities geographically and programmatically, what natural resources are the central program focus and how to resolve trade-offs that emerge when conservation and livelihood objectives are in conflict. Differences left vague have a way of emerging at critical junctures during implementation or even, as occurred recently in Nepal, during proposal development. Each specific geographic area where the Alliance works will have a slightly different mixture of goals tailored to the setting, but establishing shared operating objectives for the Alliance will provide an overarching institutional framework that previous individual CARE-WWF projects lacked.

What vulnerable places and which vulnerable people should be the priority for the Alliance?

Vulnerable People

"As a primarily land-based economy, rural Africa has no buffer when environmental degradation occurs, whether through natural means or destruction by vested interests. When the rural environment becomes unsustainable, it's the women whose lives are most disrupted … they will be left to deal with the depleted resources; working harder to eke out food crops, or traveling

[17] Frank Ellis and Stephen Biggs, "Evolving Themes in Rural Development 1950s-2000s" Development Policy Review, 2011, 19 (4) 437-448; "Rethinking Rural Development", ODI Briefing Paper, March 2002

[18] Arun Agrawal and Kent Redford, "Poverty, Development, and Biodiversity: Shooting in the dark?" WCS Working Paper no 26, March 2006, pg 32 (while the point is valid, the addition of *all* creates an impossible task).

further to collect water or firewood. Often they make the degraded environment worse in their efforts to survive …" [19]

CARE focuses its programs on society's most vulnerable members. Initially this was often in response to an emergency, such as famine, wars or floods, and then, with the immediate crisis passed, the programs moved from emergency response to longer-term development work. Becoming more proactive in recent years, CARE is increasingly focused on particularly vulnerable groups, identifying the features of poverty through an analysis of human conditions, social positions and the enabling environment. This analysis often leads to a focus on women, but in some places this will be a marginalized urban population where overlap with priorities of a conservation organization may be limited. However in many other situations, as is the case with Mozambique, this analysis will result in a focus on women heading rural households who are highly dependent upon natural resources and are affected by inequitable access to, and control over, resources and decision-making.[20]

Vulnerable Places

When identifying vulnerable places should the Alliance start with an area of 'significant biodiversity value' - which might be an at-risk national park, a population of endangered species or an area with high endemism and diversity - and then seek to reconcile its conservation with the needs of nearby people, who are very often remote and marginalized? Or should it start with a specific local group of poor and vulnerable people, such as resource dependent rural women household heads, and focus on the biodiversity that is of particular importance to them through its direct use, spiritual value or as insurance for the hunger season? Are there systems and species that bridge these two poles? Biologically the options for the Alliance involve some combination of three basic options: rare and endangered 'wild nature', domesticated/cultivated biodiversity and wild natural resources used by humans.[21]

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[19] Wangari Maathai, forward to Reclaiming Rights and Resources: Women, Poverty and Environment, CARE (2007)

[20] Dan Mullins, personal communication 5/18/11

[21] As noted previously, mixing terms can be confusing and in an attempt to clarify the differences, in this paper the term "wild nature" is used to describe natural systems and their functioning parts that retain their essential natural pristine condition. Natural resources which

"Wild Nature": Many international conservation organizations focus on the maintenance of the world's biodiversity. Biological diversity is the variety and variability among living organisms and the ecological complexes in which they occur.[22] As CARE prioritizes the most at-risk members of a society, conservation organizations, with limited resources, have prioritized their efforts on the most at-risk 'wild nature' (especially species, taxa or ecosystems that are rare or threatened). But historically, conservation of such systems and species has been accomplished by limiting or stopping altogether the use of those species or resources (and creating spatial separation through protected areas). This is often contrary to the short-term needs and desires of local people, which may be the very people CARE seeks to assist.

Most ICDPs were targeted on the "management and conservation of natural resources in an area of significant biodiversity value [and aim] to reconcile the biodiversity conservation and socio-economic development interests of multiple stakeholders at local, regional, national and international levels." [23] Unfortunately, when the natural systems are extremely rare or endangered, with the exception of ecotourism or high-value hunting with charismatic species, in most instances highly endangered systems and species provide limited opportunities to make a significant linkage to improved livelihoods.[24] A major constraint for most ICDPs and why they struggled was they *started* with a national park or threatened species and *then* added a social complement, either to relieve pressure on the park or to compensate for the opportunity cost from its creation.[25] The chance to create livelihood benefits should always be investigated, but with wild nature conservation the focus needs to be primarily on 'do-no-harm' and fair compensation [see next section].

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are used by people, such as fisheries, are also wild but in this paper are described as "natural resources".

[22] E.O. Wilson, ed. Biodiversity, National Academy Press, 1988. The report of the National Forum on BioDiversity singled the emergence of the biodiversity concept as a global priority.

[23] Michael Wells and Thomas McShane Ibid pg 399

[24] Craig Leisher et. al., Does Conserving Biodiversity Work to Reduce Poverty: A State of Knowledge Review, The Nature Conservancy, 2010.

[25] Michael Brown and Barbara Wyckoff-Baird, Designing Integrated Conservation and Development Projects, BSP 1992 pg 30

Domesticated 'Nature:' Rural communities, their allies in the development community and a network of international agencies[26] usually focus on domesticated or cultivated species, ago-biodiversity and wild species that provide subsistence or serve as a safety net. Attention is also paid to access to and productivity of agricultural and grazing lands. While acknowledging their livelihood importance, conservation NGOs have not prioritized species which meet local needs for daily survival, fuel, pollinators, medicine, traditional breeds of livestock, etc. [27]

A focus on improvements in cultivated species and systems, such as promoting conservation agriculture or introducing disease-free cassava, creates real opportunities for helping the rural poor, while the conservation benefits come from stabilizing an agricultural frontier and building goodwill. To fully realize these benefits the development needs to be environmentally sensitive (e.g., not in an areas of high biodiversity) and must not deplete or pollute critical water sources. In addition, meeting greater human needs from domesticated diversity can relieve pressure on natural systems. For example, research has shown the linkage that exists between fisheries and bush meat in West Africa and between depleted soils and overfishing in Mozambique. These natural resources may be a CARE priority, with WWF's contribution to identifying environmental sensitivities and through its growing Markets Program.

Sustainably Utilized Natural Resources: Both conservation and development groups share a common interest in natural resources that are wild but are used by humans either as a safety net or as a subsistence resource.[28] For many rural and urban households, wild or semi-wild nature provides the food they eat daily and is a safety net when all else fails: it heats their food, warms them at night and lights the dark; it is the local pharmacy and often a source of spiritual uplift. Fisheries, fuelwood and non-timber forest products, outside the commercial system, are

[26] For example, ILRI- International Livestock Research Institute, the International Potato Center and IRRI-International Rice Research Institute are all part of an global effort focused on specific aspects of agro-biodiversity

[27] Dilys Roe and Matthew Walpole, "Whose Value Counts? Trade-offs between biodiversity conservation and poverty reduction" in Nigel Leader-Williams et.al. ed Trade-offs in Conservation: Deciding What to Save, Wiley-Blackwell 2010 citing Kaimowitz and Sheil

[28] Eric Chivian and Aaron Bernstein, ed. Sustaining Life: How Human Health Depends on Biodiversity, Oxford, 2008; Curtis Freese, Wild Species as Commodities: managing markets and ecosystem sustainability, Island Press 1998

especially important to women supporting their families.[29] Some conservationists argue a focus on this utilized, often over-used but not endangered, biodiversity will divert scarce resources from efforts to protect wild and endangered nature.[30] In addition, in his influential paper, John Robinson pointed out that this process is not without risks, "while improving the quality of human life, we will inevitably decrease the diversity of life … [because to increase benefits from nature] humans will always encourage desirable species and remove competitor species."[31] The Alliance needs to acknowledge those challenges; however, *the greatest opportunity for the Alliance, and the common ground between CARE and WWF, is with natural resources in use for livelihoods, with important but ancillary activities to protect wild nature and improve cultivated species.*

Since the publication of the Millennium Ecosystem Assessment ecosystem services have gained traction as a conservation priority, and provide by their very definition a specific linkage between natural systems and humans bridging some of the difference in agendas. "Ecosystem services are the end products of nature ***that yield human well-being.*"**[32] The recent focus on ecosystem services as a result of the MEA has significantly raised the profile of the utilization values of nature and provides considerable potential to further both conservation and livelihood objects. However, as with ICDPs, ecosystem services conservation and improved well-being of the poor can only be accomplished through a clear understanding of both its ecological and social complexity, and if it is designed with the lessons from the ICDP experience clearly in mind.[33]

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[29] CARE, Reclaiming Rights and Resources: Women, Poverty and Environment, CARE, 2007

[30] John Oats, "Conservation, Development and Poverty Alleviation: Time for a Change in Attitudes" in Dilys Roe and Joanna Elliott ed., Poverty and Biodiversity Conservation, Earthscan 2010

[31] John Robinson, "The Limits to Caring: Sustainable Living and the Loss of Biodiversity" Conservation Biology 7 (1) 1993 20-28

[32] J. Boyd and HS Banzhaf, "Ecosystem Services and Government Accountability: The Need for a New Way of Judging the Nature's Value", Resources summer 2005 (pg 16-19, see also National Research Council, Valuing Ecosystem Services: toward better environmental decision-making, National Academy Press, 2005

[33] The MEA has highlighted the substantial benefits humankind, and especially the poor, receive from ecosystem services. However, it has proven to be challenging to design a payment for services (PES) that will directly benefit the poor. In part the problem is spatial misalignment and the lack of tenure rights as shown by Stepahno Pagiola et. al. "Assessing the Potential for

A Constellation, Not a Single Star, Approach

CARE's Phil Franks has articulated the challenge facing the Alliance. The overall goal of an ICDP should be to "capture the conservation and development practices … nonetheless … the majority of ICDPs worldwide continue to frame their overall goal, and associated monitoring and evaluation indicators, in terms of biodiversity conservation. However biodiversity is defined, this is not the language that local stakeholders would use to describe the overall goal of natural resource conservation; the implication, at least from the local perspective, is that the agenda is being defined primarily by the interests of the international [conservation] community." This needs to change to ensure that "the full range of interests in the impact of the project is effectively addressed."[34]

At one end are species and ecosystems that are simplified and modified to create special value for their poor rural users. At the other end are species and ecosystems that are highly rare, endangered, threatened or diverse, the use of which, given their vulnerability, needs to be restricted. Between these 'extremes' are natural systems and species that are used by people but may be diminished, and hence are candidates for both improving livelihoods and increased conservation stewardship. While WWF has expertise in mapping priority wild nature, an important early Alliance activity will need to be mapping key natural resources systems used by people to target its work.

Can a single project or location, such as the buffer zone of a national park, address this range of options? As past ICDPs have demonstrated, few single projects can balance all these factors, therefore it is essential that the right balance and mixture of activities is found based on an analysis of the ecological, social and economic factors over a larger geographic region. Working

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Payments for Watershed Services to Reduce Poverty in Highland Guatemala" World Bank draft paper July 21, 2008. In addition, it is hard to establish market-oriented PES programs where institutional capacity is weak, transparency is lacking, resources access and ownership is unclear so buyers are not sure sellers can deliver over times—all conditions common in developing countries.

[34] Phil Franks and Thomas Bromley, "Fitting ICD into a Project Framework; A CARE Perspective" in Thomas McShane and Michael Wells, ed. Getting Biodiversity Projects to Work: Towards More Effective Conservation and Development, Columbia U Press, 2004 pg 77-97

in a physical location, the Alliance should be made up of a 'constellation' of individual efforts based on the options presented by an analysis of the ecological and social systems. Opportunities to improve livelihoods, and the appropriate governance approaches, will vary depending on the related mix of needs in the area, for almost no poor communities rely on a single resource or subsistence strategy. Each Alliance initiative will strike a different balance between these targets—some will be focused heavily on highly threatened species or ecosystems, and others on those that have been primarily cultivated by people. "The question going forward is how to identify settings and create landscapes with diverse trade-offs so that even while some aspects of poverty are alleviated, different components and attributes of biodiversity can be conserved."[35] For example, the Alliance program on the coast of Mozambique will have one balance of priorities (as will activities within it), and they will differ from the balance in a program in Nepal or in the Amazon. This proposed constellation approach is the critical difference between the Alliance and past individual CARE-WWF collaborative projects.

Hypothetical Alliance Program in Coastal Mozambique

An Alliance 'constellation approach' in coastal Mozambique could have a mix of activities. On the socially sensitive (do-no-harm) protection end of the spectrum would be endangered species, such as sea turtle and Dugong, a number community-agreed "no-take" reefs and islands, and the sacred forest where only cultural uses would continue. On the environmentally linked developmental end would be conservation agriculture that would stabilize agriculture expansion, improved disease resistant cassava and introduce new varieties of cashew and aquaculture. Between these would be management of natural resources with an eye for both development and conservation, esp. of the fishery (exclusion of external industrial boats from the artisanal zone), increased value added marketing, development of new uses of wild resources (fattening of mangrove crabs, etc). The activities will need a national level policy component to address external threats to fisheries or opportunities such as improved infrastructure for greater marketing in the interior of the country or regional port developments that create non-resources livelihoods.

[35] Arun Agrawal and Kent Redford, Ibid pg 32

Constellation planning should include two final design elements. In addition to the natural systems and communities that are of interest, a constellation should consider 'zones of influence', which are places that may be somewhat removed from where the Alliance is actively engaged, such as a major metropolitan area, that could provide livelihood opportunities to relieve stress on the natural resources or themselves generate additional demand for resources. A second lesson from previous programs is that while primary priority-setting and planning might use ecological and cultural boundaries, actual implementation should take place using political boundaries.

5. Two Designing Resource Governance Arrangements in the Field

> A meta analysis of 17 studies of Integrated Rural Development projects over the last 30 years found design-related problems from "poor diagnosis of problems and a pervasive optimism over possible solutions. The challenge has always been to design a strategy or program which, though it incorporates necessary levels of information, is flexible enough to allow for adjustments during the implementation cycle…[and gives] proper consideration to social, economic and cultural peculiarities of the chosen location."[36]

As Integrated Rural Development projects have a long and at times difficult history, so too have efforts to integrate conservation and livelihood goals. Much of the analysis of this past has focused on how a program should have been designed in a specific geographic area in light of previous experience. How does the Alliance avoid past becoming prologue? This section, and the related more detailed annexes, summarizes findings and recommendations on community self-management of resources from the IFRI network lead by Elinor Ostrom, from writings and research on co-management, with special attention to the MacArthur-funded ACSC (Advance Conservation in a Social Context project), and the linkage between state-owned, strictly

[36] USAID/Armenia, Research Paper (undated).

protected resources and community benefits as seen in ICDPs and WWF's Wildlands and Human Needs program.[37]

Central to programs is the *governance of resources*—who controls them, who can use them and

> Range of Resource Governance Regimes
>
> Open Access Resources: Resources are available to anyone and effectively the property of no one. There are many *de facto* open access situations where someone, usually the State, claims legal *de jure* authority over a resource but is incapable of managing the resource or controlling over exploitation.
>
> Private-owned Resources: Resources can be owned by individuals, corporate entities or held by a community of users capable of excluding others (a community can be defined culturally, economically or geographically). Communal resource rights can be founded on a formal legal arrangement or be exercised on an informal, often traditional, basis.
>
> Co-managed Resources: resources managed in partnership with two or more actors who collectively negotiate, agree on, guarantee and implement management functions, benefits and responsibilities for a particular territory or set of natural resources.
>
> State-owned Resources: Under the legal jurisdiction of and control by the state.

exclude others from use, who benefits if they flourish, who suffers when they do not and how those interests are reflected when decisions are made. There are four basic resource governance options:

The activities and programs the Alliance might undertake in a geographic region may include natural resources that can best be governed communally by self-organizing groups crafting rules for mutual benefit. Or the program may include endangered resources where local management is not possible and state management may be the best available option. However, the bulk of the Alliance activity is likely to involve resources that are governed through collaborative

[37] The body of material is vast and the author acknowledges the inevitability of errors of omission or loss of nuance. The summaries should not be taken as specific guidance but rather to help the Alliance thing about how to frame its overall effort.

management or co-management, defined as 'sharing of power and responsibility between the government and local resource users.'[38]

With resources of concern to conservationists and to local people, the question for the Alliance is what is the most appropriate/effective governance system for those various resources?

A. Community Resource Management: International Forestry Resources and Institutions (IFRI)[39]

> "It ain't what you know that gets you into trouble. It's what you know for sure that just ain't so." Mark Twain

Few scholarly articles in conservation have had a wider and more pernicious impact than Garrett Hardin's "Tragedy of the Commons."[40] By failing to distinguish between (1) resources that are managed by a group of users in common from (2) open-access resources owned by no one, Hardin's article proposes either private ownership or government control as the only viable solutions to resource overuse. This argument became justification for the privatization of community-owned resources or government seizure which, in the case of weak governments, actually created the very open access condition that Hardin decried. Contrary to the assertion that resources held communally would inevitably be mismanaged, Dr. Elinor Ostrom and her colleagues in the IFRI network have documented a wide range of local resource user groups that have created a diverse range of institutional arrangements, with varying degrees of formality, to sustainably manage resources for individual and collected benefit. However, just as common pool resources are not always depleted, neither are they always effectively managed. What leads to the different outcomes?

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[38] Lars Carlsson and Fikert Berkes, "Co-management: concepts and methodological implications" Journal of Environmental Management 75 65-76, 2005

[39] This section relies heavily on Elinor Ostrom et.al. "Revisiting The Commons: Local Lessons, Global Challenges" Science, 284 April 9, 1999 278-282; see also Elinor Ostrom, "Coping with Tragedies of the Commons" Annual Review of Political Sciences, 2 (1999) 493-535; Elinor Ostrom et.al. ed., The Drama of the Commons, National Research Council, National Academy Press 2002

[40] Garrett Hardin, "The Tragedy of the Commons", Science 162: 1243-48, 1968.

Since 1992, the IFRI network has been researching the conditions which seem to be most conducive to multiple users organizing themselves and jointly managing a shared resource. How might this research help the Alliance determine whether a resource of concern has the potential for effective community self-management? The key questions revolve around the nature of the resources in question, the nature of the social group involved with those resources and the governance system that is in place, or might be put into place, to mange the resources. The IFRI research network has identified 10 critical subsystems (detailed in Annex 1).

What are some of the key ecological characteristics of the natural resources which are, or could be, self-managed by the community? Certainly some characteristics make any resource a stronger or weaker candidate for community management. A sampling of critical characteristics includes the size and carrying capacity of the resources system, he ability to measure the resources, temporal and spatial availability of resource flow, the amount of 'storage' in the system, whether the resources are migratory, like some wildlife, or stationary like a forest, how quickly the resource can regenerate and how use choices impact regeneration.[41]

Why do these characteristics matter? The question for community management is the ease of defining the resources itself or the degree of difficulty of exclusion from its use, the likelihood of resources being depleted which is affected by its capacity, the speed of its renewal and consequences from overuse. It is relatively straightforward to measure and allocate the benefits from a forest and monitor even finely grained divisions of use - for example, in some parts of the Amazon use of specific trees maybe allocated to different families over the course of a single year, but it is more difficult to share a migratory species. Many resources have pros and cons. An ocean fishery has a quicker regenerative capacity and hence the ability to make adjustments and recover if it appears overused, compared to a forest where the costs and consequences of

[41] "We learned [as scientists]…that conservation is all about the choices that people make. We realized that as scientists, we need to view ourselves as enablers in a social process: we can provide those who are empowered to make these choices-the implementers-with information that extends the range of options available to them." Richard Cowling, Society for Conservation Biology Newsletter, Nov 2005

forbearance is greater, but it may be more difficult to both define and exclude users from a fishery than from a forest.

As a community assesses the benefits and options for managing a resource, these characteristics matter – users need to have an accurate knowledge of the external boundaries of the resources and to have reliable and valid indicators of resource conditions so management can be monitored and adjusted. When the flow of resources is relatively predictable, it is easier to assess how different management decisions will affect long-term benefits and costs and to allocate them among users.

What are some key Social Characteristics that make self-management an option? A community-managed system is about limiting who can have exclusive use over a resource (in time or space or for a particular use), how much it can be used and when it is appropriate to apply sanctions for non-compliance. The group needs to be able to create rules that limit resource use but will be accepted as shared norms by the group. Communities do not exist in isolation and the larger national setting can facilitate, hinder or completely undermine self-governing systems, as will be discussed in the national governance section.

What are the social conditions that make this likely? The size of the group matters, as the larger it is the harder it becomes to organize, reach agreement and enforce rules. Cultural cohesion also furthers prospects for consensus; agreeing on norms and establishing trust is harder in a community full of newcomers, hence the effectiveness of community fishery management in stable communities in Fiji compared to more common open fisheries in many parts of the world. Trust that others will keep promises make is an important element but monitoring will always be a necessity. For a commonly managed resource it is important to be able to communicate among the group, although modern communication is creating new, larger groups with shared norms and the ability to communicate among themselves, as seen in the widespread acceptance of cell phones for community marketing.

What are the important elements of the governance options? Commonly managed systems are about reciprocity. Can individuals communicate with each other? Can they sanction each

other? Can they make new rules? Can they exclude non-community members? How, and by whom, are these decisions made?

Groups need to have the autonomy to make and enforce their own rules, and to make decisions by consensus.[42] The group must be able to design a system where costs and benefits are in sync (those who incur little cost should not reap a benefit equal to those who suffer greater loss) or the sense of fairness erodes. A governance system needs to ability to apply graduated sanctions and be able to deal with conflict quickly and equitably.

A self-governing system should have the ability to change as situations evolve. In addition to exclusion, dynamic systems need the capacity to open to additional users as resources rebound, but be able to do so in a way that avoids people feeling they have restrained themselves only to have the benefits then 'given away' to newcomers.

It is not enough that conservationists value the resource. The resource must also have a great enough value for the community (and must not easily be replaced) to justify the time and effort needed to design, establish, monitor, modify and enforce a governance system. Unless the community believes the considerable effort in creating a community resource governance system is justified, it will not be sustained. So it is best if the resource provides a major portion of the local livelihood, and experience has shown that an often neglected key to accomplishing this is to find a low-cost way to monitor compliance.

Finally, Dr. Ostrom and her colleagues sound a cautionary note**:** "In highly complex systems, finding optimal rules is extremely challenging, if not impossible. But despite such problems, many users have devised their own rules and have sustained resources over a long period of time,

[42] For this reason governments and conservationists are wary of communities having complete autonomy for the management of highly endangered species. Having national and international the responsibility for endangered species, like rhinos, governments feel they must retain the capacity to override local rules and apply their own sanctions even in programs like CAMPFIRE that devolves other wildlife use rights to communities.

[and she recommends] allowing parallel self-organized governance regimes to engage in extensive trial-and-error." [43]

B. Co-management [44]

> Co-management is the process by which the key actors (determining who those are can be tricky) 'negotiate, define and guarantee among themselves a fair sharing of the management functions, entitlements and responsibilities for a given territory, area or set of natural resources.'[45]

IFRI has demonstrated the capacity of communities in many diverse settings to self-organize and sustainably manage resources; however, there will also be many situations where critical social, ecological or governance characteristics are missing and can not be created. At the same time, state control may be equally inappropriate (too rigid and socially costly), or the state may lack the capacity to manage the resources by itself, creating an open-access situation. Often centralized management is ill-adapted for complex systems especially involve balancing the demands of resources in use by multiple actors with competing interests.

Unlike community management where resource decisions are made within the group, co-management involves sharing management power and responsibility usually, but not exclusively, between local resource users and the state (recognizing that rarely is only a single resource at stake and that both 'community' and 'the state' involve multiple actors at various levels, often with divergent interests). Co-management "differs from other forms of participatory management in that it entails a conscious and official distribution of responsibility, with the formal vesting of some authority … [it] goes beyond community consultation and participatory

[43] Ostrom et.al., Ibid 1999 pg 280, (see also part four on participatory incremental or adaptive management)
[44] The section draws heavily on Lars Carlson and Fikret Berkes, "Co-management: Concepts and Methodological Implications" Journal of Environmental Management 75, 2005 65-76;
[45] G. Borrini-Feyerabend, et. al. Co-Management of Natural Resources: Organizing Negotiations and learning by Doing. 2000 cited in Carlsson, Ibid

planning to establish more durable, verifiable and equitable forms of participation."[46] Co-management is not simply sharing the power to make decisions about alternatives; rather it is a process among a network of actors to first *generate the various alternatives* (who can harvest, when, how benefits are allocated, what is protected, how the rules are enforced, etc.), and only after the range of alternatives have been identified to then facilitate subsequent decision-making among them.[47] Too often community engagement, if it happens at all, is about decisions between alternatives that many actors had no role in developing.

How might the Alliance go about conceptualizing and then analyzing existing and potential options for a fishery or forest that combines "state control with local, decentralized decision-making and accountability and which, ideally, combines the strengths and mitigates the weakness of each"?[48]

One tempting approach is to map and analyze the formal *de jure* linkages between levels of formal institutions through which power can be shared among different parts of the state and different groups of resource users. However, this approach risks missing key users who are functionally critical but not formally part of the system, especially the poor and disenfranchised, such as the landless who rely for survival on a forest. In addition, the formal institutions may have little actual engagement or capacity for management, as is the case with many government agencies that in theory have responsibility over resources but in fact have limited impact on its management.

The alternative approach to understand the existing or potential possibilities of co-management is to assume the formal structure is not the critical one and instead analyze the *de facto* functions of

[46] Yves Renard "Collaborative Management for Conservation" in Beyond Fences: Seeking Social Sustainability in Conservation, IUCN 1997 65
[47] Grazia Borrini-Feyerabend, et.al. Sharing Power: Learning-by-doing in Co-management of Natural Resources throughout the World, IUCN 2004. The ACSC stresses this same point that it is critical to engage with communities in problem definition and development of alternatives.
[48] S. Singleton, Constructing Cooperation: the Evolution of Institutions of Co management, Michigan Press 1998 cited in Carlsson-Berkes, ibid

resource management that are actually in operation. Carlsson and Berkes lay out six steps in such a functional analysis:[49]

(1) Paralleling the findings from the IFRI network, the first step is to define the social-ecological system of concern. "This is not a trivial task. For example, ecologically a single river might contain a number of valuable species utilized by many different groups … however, because of practical reasons, the choice the researcher has to make [is whether to focus] on a certain group/community, an area, or a particular resource."[50] Socially it is also a challenge to distinguish between the conflicting interests of different economic, ethnic or gender groups, or to treat any of these groups as static. But the state is equally multi-faceted and the interests of local or regional administrative agencies are often in conflict. It should not be assumed that any particular level has a greater interest in the sustainable management of resources or in the interest of the poor.[51]

(2) Map the essential management tasks that need to be undertaken and the problems to be solved: what are the key short-, middle- and long-term management decisions; who is entitled to make them now or who is actually making them; how can that be decided; etc.

(3) Clarify the possible participants in any co-management activities and the related problem- solving processes: who participates, or should. With this insight, construct a web of relationships regarding the resources issues previously identified. "The logic is to start at the 'bottom', in the activities themselves, and try to figure out how management is organized, if power is shared, if rights and duties are contracted out and if state authorities have 'a finger in the pie.'"

(4) Determine the linkages in the network to establish how flexible they are and then, once mapped, the system can be analyzed spatially, vertically and temporally.

[49] Lars Carlsson and Fikret Berkes, Ibid (2005) 65-76
[50] Carlsson Ibid pg 73
[51] See Annex 5

(5) Evaluate capacity-building needs in order to enhance and use the capacity of people and institutions at various levels *not to solve specific problems but "to build the capacity within the communities, governments and other organizations to resolve their own problems."*[52]

(6) The Alliance would then suggest a range of possible solutions to the institutions and actors in order to contribute to, but not itself undertake , better policy decision-making and problem-solving.

(7)

Co-management evolves over time, very much as a result of deliberate problem-solving and the collaborative search for alternatives for the management of resources. The creation of such a participatory process (not *pro forma* at the start but as the defining element), its advocates argue, is more likely to result in effective management of complex and diverse systems among multiple users with fewer social costs. One of the big challenges of co-management is how such a system identifies and resolves fundamental trade-offs between costs and benefits of multiple actors with very divergent interests and power.

C. Trade-Offs: Advancing Conservation in a Social Context (ACSC) [53]

In 2007 The MacArthur Foundation funded a four-year research project to better understand the challenges faced by programs linking livelihoods and conservation over the previous twenty years, to answer why, as one practitioner wistfully observed, it was so logical to propose such an approach and yet so hard to actually make it work.

The analysis examined the scientific and social complexity of 'Advancing Conservation in a Social Context' and found that the widely accepted win-win language masked the harsher reality

[52] Carlsson Ibid, pg 94

[53] This section draws heavily on ACSC, "Advancing Conservation in a Social Context: Working in a World of Trade-Offs," Final Report to the John and Catherine MacArthur Foundation, (unpublished) 12/12/2010

that in addition to gains from conservation for some there were almost always also losses for others. In reporting on their work, the project leaders wrote,

> "We believe that trade-offs and the hard choices they entail are the norm … [these hard choices] arise for a variety of reasons. They are faced when there are trade-offs to be made between different interests and priorities, between long-term and short-term time horizons (where typically biodiversity conservation as a long-term objective is traded off against short-term economic benefits, such as conversion of agricultural land) and between benefits at one spatial scale and costs at another. Importantly, many times choices are made implicitly, without even knowing that something is being overlooked or given up because there is a lack of knowledge or the right people are not at the negotiating table."[54]

References to trade-offs had been scattered throughout the professional literature for sometime, but ACSC positioned it as the central challenge to linking livelihoods and conservation. By insisting that the possibility of losers as well as winners be explicitly acknowledged and analyzed, ACSC made problem definition critical and highlighted the dilemma of identifying the right people to design a solution or solutions.

Trade-offs exist in community self-managed resource systems, but a goal of the IFRI analysis is to determine if the capacity exists within the user group to sort out and resolve the trade-offs among themselves over time through trial and error. With co-management, how trade-offs will be negotiated becomes an essential part of the understanding the social-ecological system and subsequently decision-making between parties. This requires the time-consuming and complex task of working with diverse and conflicting social and cultural groups with different power and levels of organizational capacity and then making hard choices among the alternatives. Often those most likely to lose from these negotiations are also those least visible and least likely to be organized and able to insist on a seat at the table.

[54] ACSC report Ibid pg 9

A key emphasis of ACSC is identifying different *values* about means and ends among diverse people with a stake in the issue, and how inherently difficult this is. Economics, often used as a proxy for value, can be an inappropriate measure and is only one from among many legitimate perspectives. Like all perspectives, economics highlights certain dimensions of trade-offs but obscures others. And only some values are negotiable (sacred sites may not be) and can be so inherent that people themselves can be unaware of them.

It is equally challenging is to identify an appropriate set of *procedures* by which trade-offs can be further clarified and negotiated across multiple spatial and temporal scales. How do existing procedures, institutions and structures of governance shape the way the problems are identified and negotiated, and what new ways might be devised? Are existing governments and institutions willing and able to enforce decisions made by deliberative means? How do the different institutions and stakeholders conceptualize the problem? What is the managerial span of responsibility within which each institution can act?

ACSC especially struggled with the complexity arising from *inequality*. The ACSC recommended that parties be more explicit about who has the power to act and shape outcomes, as well as the more subtle question of who defines what the problem is. In Primeiras & Segundas is the problem the loss of the biodiversity of the coral reef, or is it the lack of sufficient food? Who decides the answer frames what interventions are most appropriate or of the highest priority.

The ACSC identified nine key factors that can help provide the "contexts, institutions and organizations that influence how people think about and act on trade-offs."[55] These factors are summarized in Annex 2. A number of the key factors parallel the IFRI and co-management analysis on the importance of institutions and the critical role of governance. The ACSC also found a serious gap in the lack of effective tools to help actually navigate trade-offs and raised some of the implementation concerns to be discussed later.

[55] ACSC Ibid pg 12

> ACSC states the challenge thusly: "…while acknowledging that accomplishing either conservation or human well-being objectives is extremely difficult, there continues to be poor understanding among practitioners, in both theory and practice, of the ecological and social complexities within which conservation interventions are carried out … [which] is exacerbated by the rhetorical elegance of the win-win paradigm … [which] avoids the potentially divisive political requirements of understanding and confronting explicit trade-offs between competing stakeholders … The emergence of a new paradigm and altered practice, a possible outcome of a greater focus on trade-offs, will require conservation actors to negotiate with unfamiliar interest groups and perhaps compromise on deeply held positions …"[56]

In one important regard ACSC is different than most of the co-management literature and community-managed research. IFRI describes a process of studying resource governance systems. Co-management literature discusses how outsiders might act as an "honest (neutral) broker" to help set up a consultative/negotiation process which will then make its decisions about resource management. The ACSC explicitly raises the role of external players, such as the Alliance, and notes that international NGOs and the funders are not neutral players simply trying to facilitate whatever outcome the parties find acceptable.[57] The Alliance needs to be aware of the differences in power and in its ability to influence the outcome of events locally, perhaps without even being conscious of it.

D. State governance/protection[58]

> "Some natural areas are clearly of such outstanding value for global [or national] biodiversity [or species are so endangered] that they should be given strict protection in perpetuity in national parks or equivalent reserves. As global public

[56] ACSC Ibid pg 9
[57] When natural resources are at risk, WWF "has some skin in the game", as does CARE and the stakes may not always be in sync.
[58] The question here is strict protection of resources, which is generally state controlled but can also exist on privately or NGO held land.

goods they should receive international financing to pay any opportunity costs of local communities …" [59]

In introducing the term ICDPs, the People and Parks report described them as "new approaches to protected area management that are attempting to address the needs of nearby communities by emphasizing local participation and combining conservation with development.[60] Development was a tactic promoting biodiversity conservation, and not a goal in its own right.[61] This focus of most ICDPs on one aspect of the biological world, generally at-risk wild nature, and only on human development as it serves that interest would be a very narrow foundation upon which to build an Alliance. So then should strictly protected wild nature be part of an Alliance 'constellation' of activities at all? It is essential that wild nature remains a key component, even if it is unlikely to be the sole or even the central one (because of the limited ability to increase well-being from state-governed, vulnerable and restricted-use resources).[62]

Strict protection of resources has its roots in royal hunting preserves and sacred groves, but state-governed national parks have been the biological heart of conservation since the first Yellowstone was declared the first national park in 1872. National parks, which are supposed to practice strict protection,[63] are now under attack for the way in which they were established historically, often without the consent of local residents; and for a management strategy that has sometimes entailed coercive approaches to protection or relocation and has excluded people from both the benefits of land and resources. [64] Social critics decry the perceived post-ICDP return of

[59] Jeffery Sayer, Gary Bull and Chris Elliott, "Mediating Forest Transitions 'Grand Design' or 'Muddling Through'" Conservation and Society 6 (4) 2008 pg 323, 320-327
[60] Wells and Brandon Ibid pg1
[61] Michael Brown and Barbara Wyckoff-Baird, Designing Integrated Conservation and Development Project, BSP 1992, pg 9
[62] For example, in Northern Mozambique, sea turtles and Dugongs in P&S or the elephants of Quirmbas National Park are critical elements of the program despite providing limited potential for improving livelihoods
[63] It has been estimated that three quarters of Latin America's parks are inhabited as are a number in Asia. People in parks remain vulnerable to exploitation if their presence and resources use is contrary to the Park's strict protection status.
[64] Dan Brockington and Jim Igoe, "Eviction for Conservation: A Global Overview", Conservation and Society, 4, 2006 424-470; Mac Chapin, "A Challenge to Conservationists"

what some pejoratively call 'fortress conservation.'[65] On the other hand, some of the defenders of protected areas have left the impression that the social costs to people who are alienated from land and resources are not a conservation concern and that the whole ICDP experience was a case of mission creep, ill-advised from the start.[66]

The Alliance need not get drawn into this acrimonious debate over a false choice between parks or people. The reality is that state-governed resource protection is not 'returning' – it never went away, nor should it. But neither can conservation organizations ignore the social consequences of the actions they promote. Recognizing that strict protection is likely to have significant social impact, and especially so if relocation is involved, it would be helpful for the Alliance to create a

Hypothetical Principles on Social Impacts from Conservation

1. *Avoidanc*e. Given the inevitable impact of strict protection on users, and especially the inevitable negative impacts of any displacement, such actions should be avoided if possible and strict protection of a resource that is used by people should occur only after other options have been ruled out.

2. If strict protection is essential, can the design *minimize* the social impact while still protecting the resource? Can boundaries be drawn to limit impacts on people? Are there less than full protection options? Can strict protection be applied only to certain resources, user groups or geographic areas?

3. If strict protection is to proceed, the affected groups/individuals need to be *identified, informed and consulted* in developing the alternatives.

4. Even with strict protection, a process of *negotiated conservation* can be developed through engagement with affected groups at the beginning and on an ongoing basis.

5. During the implementation process, impacted groups need to be *assisted* with the change process during the time it takes for this to occur.

6. Finally, recognize there will be *secondary impacts* from the project that must be anticipated. If relocation is totally unavoidable, then impacts on 'receiving' communities need to be considered.

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[65] Sum
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Resources 15 (2002) 17-40, Roe Ibid 2008 (Oryx 42(4);

[66] John Terbough, Requiem for Nature, Island Press 1999; John Oats, Myth and Reality in the Rain Forest: How Conservation Strategies are Failing in West Africa, U of California Press, 1999

working group to explore and create social safeguards or principles to minimize harm that can serve as a standard for the field.

The above hypothetical principles are not specifically recommended, but intended to provoke discussion. If the Alliance, through a working group or other means, could develop a constructive *and practical* approach to promote 'do-no (or at least minimum)-harm' conservation, it would help the field move beyond the present people vs. parks conflict, which is undermining the legitimacy the field.

6. Root Causes: Governance and Policy

> "It is critical to look at the root causes of both poverty and environmental degradation. Specifically, we need to focus on issues of governance (the exercise of power and responsibility in the management of public affairs) and social exclusion (certain groups being excluded from participation in the normal activities of their society) … In resource-rich areas, control over natural resources defines power relationships … in resource-poor areas, where the stakes are much lower, the issue is the opposite - lack of interest among politicians … in both situations the common problem is the inability of poor and marginalized groups to influence decision-making; in other words, their lack of voice."[67]

Governance is about how and by whom public decisions are made; it is about the power over the management of public affairs. For the Alliance it is about power over natural resources as it impacts their sustainability and the lives of those who depend upon them. The previous section focused on three forms of governance of particular natural resources in a specific landscape (community-managed, co-managed, state-managed). Analysis of previous ICDP experience and the work of the Millennium Ecosystem Assessment demonstrate that many of the most critical conditions and causal factors, the so-called 'root causes', are far removed from any specific rural

[67] Phil Franks, Ibid pg 31-32

location and cannot be addressed by concentrating only on the ground and tiptoeing around politics.[68] This reality is recognized in both the conservation and development fields.

> "For much of its history, CARE has focused on strengthening the capacity of people to meet basic needs. CARE also works to strengthen the capacity of organizations to provide services to poor people … [but] if CARE sees its role as identifying and influencing underlying causes, the core problem of poverty changes. The question then becomes, ***why is there lack of access and availability of resources and opportunities for some people?*** This is a highly political question.[69]
>
> Site-specific efforts will be necessary. However, these need to be nested with broader-based strategies supportive of biodiversity conservation, and more eco-friendly forms of economic development … [and] must be vertically integrated; ensuring that **site-based actions are directly supported by policy-level actions both nationally and internationally.**"[70]

Although a focus on 'higher'-level policies and threats (the 'rules of the game') is now a widely recognized approach, compared to the literature on field programs there are significantly fewer lessons about how the Alliance should diagnosis the political problem, which policies or institutions to target or how an outside NGO engages in this delicate 'political' dance. National policy engagement faces challenges of targeting and setting priorities at least as daunting as field programs. Should the Alliance focus on reforming the national park agency or the department of agriculture; on the ministry of finance or trade; on the threat from lack of resource tenure or from the expansion of infrastructure? What are the policies with the highest leverage on both poverty

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[68] Millennium Ecosystem Assessment, Ecosystems and Human Well-being: A framework for Assessment, Island Press 2003, 94-106; Michael Wells et.al. "The Future of Integrated Conservation and Development; Building on What Works" in McShane and Wells Ibid 409-410

[69] Governance Working Group, "Towards an Understanding of Governance" CARE Paper #2, Jan 26, 2004 (unpublished) pg 3. This section draws extensively on this paper but only direct quotes are cited.

[70] Tom McShane and Wells Ibid pg 409-410 emphasis added

and resource over exploitation? Does decentralization of management over natural resources result in better environmental and social outcomes?[71] What leverage does the Alliance possess? And, candidly, what are the limits of the Alliance's influence?

Should the Alliance have a different approach in those countries that are gaining developmental momentum than in those trapped along with their 'bottom billion'?[72] How might the Alliance approach differ between countries with a relatively high degree of transparency, where the state and individuals are subordinate to the rule of law and the state is accountable to all its citizens compared to one lacking these attributes?[73] The CARE Governance Working group notes, "In societies where laws and institutions effectively constrain leaders, there is a basic assumption that livelihoods can be improved by deepening democratic processes, by strengthening institutions and by improving the policy environment." [74] The assessments of previous ICDPs provides scant guidance on how the Alliance might set priorities in the large number of places where these conditions are absent.

Just as CARE has looked at this question through its Governance Working Group, WWF has done so through its Macroeconomic for Sustainable Development Program Office (MPO).[75] How do these approaches compare (details of both are in Annex 5 and 6)?

CARE's Governance Approach

[71] Jesse Ribot, Waiting for Democracy: The politics of Choice in Natural Resource Decentralization, WRI Report, 2008

[72] Paul Collier, The Bottom Billion: Why the Poor Countries are Failing and What can be Done About It. Oxford Press, 2007

[73] Is good governance a "prerequisite" to improved social justice, reduced poverty and environmental sustainability or make such outcomes "more likely" [what evidence etc—see CARE pg 16-17***]

[74] Governance Working Group, Ibid 16. If good governance is a "prerequisite" to improved social justice and reduced poverty is there evidence of a link to environmental sustainability?

[75] David Reed, The 3xM Approach: Bring Change Across Micro, Meso and Macro Levels, MPO, WWF May 2006

The goal of CARE's governance work is to address the lack of access and availability of resources and opportunities to the poor, with particular attention to women, through 'promoting negotiated development.'[76] This key concept of negotiated development moves well beyond 'participation' and means empowering the vulnerable and disadvantaged to advocate for their interests with other stakeholders on a more equal footing and hold them accountable, be they government, the private sector or others in the community (including, one presumes, the Alliance itself). CARE can tackle the challenge from the ground up by strengthening community voices or facilitating or convening a process of bringing key stakeholders together around specific issues. From the top down CARE might strengthen the capacity of the government to serve all communities and advocate for them to play this role as it did in Maputo, Mozambique where "CARE shifted its strategy from strengthening the capacity of a few communities to demand services, to strengthening the capacity of the municipality to provide services to all communities."[77]

With their outsider perspective CARE has the distance to identify and anticipate national trends or decisions that might worsen poverty, such as some export-oriented industrial agricultural schemes, and engage on behalf of the poor with national planning efforts, such as the PRSP (Poverty Reduction Strategy Paper) process and helping to shape such donor programs.

More specifically, what steps does the CARE Governance Working Group recommend for moving forward with the goal of achieving rights and improving livelihoods for the poor?

(1) Undertake a contextual analysis. Governance work requires an acute understanding of the institutional context and patterns in the use of power in relations at the macro and micro levels. This means:

   (a) Understanding macro socio-political causes in order to understand barriers to access and control of resources.

[76] Governance Working Group Ibid pg 29
[77] Governance Working Group, Ibid pg 56

(b) Analyzing the roles of various parties and institutions to determine the patterns of discrimination and exclusion (which may be deliberate or the result of failed institutions) and political relationships.

(c) Determining the legal framework and assessing the various key policies.

(2) Based on the contextual assessment, develop a strategy to strengthen democratic institutions, including:

(a) Strengthening citizens' voices, especially at the local level.

(b) Facilitating the building of a consensus process among the stakeholders.

(c) Strengthening the range of actors participating in community decision processes.

(d) Strengthening the ability of civil society, community-based organizations and local governments to engage in negotiated development by increasing the understanding and influencing relationships among stakeholders. Help to develop a legitimate framework for non-violent resolution of disputes.

(e) Involving local players in CARE's own decision-making.

(3) Assess risks and CARE's capacity. Determine the capacity for change or impact in, for example, a failed state but also the potential for incremental change and movement over time in a positive direction. Recognize that change mostly happens in steps and incrementally but then occasionally rapid transformation is possible and the Alliance will need to identify those moments. Revise the governance strategy in light of this review.

(4) Implement the strategy to strengthen democratic institutions and their ability to ensure that commitments made are honored.

(5) In addition, implement a strategy of public policy advocacy, coalition building and partnerships to create a process that is more transparent, accountable, inclusive and responsive.

WWF's Governance Approach[78]

[78] The approach has been developed by WWF's Macroeconomic for Sustainable Development Program Office (MPO) but unlike the CARE governance position that was developed with a

The WWF-MPO diagnosis of the problem of poverty and environmental deterioration is strikingly similar to that of CARE. "We consider poverty to be the result of the competitive process in which many communities are deprived, over time, of assets and opportunities to improve their living standards and are pushed to the margins of political processes, be it through displacement from productive lands, political exclusion, new economic conditions and changes in terms of access to and control over natural resources on which their livelihoods directly depend."[79]

The four steps of the 3xM approach are also quite similar to that of CARE.[80]

(1) Design an intervention strategy which requires a rigorous economic, ecological and institutional analysis be carried out at all three levels (local, mid-level and macro) to understand the poverty-environmental dynamics.

(2) Recognize that to alter the existing situation means "removing the obstacles at the local level that prevent the poor from competing economically, improving natural resource management and participating in the political process." [81] This necessitates understanding the institutional system and policies (not simply their formal structure but as they work in practice) and the linkages to the local situation.

(3) Build relationships and design actions that help align policies and institutional arrangements. Determine the range of possible interventions and, recognizing that politics is 'the art of the possible' determine where actions are likely to make a difference and then design the program accordingly.

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cross-section of programs, the 3xM approach was developed by the MP and whether represents a consensus within WWF is not certain.

[79] David Reed, Ibid, pg 4

[80] Pamela Stedman-Edwards, "Strategic Environmental Vulnerability Assessment: Framework Paper" WWF-MPO Jan 2006

[81] David Reed, Ibid pg 4

(4) Strengthen local social and human capital and institutions, build alliances between rural communities and a wide range of advocates, experts and supporting institutions to effect policy and institutional change at various levels.

Conclusion

Given the similarities between the CARE and WWF-MPO problem analysis, national and regional governance is an area ripe for Alliance leadership in breaking new ground for each organization and building a program together. Historically and in terms of staff capacity, both organizations remain predominately focused on addressing the problem through local, direct interventions. The Alliance has the opportunity to build a new joint team to develop a governance approach. But given the corporate cultures of both organizations which is focused on tangible changes on the ground, it is desirable to embed this capacity within the country or field programs to escape the more theoretical inclinations of many headquarter-based offices.

In addition to building a new skill set through the Alliance, there is the advantage of shared risk as the Alliance enters this field. CARE acknowledges the need to address its discomfort with "using political language … using tools and methods to assess political dimensions of social and economic contexts and to facilitate transformation in relationships among stakeholders." In fact, "denying the political nature of poverty is essentially a risk aversion strategy." Although this is beginning to change and in the field some CARE staff are "broadening the notion of empowerment to more explicitly include a political dimension." [82]

Like poverty, natural resource management is inherently political rather than scientific or technical. WWF shares the same anxiety and has the additional question of the acceptance of the underlying premise of the 3xM approach that promoting economic growth that increases incomes is a prerequisite for improved natural resource management and hence should be an organizational priority. However, the fate of most natural resources has been, and for the indefinite future will be, predominately influenced by governance decisions. Therefore WWF's investment should at least match its focus on influencing the private sector.

[82] Working Group, Ibid, pg 1, ix, 12

An Alliance focus at a greater spatial scale, and including urban and industrial zones of influence beyond the biophysical boundaries of the resources of concern, could provide a platform for linking the regional constellation of activities and projects into a new macro vision of development. Thus the specific activities would look at social and structural transformation of, for example, the north coast of Mozambique as a prototype of a larger-scale approach to livelihoods and resource conservation. Where might possible development zones and industrial clusters be sited that can provide employment opportunities for some members of families that remain in the rural areas, based on the reality that in Africa today more than 60 percent of household income is earned or generated off-farm? Changes in infrastructure will provide new market opportunities as well as increase or relieve pressure on resources. Thus regional patterns of growth may create alternatives to reliance on stressed natural resources and the struggle to sustain a growing population of small-hold farmers on depleted lands. This larger vision, espoused by the Rural Futures project, has the potential to align the Alliance with major aid organizations and new thinking about the nexus between rural and urban areas, natural resources and livelihoods. [83] A possible design matrix for such an approach is in Annex 7.

Developing a significant program on governance in a time of scarce resources is challenging, but also an opportunity for the Alliance to add significant value on a topic that CARE and WWF can tackle better together than apart.

7. Implementation: Expecting the Unexpected[84]

> "Frustrated at their inability to achieve successful examples of conservation and development, some donors have … planned their projects in more and more detail. They have conditioned careful studies to reduce the likelihood of surprises. They have developed more sophisticated monitoring and evaluation systems to ensure that everything is on track. And the end result has been a generation of ICDPs that are so locked into a rigid donor-driven framework that

[83] Owen Cylke, personal communication 3/21/2011
[84] "Expect the Unexpected" is attributed to the Greek philosopher Heraclitus

they have little relevance to the changeable real world in which protected areas and their managers have to survive." [85]

Jeffery Sayers & Michael Wells

"Undertaking development work in poor countries with weak institutions involves a high degree of uncertainty and risk, and aid agencies are under scrutiny by policy makers and bureaucratic regulatory bodies to design systems and measures to reduce risk. In practice, this means compromising good development practices such as local ownership, a focus on institution-building, decentralized decision making and long-term program planning horizons …" [86]

Andrew Natsios

"… change in resource management agencies and policies … requires much more than integrative scientific understanding of the uncertain and unpredictable features of linked natural and economic systems over different scales … It is the rest of the process, the implementation of adaptive policies, that frustrates because it encounters the reality of politics and power …" [87]

C. S. Hollings

The need for Adaptation and Flexibility

Whether it is Andrew Natsios, the former head of USAID, two experienced conservation professionals, an eminent ecologist or a host of reviewers of past conservation and development projects, the need for more adaptability and flexibility in project implementation is widely preached but very rarely practiced. Instead, an ever-greater emphasis and commitment of time is

[85] Jeffery Sayers and Michael Wells "The Pathology of Projects" pg 38-39 Thomas McShane and Michel Wells, ed. Getting Biodiversity Projects to Work: toward more effective conservation and development, Columbia Press 2004; this section also draws heavily on Jeffery Sayers, Gary Bull and Chris Elliot, "Mediating Forest Transitions" 'Grand Design" or 'Muddling Through" Conservation and Society, 6 (4): 320-327, 2008

[86] Andrew Natsios, "The Clash of the Counter-bureaucracy and Development" Center for Global Development Essay July 2007

[87] C. S. Hollings, et.al. "Sustainability and Panarchies", Lance Gunderson and C.S. Hollings ed. Panarchy: Understanding Transformations in Human and Natural Systems, Island Press, 2002 pg 90-91

expended on ever-more detailed planning in search of complex, comprehensive understanding of opaque and changing societies and their relationship with natural systems.

Herein lays a central quandary of a livelihood and conservation initiative like the Alliance. How to balance the need for the deeper analysis and more nuanced planning called for by IFRI, ACSC and other evaluations and demanded by funding agencies, with the competing reality that, "no person, committee, or research team, even with all the resources of modern electronic computation, can complete the analysis of a complex [social] problem. Too many interacting values are at stake, too many possible alternatives, too many consequences to be traced through an uncertain future …" [88]

It is not practical to identify and resolve every aspect of the complex interactions even between formal and visible institutional arrangements at different levels of the state, and even harder to understand those hidden within and between members of rural societies; to this is added the complexities of determining flows of different ecosystems services, now exacerbated and made more unpredictable by climate change.[89] Even if project designers were able to understand all this, the time lag between project design and actual implementation, or an intervening election or mid-project introduction of a new technology or threat like biofuels, will require adjustments to the existing design of the program. This too rarely occurs.

The imperative of change and adjustment in the face of complexity, uncertainty and change is neither new nor confined to programs addressing livelihoods and conservation. In the late 1970s the Canadian ecologist C. S. Holling published his influential book on adaptive management.[90] Two decades earlier Yale political science professor Charles Lindblom published his classic

[88] Charles Lindblom, "Still Muddling, Not Yet Through" Public Administrative Review, 39(6) Nov-Dec 1979, 517-526.

[89] "There are a number of complexities… (1) complexities of the State, (2) complexities of the community, (3) complexities of the dynamic and iterative nature of the system, (4) complexities of the conditions available to support the system, (5) complexities of co-management [or other] governance system, (6) complexities as a process of adaptive learning and problem solving, and finally (7) complexities of the ecosystem that provides the resources that are to be managed." Lars Carlsson ibid 67

[90] C.S. Holling, Adaptive Environmental Assessment and Management, NY Wiley & Sons 1978

article, with its deliberately provocative title, "The Science of Muddling Through," describing the critical role of "incrementalism" in the making of public policy.[91]

"Adaptive management takes uncertainty seriously, treating human interventions in natural systems as experimental probes. Its practitioners take special care with information. First, they are explicit about what they expect, so they can design methods and apparatus to make measurements. Second, they collect and analyze information so that expectations can be compared with actuality. Finally, they transform comparisons into learning—they correct errors, improve their imperfect understanding, and change action and plans."[92]

On the other hand, "incrementalism", as described by Lindblom, involves a number of characteristics, including limiting the range of analysis to a few incremental changes among somewhat familiar alternatives, a greater focus on the ills to be remedied rather than the positive goals sought, a semi-structured sequence of trials, errors and revised trials and exploration of only some, not all, of the possible consequences of considered alternatives.[93]

Both adaptive management and incrementalism, one from biological sciences and the other from social science, recognize the huge role of uncertainty, and implicitly accept that it is unlikely that the Alliance, or anyone else, will be able to design a program accounting for all contingencies. Instead projects should take an iterative approach to decision-making and see project design as an experiment or hypothesis to be tested through experience. The design should accept risk and the need for continual review of results and accept that adjustment is not only likely but inevitable.

While recognizing the agreement between adaptive management and incrementalism on the need for adjusting and learning, they differ significantly in how this should be done and by whom. Adaptive management primarily used a structured scientific approach while incrementalism

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[91] Charles Lindblom, "The Science of Muddling Through" Public Administrative Review, 19 (2) Spring 1959, 79-88
[92] Kai Lee, Compass and Gyroscope: Integrating Science and Politics for the Environment, Island Press 1993 pg 9
[93] Charles Linblom Ibid 1979 pg 517

adapts through a continual process of negotiating among competing interests over small incremental changes and adjustments. (see Annex 8).

The Donor's Constraints

If the need is so widely recognized, why has the practice of either incrementalism or adaptive management been such an illusive goal? A flexible approach to project implementation runs directly counter to a growing fixation within USAID, European funders and a number of foundations to create measurement-driven, results-based decision making that treats rural development and resource management as an engineering project instead of an exercise in venture capital investment or a process of social transformation.[94] Natsios traces the problem in the U.S. to the adoption of a quantitative management system designed by RAND Corporation in the mid-1960s for the Defense Department and then,

> "By FY1996, USAID had already established a set of indicators and required country missions to report annually on program results. Each indicator was to be direct (i.e., match the result), one-dimensional, operational, objective, illustrate the full scale of the problem, be sensitive to change from year to year, and susceptible to disaggregation (and by gender, race, ethnicity…)"[95]

Similarly, European funders request answers "to absurd value for money questions in which institutions are considered as if they were motor vehicles, e.g., 'What evidence exists of the relative costs, effectiveness, efficiency, impact and quality demonstrated by civil society organizations, in comparison to the UN or profit-making organizations?'"[96]

The faith in quantification and rational policy formation has been reinforced by government and a growing number of private funders wary of the uncertainty and risk that is inherent in development work. If we had only planned better, that surprise could have been avoided and if

[94] Rosalind Eyben, "The political and ideological context of assessing and reporting on making a difference in development" IDS Concept Note May 2010.
[95] Natsios, Ibid, pg 37.
[96] Rosalind Eyben, Ibid.

we could keep track of exactly what was delivered, we would be certain of the impact. The resulting control and compliance function within donor agencies has overridden recognized development practice.[97]

One can hardly dispute the virtues of planning ahead and being accountable, but there are two perverse impacts from the growing time and effort spent on vast planning, increasingly formulaic standards, logical frameworks and guidelines and numerous detailed indicators.

First, the greater that investment in the design and its detail, the more difficult and time-consuming it is to make adjustments and the greater the resistance to altering plans. Any adaptations or adjustments that might invalidate or require developing new metrics are to be assiduously avoided, and yet the edifice constructed is unwieldy or unworkable.[98]

Second, ignoring the caution attributed to Albert Einstein that "Not everything that can be counted counts, and not everything that counts can be counted."[99] Project implementers seek outcomes consistent with highly quantified metrics instead of assessing what the project has done on what really matters to "strengthen the capacities of conservation agencies, communities and programme managers to experiment, learn and make effective decisions within the constraints of the context in which they work." [100]

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[97] A similar process is underway with multilateral funders, including the World Bank with its "blueprint" appraisal approach which was described in the 20 year evaluation as inappropriate and characterized by its "rigidity, lack of flexibility and perhaps later slavish adherence to questionable objectives and design." Operations Evaluation Department, World Bank Experience with Rural Development 1965-1986 Report 6883, World Bank 1987, Pg 76.

[98] The World Bank 20 year review of rural development found that, "integrated rural development [projects] (that is, a multicomponent project involving two or more agencies) performed so poorly as to raise questions about the utility of that approach in many situations. The warning…that these area projects might suffer from a design that is too ambitious and complex, require exceptional leadership and cannot always be supported on a sustained basis, has proved all too true in many cases." Operations Evaluation Department, Ibid, pg viii.

[99] Widely attributed to Albert Einstein although the probable source is sociologist William Bruce Cameron.

[100] David Hulme and Marshall Murphree, "Community Conservation as Policy: Promise and Performance" in Hulme and Murphree, ed. African Wildlife and Livelihoods 2001 pg293

The problem with detailed measures is that they "ignore a central principle of development theory—that those development programs that are most precisely and easily measured are the least transformational, and those that are most transformational are the least measurable." [101] Increasingly, projects are designed to produce results and use metrics that are easily quantified rather than the ones that are most important: building local self-sustaining institutions, governance activities like policy dialogue and institutional reform which is "less visible, harder to measure and much slower to demonstrate success."[102]

Natsios reflects the frustrations of many working within a system where good intentions seem to have metastasized, but reforming the aid system will need to be accompanied by a less impassioned, more targeted analysis of the problem because "powerful incentives are built into structures over which a development agency has little control ... [for example] the budgetary process creates the powerful incentive to 'move the money' that haunts all bureaucracies". [103] The Samaritan's Dilemma is a highly unusual, nuanced analysis of the institutional and incentive challenges within the aid system and will be an excellent foundation for the Alliance to seek reform. It concludes, "The practice of development assistance is very difficult. It is comprised of complex relationships between many different actors, each possessing difference preferences and varying levels of information and resources. It is often directed to areas with the most intractable problems. And, it is haunted by perverse incentives at every turn."[104]

Conclusion

> "If anything, virtually the entire development literature agrees that successful aid programs must be designed around local conditions, circumstances, culture and leadership (Bill Easterly and Jeffery Sachs, two polar extremes in the

[101] Natsios Ibid pg 4.
[102] Natsios Ibid 5, 10
[103] Clark Gibson, et.al. The Samaritan's Dilemma: The Political Economy of Development Aid, Oxford Press, 2005. pg224
[104] Clark Gibson, Ibid pg 234

development debate, both agree on this).[105] This requires a highly decentralized approach to development in which the authority to make policy decisions is made in-country, not in aid agency headquarters" [106]

Even with the developing sharp framing of the Alliance objectives and carefully applying the lessons from IFRI, ACSC and past ICDPs, the Alliance, like many programs in the field, is likely to struggle unless its work on the ground and in developing country capitals is accompanied by a frank dialogue with the funding community about the stifling impact of overly rigid program designs and long-distance micromanagement of a highly fluid and inevitably opaque process. This is an area where CARE and WWF in an Alliance might have an impact and the clout to convene a dialogue not otherwise possible by either alone.[107]

8. Final Thoughts

"Do not try to do too much with your own hands. Better that they do it tolerably than that you do perfectly. It is their war, and you are there to help them, not to win it for them."

T. E. Lawrence, 1917

As the Alliance comes into sharper relief it has to contend with a number of challenges--one of the largest involves expectations. When the ICDP and CBNRM concepts were first being developed, its proponents were candid about their experimental nature. But those cautions were quickly lost amid the flow of funding drawn to the possibility of addressing two major global problems simultaneously. The attraction of the win-win paradigm created unrealistic

[105] William Easterly, The White Man's Burden: why the west's efforts to aid the rest have done so much ill and so little good, Penguin Press 2006; Jeffery Sachs, The End of Poverty: economic possibilities for our time, Penguin Press, 2005

[106] Natsios pg 47

[107] In late 2010 a group of European development practitioners formed themselves into The Big Push Forward network to identify and share strategies for encouraging funders and implementers to experiment with and adopt additional approaches to impact assessment and reporting of international aid programmes and projects. Indicative of a widening concern, it is unclear whether this effort will have an impact absent engagement and leadership from some significant institutions such as WWF and CARE.

expectations that resulted in categorical declarations of failure when the outcomes were uneven or unclear. This has been countered with shining examples of success from places such as Namibia, Bhutan or Fiji. But this 'seduction of anomalies' can also be misleading. These successes may be the result of an unusual combination of high-value natural resources and low human population, or particularly intact communities and cultural systems. Such unusual conditions may be hard to replicate. Where does that leave the Alliance?

The imperative for action in the face of continued poverty and ecological depletion grows and the Alliance has the opportunity to build on a substantial body of past experience. This report seeks to highlight some of the key insights from past thinking and many lessons well and painfully learned. Four especially stand out:

(1) In the field the Alliance should focus on larger landscapes with a constellation of mutually supporting activities which may include rare and endangered wild nature and domesticated agro-diversity, but will be anchored in natural resource systems upon which communities rely for their livelihoods.

(2) The Alliance should join CARE's focus on negotiated development with a new WWF focus on 'negotiated conservation' through engagement with society, understanding the needs for trade-offs involving some deeply held values and continual adjustments in implementation.

(3) Field-based activities need to be 'vertically integrated' with policy interventions that address national and higher-level institutions. To do this effectively the Alliance needs to create policy capacity, which is presently lacking, at the country level.

(4) Negotiated development and conservation requires an interactive process of learning and adjustment during implementation. To make this possible, the Alliance needs to launch a dialogue with donor institutions about how, while still addressing their need for accountability, we can move toward a process where goals are established but the

implementing partners have greater space and flexibility to figure out what it takes to achieve those goals.

At the end of the day, the complex engagement with long intractable social and environmental challenges is ill-served by simplistic binary categories and judgments. In many respects the pioneering ICDP efforts have made a significant difference in people's lives and in securing threatened natural resources. But it is also possible that on occasion they may have unintentionally compounded existing social inequalities, or were simply unable to fundamentally alter the situation on the ground despite the best efforts of numerous committed individuals and institutions. In a recent publication[108] the economist Charles Kenny acknowledges that in many places income disparities have grown, and that economic growth in Africa, while the most rapid in the continent's history, has not matched that of Asia. But he stresses that we should not lose sight of the fact that the quality of life, health and education have improved dramatically over the same period. Social transformation, which will be necessary to alter current patterns of poverty and environmental deterioration, is complex and results will be uneven. Working together through the Alliance, CARE and WWF will not solve all problems, but we are optimistic that together we can develop a pro-poor, pro-planet approach that will lead to real sustained progress in the quality of life of some of the world's most disadvantaged people while also securing a healthier environment.

[108] Charles Kenny, Getting Better: Why Development Is Succeeding & How We Can Improve The World Even More, Basic Books, 2011

Annex 1

Table 9.1 **A typology of pro-poor conservation (updated from HED, 2003; Roe & Elliott, 2006).**

	Approach	Description	Examples
Overarching objective moves from conservation to poverty reduction	Poverty reduction as a tool for conservation.	Recognition that poverty is a constraint to conservation and needs to be addressed in order to deliver on conservation objectives.	Alternative income-generating projects; many integrated conservation and development projects; many community-based conservation approaches.
	Conservation that 'does no harm' to poor people.	Recognition that conservation can have negative impacts on the poor and that compensation is required where these occur and/or to mitigate their effects.	Social impact assessments prior to protected area designation; compensation for wildlife damage; provision of *locally acceptable* alternatives or compensation when access to resources lost or reduced.
	Conservation that generates benefits for poor people.	Conservation still seen as the overall objective, but designed so that benefits for poor people are generated.	Revenue-sharing schemes around protected areas; employment of local people in conservation jobs; community conserved areas.
	Conservation as a tool for poverty reduction.	Poverty reduction and social justice issues are the overall objectives. Conservation is seen as a tool to deliver on these objectives.	Conservation of medicinal plants for healthcare, wild species as food supplies, sacred groves; pro-poor wildlife tourism.

Annex 2. IFRI Subsystem Variables[109]

IFRI's research points to the need to identify and understand 10 "subsystem variables that affect the likelihood of self-organization" (Ostrom 2009, 419). The likelihood of a community of users self-mobilizing to manage a commonly-held resource serves as an important diagnostic for integrated conservation and development projects (ICDPs) because it offers insights into likely constraints and facilitating factors for sustainable processes and outcomes. "In complex social and ecological systems (SES), subsystems such as a resource system (e.g., a coastal fishery), resource units (lobsters), users (fishers) and governance systems (organizations and rules that govern fishing on that coast) are relatively independent but interact to produce outcomes at the SES level, which in turn feed back to affect these subsystems and their components, as well as other larger or smaller SESes." (*Ibid.*)

Of the 10 vital subsystem variables, three fall under resource systems like forests or estuaries. Those three sub-variables are the size of the resource system, productivity of a system and predictability of system dynamics.[110] First, large geographic areas tend to create high transaction costs, whereas small territories don't generate sufficient flow of benefits; as such, "moderate territorial size is most conducive to self-organization" (*ibid* 420). Second, current productivity has a curvilinear effect on self-organization: in order to ensure significant motivation to organize a new resource management system, "users need to observe some scarcity"— but the ecological system cannot yet have been exhausted *(ibid).* Third, some predictability of system dynamics is necessary for users to perceive the incentives of managing it. That said, less predictability at a local scale can facilitate organization at a larger scale that will enhance resource system predictability. (*Ibid.)*

[109] This summary of the ten subsystem variables of the IFRI research network has been extracted from Althea Skinner, "Reviewing Lessons Learned from Integrated Conservation and Development Projects: Recommendations for CARE-WWF Alliance Programming" unpublished report, 5/4/2011. Endnotes in this annex have been numbered as they were in the original paper.

110 Ostrom and colleagues identified more than 10 subvariables; I renumbered them for the simpler Alliance diagnostic analysis. For example, Ostrom's other RS subvariables include important characteristics such as sector, location and human constructed facilities (2007, 15181).

Only one of the vital subsystem variables—resource unit mobility—that the Alliance should analyze falls into the category of resource units, such as a wildlife species or the amount and flow of water.[111] Case IFRI studies across many scales and countries suggest that communities are more likely to self-organize for the management of stationary resources as compared to mobilize resources, i.e., forest or lake over river management. (*Ibid.)*

Fully half of the subsystem variables that predict community mobilization relate to the characteristics of the users who depend on the resource system "for sustenance, recreation or commercial purposes." (*ibid)* Those five sub-variables are the number of users, leadership, norms and social capital, knowledge of the social and ecological systems and importance of the resource to users.[112] First, although larger groups tend to have more transaction costs, the effect of group size depends largely on other social and ecological variables, such as the kind of management tasks delegated to groups and their members. Second, self-organization is facilitated by the presence of some respected local user-leaders who possess entrepreneurial skills and were previously employed toward some other end. Third, users "who share moral and ethical standards regarding how to behave in groups they form, and thus the norms of reciprocity, and have sufficient trust in one another to keep agreements will face lower transaction costs" in crafting and enforcing a more sustainable governance system (*ibid*, 421). Fourth, "when users share common knowledge of relevant social and ecological attributes, how their actions affect each other, and rules used in other social and ecological systems, they will perceive lower costs of organizing *(ibid)."* Fifth, success is more likely when users are "dependent on the resource system for a substantial portion of their livelihoods or attach high value to the sustainability of the resource *(ibid)."*

One final subsystem variable—collective choice rules—that characterizes the governance system is relevant for preliminary Alliance analysis. A governance system encompasses not only the government and other institutions that manage the resource system, but also the rules for its

[111] Ostrom's other RU subvariables include characteristics from growth or replacement rate to economic value per RU (15181).

[112] Ostrom (2007) identifies additional subvariables including U socioeconomic attributes and historical use (15181).

management and how they were made (*ibid,* 420).[113] Collective-choice rules devised by users minimize transaction costs for both their creation and enforcement. But "long-term sustainability depends on rules matching the attributes of the resource system, resource units and users". (*ibid,* 421) In the multiple illustrative cases regarding forests, rules' efficacy over the long-run "depend on users' willingness [and ability] to monitor one another's harvesting practices (*ibid* 422)."

[113] Ostrom (2007) highlights other GS-constituent characteristics ranging from network structures and monitoring and sanctioning processes to property-rights systems and constitutional rules (15181).

Annex 3: Trade-offs and ACSC[114]

> "The conservation of biodiversity in contexts characterized by poverty, inequality, and weak or nonexistent institutions is a *wicked problem.* To call a problem wicked signifies that there is no definitive way to formulate the problem, and thus there can be no singular solution that takes into account the variety of interests, perspectives and uncertainties involved. Any formulation of the problem—and subsequent design of strategies and solutions—requires making assumptions that are both difficult and controversial. In dealing with wicked problems, scientists, policymakers and practitioners, and those who fund them, must traverse a fine line between the paralysis that can sometimes result from full recognition of a problem's wickedness, and an overly narrow—and sometimes counterproductive- solution that can come from oversimplifying the analysis." (Pg 45)

> Key Factor 1: Institutions play a significant role in shaping the perceptions of conservation and development trade-offs and how they are acted upon.

Institutions are essential for effective management of ecosystems. They define the 'rules of the game' and regulate behavior hence we must understand them and create new ones when they are missing.[115] It is also highly unlikely that there is a single institution in any setting that plays all the critical roles, so understanding the complexity of the institutional landscape is important.

ACSC noted two recent institutional trends: one toward downward devolution, the other upward promoted by increasing global environmental priorities, such as REDD. Neither is *apriori* the most effective approach. There is little evidence that communities are always the best at protecting the environment (this caution about resource capture by entrenched local elites is

[114] This is a summary of a more extensive analysis and all quotes are from "Advancing Conservation in a Social Context: Working in a World of Trade-offs" a draft report to the John D. and Catherine T. MacArthur Foundation, (unpublished) 2010. pg 12-49. the page number for quotes is noted in the text.

[115] A cautionary note on creating new institutions: there is a history of external funders frustrated by existing but ineffective institutions, simply creating new ones. The result is often a multiplicity of overlapping and competing institutions all equally underfunded and ineffective.

shared by CARE's governance working group) but experience has also demonstrated the weakness of top-down mandates. The goal of project design is to establish the best mix of institutions at different levels for each situation.

ACSC identifies four key institutional attributes of successful conservation governance of natural resources:

- Authority, ability, and willingness to restrict access and use
- Wherewithal to offer incentives to use resources sustainably or not at all (including the need for compensation)
- Technical capacity to monitor ecological and social conditions
- Managerial flexibility to alter the array of incentives and rules of access in order to cope with changes in condition of the resource or its users

Key Factor 2: An effective process of trade-off decision-making requires sound environmental governance (including regulatory processes, mechanisms and institutions)

The four key elements of environmental governance and its ultimate effectiveness are:

- Representation: who participates, and do all stakeholders have a seat at the table
- Legitimacy of the representation: to whom are the stakeholders accountable and the legitimacy of the process itself
- Capacity, as reflected in the ability of an institution to respond effectively to its constituency
- Institutional function (interaction): not how any one institution performs or how one set of actors interacts, but rather how they interact and perform as a whole in relation to each other

Key Factor 3: Indirect and hidden power relations influence trade-off decisions

ACSC defines power as the ability to influence the outcome of events by having a role in the making and implementation of decisions about natural resources. Conservation decisions are political and have many dimensions beyond the obvious final decision about particular resources. For example, as discussed under framing the Alliance goals, deciding whether a threatened species or a depleted livelihood resource will be the project focus is an exercise in power that influences all future options for action.

Simply involving multiple actors seems the appropriate response to ensure all stakeholders have a voice, but ACSC cautions that in most settings those with power and influence, who already dominate decision-making, are likely to be most effective even with a greater number of voices. The poor and marginalized (who are apt to bear the costs of resource limitations) are likely to remain so without checks and balances and explicit support for disadvantaged interest groups from the Alliance.

> Key Factor 4: Critical temporal events shape the policy discourse and decisions about trade-offs within conservation, and between conservation and other social groups.

ACSC identified the role of global events far removed in time and space to change the terms of the debate which can subsequently impact natural resource decisions on the ground. Equally important, such global events shape the direction of funding agencies, for better or worse. For example, the 1982 World Park Congress in Bali set the stage for the transition from an American model of national parks to a new more community-sensitive concept, ICDPs. However, quite often norms set at a global level reflect international perspectives with unpredictable and sometimes harmful consequences at the local level.

> Key Factor 5: The hegemonic use of language can distort how trade-offs are framed.

ACSC found that trade-offs and negotiations have struggled with differences in language, values and logic. For example, even the English term ‘trade-off’ has no word with an equivalent meaning in either Spanish or Vietnamese. Apparent similarities in language could mask fundamental differences in motivation and values and ultimately acceptable solutions.

> Key factor 6: The spatial and temporal scales over which conservation and development benefits are realized—as an outcome of trade-offs—are rarely commensurate with the scales over which costs are borne.

"Trade-offs imply that all decisions, and subsequent actions or investments, have real-, short-, medium- and long-term costs and benefits … these costs and benefits are borne by different people over different spatial and temporal scales." (Pg 30)

Any particular conservation action has benefits and costs at both the global, national and local scales, but there is often a gap between a set of actions that meet the global public interest and those that meet local or national interests. ACSC suggests one key challenge is to identify those areas where global and local interests are *most divergent* and find a mechanism to increase the incentives for local decision-makers to take those interests into account. This counter-intuitive recommendation reflects the reality that when these interests are aligned, external intervention isn't needed; the challenge comes when the interests are not aligned. ACSC acknowledges that accessing true social value and costs (which may be quite different from market costs) and then balancing them is a daunting task.

> Key Factor 7: Appropriate tools, methods and approaches that measure and navigate trade-offs are necessary but generally lacking.

Various approaches exist to try to understand and resolve trade-offs, but identification of which ones are most relevant to any situation is a challenge. Simply assigning monetary value is all too common but can be problematic, ignoring a wide range of natural resource values within any culture and community. However, tools, mechanisms and approaches that make values, power and decision-making processes explicit are missing.

> Key Factor 8: Bridging the information divide between science, policy and practice would improve trade-off decisions.

In addition to the divergence between global values and local livelihood concerns, scientists, policymakers and practitioners approach resolution of conservation and development trade-offs differently in approach and in what is an acceptable outcome.

"Scientists construct theories, test hypotheses and refine conceptual models over time … Policymakers … are not moved primarily by theory or empirical data. They are driven by political, economic and social forces that reflect the society in which they live. For the practitioner, policy determines how much they have to work with and science can provide guidance on how to use limited resources wisely [but] much of the knowledge that informs practice is empirical … practitioners learn by doing." (p. 42)

Given the complexity of the conservation and livelihood challenge itself, these differences within conservation organizations between scientists, policy-oriented staff and practitioners can make it extremely difficult to design a coherent strategy.

Key Factor 9: Shared integrative thinking is required for informed decisions and actions.

The ACSC suggests that we need to move away from ICDP (*integrated* conservation and development) with its assumption that a comprehensive set of policies and solutions can "simultaneously address multiple values from multiple perspectives." (p. 46) and shift to *integrative* approaches that recognize that "any problem formulation—and therefore any solution—is inevitably partial."

Annex 4: Lessons from ICDPs[116]

> "This study looks at new approaches to protected area management that are attempting to address the needs of nearby communities by emphasizing local participation and combining conservation with development. We have coined the term 'integrated conservation-development projects' to refer to projects that use these approaches."[117]

There is an aspect of the ICDP experience so obvious it is rarely commented upon, yet it has significant implications for the Alliance. The People and Parks report notes that ICDPs are "new approaches to protected area management" and the first two lessons of the WWF review states that ICDPs are "an essential conservation tool" (p. 13) which should "start with biodiversity objectives." [118] This report argues that if the targeted biodiversity is too narrow it will provide limited opportunities to sustain an Alliance between CARE and WWF. While maintaining the focus for many of its own solo projects, for the Alliance WWF needs to broaden its objectives to embrace livelihood natural resources goals beyond those just linked to biodiversity, narrowly defined, and parks as a strategy. It is an approach 'beyond ICDPs'. But even with that recommendation, the ICDP experience provides valuable insights for the Alliance.

The 1992 ICDP Review:

Coming only seven years after the first ICDPs, the People and Parks: Linking Protected Area Management with Local Communities[119] review of 23 pioneering projects identified a number of issues that would persist or arise again during the decades that followed. Key findings from People and Parks are:

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[116] There is a vast literature dealing with various aspects for ICDPs from multiple perspectives. This summary relies primarily on three sources. Michael Wells and Katrina Brandon, Ibid; Thomas McShane and Michael Wells, Ibid 2004 and Patricia Larson, Mark Freudenberger and Barbara Wycoff-Baird, WWF Integrated Conservation and Development Projects: Ten Lessons from the Field 1985-1996, WWF 1998.

[117] Michael Wells and Katrina Brandon, Ibid pg 1

[118] Patricia Larson, Inid, pg 15

[119] Michael Wells and Brandon, Ibid

(1) ICDPs needed to be implemented in a broader context than simply protected area management and many of the key threats were from distant sources. Many lacked a serious political commitment from local and national government authorities. Legislation, especially dealing with land outside protected areas, was missing and ICDP plans were not compatible with regional development plans. ICDP approaches fell outside the capacity or authority or inclination of the agencies involved.

(2) Most ICDPs were experimental, operating on a scale considerably smaller than the immediate problems they were trying to address, requiring replication to have major impact. This rarely occurred given lack of capacity of the implementing agencies, especially when they were NGOs focused on the design of model projects.

(3) "One of the clearest lessons … is that implementation of the next generation of ICDP initiatives … needs to involve significantly larger collaboration among governments, conservation groups, development nongovernmental organizations, development organizations and aid agencies." (p. 63) ICDPs need to fit into a larger development framework, which requires government commitment and engagement (and many resource agencies require strengthening to fulfill this role).

(4) Noting that ICDPs are complex, time-consuming and expensive, better initial site selection is needed; and given the focus of ICDPs on protected areas, the study recommended areas that had relatively low or stable human populations that practiced traditional or appropriate technologies for resource extraction, where protected areas are relatively well-managed, local leaders and central government are willing to engage and it is possible to engage others as partners.

(5) Acknowledging the challenges, Wells and Brandon stressed that for sustainability, participation was needed in decision-making, in problem identification and design, implementation and monitoring. The goal is to see "local development as a process rather than a product."

(6) Experience has shown that rapid scaling up of complex projects often overwhelms the absorptive capacity in the implementing organizations. Despite this caution, more funding is needed but over time and slowly scaling up.

(7) Finally, the People and Parks study identified a number of weaknesses in project design, including an inadequate understanding of the socioeconomic context. Many ICDPs were vague about how specific activities would increase security of the protected area or how provision of public services, like schools, was tied to conservation. They did not identify viable alternatives to existing resource extraction practices nor were they able to generate sufficient benefits flows (or those that were, were uneven or narrowly distributed).

The 1998 ICDP Review:

The WWF-US Ten Lessons publication[120] looked beyond the first generation ICDPs of the late 1980s and focused on those begun over the first half of the 1990s. Although still built with protected areas at the center, these second generation projects focused more on land outside protected areas, looked at communities more as resource managers with rights and hence were more community-driven and focused on improving community skills in resource management and planning (p. 3). The projects' review included a wider mix in terms of scale and complexity. The document identified ten lessons to guide a third generation of ICDPs based on a number of recommendations which echo those of the People and Parks study.

(1) ICDPs are essential conservation tools, especially where there are significant human pressures on natural resources, but significant improvements in design are needed. Some of these include identifying national and local institutions with whom to collaborate; jointly assessing ecological, as well as macro-economic factors; and analyzing incentives and disincentives to impact resource behaviors.

(2) Start with detailed and measurable biodiversity conservation goals and link socioeconomic activities to conservation objectives.

[120] Patricia Larson et. al. Ibid. pages of direct quotes are in text.

(3) Establish a conservation agenda that balances diverse and often conflicting interests. This may involve "negotiating and brokering conservation agendas that are realistic rather than ideal." (pg 19).

(4) Work in strategic partnerships and act more as facilitators than implementers. "A challenge for NGOs in developing countries is to move beyond patron-client relationships, based on control of funds, to partnerships based on recognition of reciprocal needs and obligations." (pg 21).

(5) External factors need to be addressed, as success or failure often hinges on international and national polices and laws outside the project area.

(6) To produce lasting conservation impacts, ICDPs should be supported for 10-20 years. This allows time to build local capacity, alter policies, obtain diversified funding and provide non-financial assistance.

(7) A recurring theme of the review is a need to replace anecdotal accounts of results with hard data from effective monitoring systems.

(8) Spend much more time and resources gaining a thorough understanding of local ecological, socioeconomic, institutional and historical contexts and local perspectives and incorporate it all into the design and program.

(9) Clarify rights and responsibilities and "this usually means helping local governments and especially local communities gain more control over local resource management, participate effectively in natural resource decision-making and strengthen their capacity to do so." (pg 35).

(10) Economic benefits need to be generated for local people. "Because they are often headed by women and dependent on small-scale agriculture and wild resources, poor rural households invest a majority of their time and resources securing their livelihoods

and meeting basic needs. Rural households are unlikely to invest in new conservation and sustainable resource management activities if they do not see how these activities enhance their livelihood." (pg 40). Conservation organizations need to increase their capacity to understand economics, practical business management and how to facilitate partnerships with private-sector firms.

The 2004 ICDP Review:

Five years after the 10 Lessons paper, WWF-International, which had been implementing seven ICDPs with funding from the Netherlands Development Agency, convened a workshop of practitioners, scientists and other experts to look again at progress and performance. Like earlier reviews it is focused on "protected areas and their neighbors." The recommendations for the future, published by Columbia University Press in 2004, Getting Biodiversity Projects to Work: Toward More Effective Conservation and Development, [121] have been drawn upon heavily in this report. The workshop:

(1) Recognized that the root causes of threats to any protected area often originate far from its borders. Site-specific actions were needed but should be nested in broader strategies and more eco-friendly forms of economic development.

(2) Stressed the need for adaptive management approaches that merged planning with both implementation and monitoring as part of a constantly rotating project cycle, not as three distinct phases.

(3) Found that the multiple ambitions of ICDPs, and the desire to be everything for all people, led to lack of clarity in the targets. Implementing agencies seeking to balance or integrate conservation with local development were not neutral but actually represented a vested interest in the conservation outcome. For successful trade-offs to be negotiated, there needs to be broader engagement with stakeholders able to effectively represent a wider range of interests.

[121] Thomas McShane and Michael Wells, Ibid, 409-418

(4) Found that both the physical and temporal scale of programs needed to be increased to allow for more opportunities to resolve conflicts over resources.

(5) Acknowledged that early ICDP assumptions about the ability of protected areas to provide alternative opportunities allowing local communities to shift to less destructive activities had been hard to make work in practice. However, conservation concessions or contracting, which were then coming into fashion, were not a viable alternative given the legal and institutional weakness, lack of clear tenure and limited enforcement in most developing countries.

(6) Found that identifying an effective way to engage local stakeholders was a universal challenge. One approach identified was bringing together 'local consultative bodies' which need to be provided with the *appropriate* scale of resources for effective operation. With the institutional capacity-building this entails, without capable local representation it will be difficult to realize any vision of effective co-management.

The report concludes, "Perhaps most critical, ICDPs cannot act in isolation. They must seek effective partnerships to address these issues; approaches must be a 'vertically integrated' mix of site-based programs, policy initiatives, and campaign action." (p. 418)

Conclusion: There are a number of interesting similarities in these three reviews undertaken, coincidently, at about five-year intervals. Each deals with the need for more clarity in goals or framing, deeper analysis of the socio-economic situation and looking at root causes and national (or international) policy, not just the situation on the ground. But only the most recent review began to ask why many of the same patterns or weaknesses have persisted over 20 years. Even the most recent review, Getting Biodiversity Projects to Work, only obliquely mentions the role of funder conditions and the resulting adoption of these conditions as standard practice by the implementing organizations as itself a root cause of why so many insights have not been put into effect to change practice.

Annex 5 [122]

Lessons About the Political Nature of Poverty and Social Change

Much that is new for CARE to learn about governance is related to the political nature of poverty.

(1) ***Social transformation is political***. Ending poverty will require that societies mobilize resources in ways that provide opportunities to more people. These are political decisions.

(2) ***Underlying causes of poverty often involve institutionalized patterns of discrimination and domination.*** These may be visible or invisible, both to the people in power and those who are excluded. They frequently involve extremely sensitive issues.

(3) ***Governance is context-specific.*** Governance deals with the use of power in relationships. Outcomes depend on combinations of many variables that come together at unrepeatable historical moments. Lessons and methods are not necessarily transferable from one context to another. Furthermore, in every context, things can get worse, as well as better. Tragedies of history are possible. In reference to the importance of the specificity of context, a main concern is with failing formal state institutions, and the importance of a good analysis to inform any kind of strategizing. Analytical work can also be about failing traditional and social institutions at the local level.

(4) ***Rights may be morally universal and legally declared, but in practice they must be won, and fulfilled, little by little in each specific context.*** Rulers that can behave arbitrarily - those who are not seriously constrained by laws and institutions - rarely give up power unless forced by circumstance to do so. A governance challenge is to have the capacity to identify moments of crisis (for the rulers) when change may be possible. A practical implication for CARE could therefore be to adopt a more actor-oriented perspective on rights.

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[122] Governance Working Group "Toward an Understanding of Governance" CARE Paper #2 (unpublished). January 24, 2004. Endnotes in this Annex have been numbered as they are in the original paper.

(5) ***Patrimonial rule is the institutional basis of political disorder in much of Africa.*** Under this system, politics often involves a struggle for control of resources, which are made available to clientelist factions in an effort to retain their loyalty. [19]

- Under patrimonial rule, ***security*** (of civil rights, property rights and livelihoods) ***is likely to be the highest priority of the poor.***
- ***Unifying ideologies such as nationalism or religion tend to undermine patrimonial authority.*** Supporting such ideologies may sometimes be useful.
- Assumptions about civil society and governance that are based on experiences in societies that operate by Rule of Law may need to be modified to fit the realities of Personalistic Rule.

6) ***Decentralization is not always good.*** Decentralization is a clear opportunity for empowering marginalized stakeholders, and strengthening their relationship with local authorities. However, decentralization also provides opportunities for local elites to expand power, consolidating patterns of domination and exclusion. Conflict between local people may actually increase with decentralization. Sometimes state centralization is useful in limiting the power of local elites.[20]

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[19] Under Personal Rule systems, when the institutional façade is ripped away, one sees a system of patron-client relationships that operate by a clear economic logic. Political parties and the state tend to be organized around networks of patron-client relationships rather than institutions or laws. The social contract between political patrons and clients must be constantly renewed through exchange of gifts, services and other considerations. Political leaders are expected to exploit their office to enrich their followers. Public institutions are progressively "hollowed out" as the culture of Personalistic Rule siphons resources, weakening their capacity. Intra-elite alliances tend to endure, while the public absorbs the cost of the collapse of public institutions.

[20] See also, Decentralisation and Poverty Reduction in Africa: The Politics of Local-Central Relations, R C Crook, Public Administration and Development, vol. 23, pp.77-88 (2003) - http://www.grc-exchange.org/docs/PO41.pdf. This concludes that decentralisation is most Likely to reduce poverty where it is designed by a central government that aims to challenge local elites and has a strong commitment to pro-poor policies. In most countries in sub-Saharan Africa, this will only happen if: Central ruling authorities cease to rely on patronage to influence and gain support from local power groups; Sufficient trust is built up between central and local governments to justify pushing funds down through decentralized structures; Regimes abstain from using decentralisation schemes as a means of fragmenting and weakening sub-national, regional or ethnic political rivals; Real efforts are made to strengthen and broaden accountability mechanisms at all levels of government.

7) ***Involving the non-poor can enhance the success of some strategies to eliminate poverty.*** Not all elites are the same or share the same interests. Political fissures at the national level sometimes create divisions among local elites, opening spaces for the poor to form alliances with local elites around specific issues.[21] There are many governance issues (like expanding property rights) in which the interests of some elites and the middle class overlap with those of the poor. When issues are framed so that both the poor and non-poor will benefit from the outcomes, it is often possible to make rapid advances. For example, in industrialized nations, the political will to construct urban water and sanitation infrastructure existed because the interests of the rich and the poor coincided.

Implications

- A challenge for good governance is to define problems in such a way that the interests of the poor and the non-poor coincide.
- Working with the non-poor may seem to be a counter-intuitive proposal for an organization like CARE that is used to working with the poorest of the poor, but it may be a valid strategy.[22]

8) ***Private sector policies influence livelihoods in critical ways*** (generating employment and providing services). In several cases, working with and influencing private sector

[21] The GO-INTERFISH case study from Bangladesh makes this point very well (see http://www.careintemational.org.uk/resource_centre/other/rights_and_responsibilities_newsletter.htm).

[22] In the Niger study (2001), Chirot recommended that CARE connect some of its activities to civic minded organizations among the non-poor. He argued that: *"As the urban elites tend to be particularly devout Muslims, it should be possible to enlist their help in creating institutions to help the urban and rural poor, to promote greater literacy, and to promote the rule of law. They are likely to feel an obligation to the poor and to see the rule of law as a means of protecting their own property rights. Involving them in aid efforts will reassure them that the growth of civil society will not threaten them, and show that outside aid organizations recognize their importance for Niger's future. They are also likely to be important sources of information and ideas about how to promote economic development. They are likely to have the resources to make civil society institutions survive on their own, and also to have the political influence to push for reforms in education and the establishment of a stronger justice system. Finally, it is among such people that it is vital to promote more liberal and open Islamic views."*

agencies was a useful strategy. In general, CARE projects have only weakly engaged with the private sector to shape their influence on HLS issues.

Draft Tools for Contextual Analysis

The following two sections contain a draft framework that country office staff can use to conduct contextual analysis and select governance interventions.

Framework Outline for Contextual Analysis

CARE International's vision statement acknowledges that poverty is the result of how power is used in relationships, resulting in patterns of inclusion and exclusion. Transforming relationships is an inherently political process. CARE must have the capacity to successfully analyze power dynamics in stakeholder relationships in order to make informed choices about how to structure its programs. The following framework is a first cut at what this might entail. It is presented for discussion purposes.

Conduct the analysis around a specific issue. The more concrete the context, the more meaningful the analysis.

The first portion of this is to create a snapshot of power and authority.

Institutional forms

Purpose: To identify principal institutions, and describe their main features.

These are "ideal types".[31] Compare them to your situation. To what degree do elements of each of these institutional models apply in your context?

- Patrimonial Rule - A system that is weakly institutionalized and highly personalistic. Decision makers are weakly constrained by formal rules. In extreme cases, decision makers are free to behave arbitrarily. The system is organized around networks of patron-

[31] An "ideal type" is a case derived from many cases. It is a hypothetical point of comparison.

client loyalty relationships. Office holders tend to exploit their positions for private benefits. The systems are characterized by corruption and factionalism. In a system of patrimonial (i.e., personalistic or 'big man' rule), governments tend to produce divisible, private goods and services. The political game is largely about extracting favors or special considerations.

- Institutional Rule of Law - A system in which authority is highly institutionalized. Decision makers are highly constrained by formal rules. In this system, governments produce public goods and services. The political game is mostly about changing public policy.

Are these systems:

- Centralized? Decentralized?
- Sufficient or lacking in terms of institutional capacity?
- Democratic? Authoritarian?
- What are the checks and balances? What constrains the stakeholders?

Stakeholder analysis

Purpose: To identify principal stakeholders, their interests and relative power. A stakeholder is a powerful individual or an identifiable group that acts collectively based on some common interest.

- Who are the key actors relative to your specific issue?
- What are the rights and responsibilities of each key actor in the system?
- Are they identified based upon their wealth, occupation or cultural status (ethnicity, religion, language, clan, etc.)?
- What is the basis of their power (economic, coercive, etc.)?
- What are the motives and objectives of the actors?
- What are the tensions in the system? What are people negotiating (or in conflict) about? (The process of social change is always linked to the process of social negotiation conflict).

- What alliances exit?

Process analysis

Purpose: Up to this point, the product of this analysis is a static snapshot of a particular structure of power and authority. **The purposes of the next phase of this analysis are 1) to visualize processes of social change that may be at work in this system, and 2) to identify possible leverage points that might achieve social change in the system.** The key here is to identify processes that will transform the interests and relative power of stakeholders in this system.

- What causes these relations to change?
- What are the characteristics of the negotiation/conflict resolution process? Is it violent?
- What would it take to and transform the system?
- What are the trends that lead to transformational moments (changing market policies, technology, alliances, crises moments) that will shift the negotiating power of some of these stakeholders?
- To what extent are the change motives exogenous/endogenous?

Annex 6 [123]

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
5. **Identifying Strategic Interventions**
   - **A.** Identifying the potential actions to be taken
   - **B.** Matching intervention options with existing capacity
   - **C.** Choosing final intervention strategies

THE INTERVENTION APROACH

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 of 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

[123] Pamela Stedman-Edwards, "Strategic Environmental Vulnerability Assessment: Frame work Paper". WWF-MPO, January 2006.

Annex 7: Rural Futures Design Matrix[124]

Dimension 1: Define Regions

Regions for a territorial approach to rural development can be defined in several ways. They can be classified in the following four types:

- Municipality for local governance. Municipalities can be effective for the provision of local public goods and services, but are generally too small for the management of successful economic projects. However, when municipalities are large, they can serve as economic units for regional development.
- Ad-hoc association of municipalities in pursuit of particular projects (e.g., watershed management, delivery of a public service).
- Regions as larger administrative units: sub-national governments at the state, department or province level.
- Regions as functional economic units: natural economic unit with shared comparative advantage, diversified employment basin or social capital unit. These regions can be defined functionally through organizations such as a development bank (Banco do Nordeste for agro-industrial development), a cooperative (non-traditional exports in Guatemala) or a processing center (milk production systems in Peru and Brazil). Key to these regions is the links between rural areas and urban centers.

In what follows, we assume there are three administrative levels for territorial development:

- National level and state level, if federal nations
- Regional level: sub-national administrative unit, coalition of municipalities or functional economic unit
- Local level: municipality

[124] Source WWF Macroeconomic for Sustainable Development Program.

Dimension 2: Institutional Transformation of the Region

Element 1: Strengthen and modernize the capacity of local governments. Greater economic capacity: Fiscal and financial (debt capacity) decentralization. Improved administrative capacity and accountability. Capacity for delivering basic services with high quality and efficiency.

Element 2: Strengthen the Capacity of Local Organizations (Social Capital)

Strengthen local civil society and private sector representative organizations.

Element 3: Build Institutions to Plan and Formulate Projects for Regional and Local Development

- Put in place institutions for consultation, coordination and cooperation among public, private and civil society sectors, in particular regional and local development councils.
- Capacity for regional strategic planning: conceptualization and operationalization of a strategic vision for the region, with broad participation of public, civil and private sector agents (regional development agency). Definition of regional and local development projects.
- Capacity of local universities for innovations, training and technical assistance.
- Regional institutions for promotion of the region (chambers of commerce and industry, labeling of products, quality certification, regional image-building [branding house] and advertising).
- Coordination with national programs for infrastructure and promotion of competitiveness.

Dimension 3: Productive Transformation of the Region

Element 1: Regional projects for infrastructure and financial development (state-region contracts)

- Public investments in infrastructure, in particular to link the region to dynamic national and international markets. Industrial parks and other public investments in support of private investment.

- Development of local and regional financial institutions.

Element 2: Promote the competitiveness of the region and local entrepreneurs (region-driven development projects).

- Investments in entrepreneurship training, technical assistance and public business incubators.
- Subsidies to investments that generate local positive externalities (decentralization, clustering) through grants and/or tax exemptions.
- Support to investments in the region's comparative advantages:
    - Promote the 'new agriculture' (local production systems for high-value crops and animal products [milk, cheese], quality, labeling, value added through processing, contracts with supermarkets and agroindustries, food safety for exports).
    - Promote the non-agricultural rural economy: agriculture linkages, decentralization of manufacturing. New services (environmental services, tourism, eco-tourism, retirement) and economics of proximity (commuting, subcontracting).
    - Capitalize on transfers and remittances as sources of financing and investment (capitalization of local financial institutions).

Dimension 4: Social Transformation of the Region

Rural development programs (social and productive expenditures) in support of the social incorporation of the poor.

- Improve the asset position of the rural poor:
    - Access to land: redistributive land reform and subsidies for land purchase.
    - Human capital formation: conditional cash transfer programs for education and health (Progresa in Mexico, Bolsa Escola in Brazil).
    - Social capital formation: promote membership to organizations.

- Combat the reproduction and deepening of social inequalities to ensure broad sharing of the benefits of local/regional development.
- Safety net programs to support risk-taking by the poor.

Dimension 5: Implementation of Territorial Rural Development as a National Strategy: Accountability and Learning

- Auditing and impact analysis for accountability.
- Results-based management for participatory learning and improvement based on monitoring and just-in-time impact analysis.
- Securing continuity beyond the political cycle and initial leadership (Cajamarca, Cuatro Pinos Guatemala): importance of broad social participation in the region and national/international visibility beyond the regional level.

Annex 8: Institutional Learning, Randomized Control Trials, Adaptive Management, Muddling Through (incrementalism) and Natural Experiments

All three reviews of past ICDPs have called for a greater focus on "the integration of design, management and monitoring to systematically test assumptions in order to adapt and learn" and for organizations to become 'learning organizations'.[125] The value of better learning is indisputable, but how does the Alliance create a learning process without falling into the prevailing 'audit culture' or top-down management that is stifling flexibility and causing a shift to activities that can be quantified, and away from more complex aspects of social transformation?

Learning what works and what doesn't is extremely important, but there is a need to distinguish between what the Alliance seeks to accomplish, who learns and why. For example, proponents of adaptive management and incrementalism both agree one cannot know everything during project design. They agree on the need to monitor and adjust as you go along—but how to do that, to what end and who is involved may be quite different. One is evidence-based and the other experience-based; one is participatory and the other expert; one is planned and the other a more guided ad hoc approach; one is about the implementing agency learning for the future, the other is about people in the project learning what doesn't work and experimenting to increase prospects of a successful outcome (rather than learning for the future application somewhere else). Adaptive management strives to be explicitly systematic and scientific, laying out assumptions and then adjusting and testing the outcomes.[126] In arguing for an incremental approach to complex social situations, Lindblom urges strategic analysis as a process of problem simplification and guided "skillfully sequenced trial and error."[127]

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[125] Thomas McShane and Michael Wells, Ibid 410-411

[126] "The foundation of adaptive management is a planned sequence of experimental treatments. You can't just go in, change things, and then evaluate it. Adaptive management is not about 'try it and see,' but about carefully planned experimental evaluation of policies." Bernice Wuethrich, Synopsis of Panarchy: Understanding Transformations in Human and Natural Systems, Island Press 2002, 42

[127] Charles Lindblom, Ibid (1979) 518.

Drawing a distinction between adaptive management and incrementalism (or muddling through) is not to favor one over the other but to be clear that they are different, but necessary, and that one does not substitute for the other.[128]

If not done with care, the structured design of adaptive management can become externally driven command and control that does not allow projects the flexibility and participatory process necessary for social transformation.[129] In addition, it may be difficult to reconcile the requirements of adaptive management with the participatory aspects of negotiated conservation.

But, equally as important, if there is no process for capturing incremental changes and the assumptions behind them, then incrementalism may become simply seat-of-the-pants with no learning that allows replicating success or avoidance of mistakes. One solution to the latter problem is to include an explicit learning element in projects that interacts with, learns *from* but does not direct the process of adaption, and then documents the change as it unfolds. This also acknowledges the reality that even if he or she has the time, the training and skills required of an adaptive manager are often quite different than those required to observe, analyze and document how specific decisions have contributed to different outcomes which could feed into a natural experiment (see below).

The Adbul Latif Jameel Poverty Action Lab at M.I.T., founded by Esther Duflo, a recent winner of a MacArthur 'genius' grant , has received extensive recognition in the popular press, professional circles and from aid agencies, for making learning the central focus of its design of

[128] In a sense Kai Lee seeks to integrate these perspectives as described by Philip Shabecoff in the Foreword of Kai Lee, Ibid viii. " "Such a broad-scale social experiment would appear to be a daunting…task…[but we have tools] one is the 'compass' of physical and social science that can point us in the right direction…the other is the 'gyroscope' of democratic debate, which subjects the answers offered by science to the rough-and-tumble competition of the free market of interests and ideas…"

[129] To cite one example, a "learning portfolio" seeks to bring together different projects to go through the adaptive cycle together for comparative learning but in at least one situation, the local projects began dropping out when required adherence to the experimental design frustrated their desire to altered practices that experience showed were not working. Author's personal experience.

developmental projects.[130] The Poverty Lab subjects social policy ideas to randomized control trials modeled on an approach used for drug safety tests, comparing specific social interventions in some communities with control groups not receiving the intervention.

The development and conservation field can certainly benefit from more empirical evaluation. But the complexity of the constellation of activities recommended for the Alliance presents too many variables to be subjected to randomized trials and the practical problems of identifying a 'control' area are virtually insurmountable. That is not to say that a randomized testing approach might not be applied to some specific interventions within the constellation. Again, the danger is that funders will start favoring activities that can be tested (giving bed nets vs. selling them) and avoiding those that can not (altering policies or empowering women). Finally, the ability to extrapolate from one complex social situation to another requires a certain leap of faith, as Duflo herself candidly acknowledges: "Even to understand what data means, and what data I need, I need to form an intuition about things. And the process is as ad hoc and impressionistic as anybody's". [131]

'Natural experiments' provide one particularly interesting possibility for increasing empirical knowledge while avoiding trying to persuade rural communities to follow a prescribed generic research protocol. Given the difficultly of a controlled experiment of the activities of the Alliance – or most conservation actions – an observational 'natural experiment' might be constructed. One such experiment is now underway in Gabon, testing the possible negative social impacts of protected area establishment, and a second is proposed to look at positive impacts in the Bird's Head Seascape of Indonesia. The Gabon study has assessed the health and welfare of 1,000 households in or near four recently created national parks and in control households outside the influence of the parks. Changes will be tracked at regular intervals over the next ten years to understand the effects of protected areas on household welfare.[132] The

[130] Nicholas Kristof, "Getting Smart on AID" NY Times, 5/19/2011; Ian Parker, "The Poverty Lab" New Yorker, May 17, 2010, Abhijit Banerjee and Ether Duflo, Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty, Public Affairs, 2011
[131] Ian Parker, Ibid, 89
[132] David Wilkie, et.al. "Parks and People: Assessing the Human Welfare Effects of establishing Protected Areas for Biodiversity Conservation" Conservation Biology, 20 (1) 2006 247-249.

second natural experiment proposed will look at the ability of marine protected areas (MPAs) to maintain ecological integrity and deliver positive social outcomes. Community health will be monitored in six MPAs with corresponding non-MPA control sites assessing food security, illness, infant/child mortality and psychological well-being.[133]

Given the innovative aspirations of the Alliance, learning must be an essential element of its program. But reviews of past development and conservation experience demonstrate that designing such a system has pitfalls as well as benefits. To have broader impact the Alliance must make learning from its efforts a priority, but to do so it must help develop different methods of reporting that go beyond numerical and monetized indicators, ones that do not adversely influence the character of the programming in complex development contexts. The design of such a system will be a major contribution to the practice of both conservation and development.

[133] Helen Fox et.al. "Marine Protected Areas as Public Health Initiatives: Exploring the relationship between Marine Ecosystem Integrity and Human Health in the Bird's Head Seascape, Indonesia. (unpublished proposal) May 2011.