Local Commons for Global Benefits

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Solving complex problems in a world of quick-fixes and quackery
What is the issue?

- Overlap between
  - Poverty x Environmental Degradation
  - Protected areas
  - Biodiversity
  - Poor people
  - Weak institutions

Source: WWF UNEP-WCMC
What does the science say?

- Economic systems are externalizing
  - waste
  - degradation (over-use)
  - poverty
  into ungoverned spaces
Where and why are we exceeding the "safe operating space for humanity?"
Failure to internalize costs and benefits

http://www.ecologyandsociety.org/vol14/iss2/art32/
Failure to internalize costs and benefits

Problems of attribution

http://www.ecologyandsociety.org/vol14/iss2/art32/
Failure to internalize costs and benefits

Global Commons

- Chemical pollution
- Ocean acidification
- Stratospheric ozone depletion
- Atmospheric aerosol loading

Local commons

- Rate of biodiversity loss
- Land-use change
- Global freshwater use

Problems of attribution

- **Overlap**
  - Decline of biodiversity
  - Land degradation
  - Poverty
- **Common challenge**
  - Local commons
  - “ungoverned spaces”

**Loss of biodiversity and poverty**

*Key*

- **High Income**
- **Middle Income**
- **Low Income**
- **Confidence limits**

*Graph details:*
- *Index Value (1970 = 1)*
- *Changes: +7%, -31%, -60%*

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*References:*
Kuznet’s recovery – slight recovery based on ‘rich institutions?’

- Pre-Industrial Economies
  - Ungoverned Spaces
    - Obtain inputs cheaply
    - Dump waste freely

- Industrial Economies

- Post-industrial (Service) Economies
  - Rich Institutions
    - Rich institutions internalise environmental costs and benefits:
      - Property rights
      - Environmental markets
      - Societal demand for a clean environment
  - Technology and service economy lifestyle dematerialise production
  - Costs externalised to ungoverned spaces
Loss of institutions (de-institutionalization)

**Areas used only recently**

**Effect on communities**
- Traumatized
- Weak/no rights
- Low social capital
  - Low trust
  - Little collective action
  - Authoritarian (chief, church)

**Centralization**

**British Colonialism**
- First, we put on silly clothes. Then, we steal your shit.
Turning wild resources into public goods
e.g. wildlife, Theodore Roosevelt, and the Colonial Powers (London Conventions of 1900 and 1933)

- National parks
- Banned commercial use of wildlife
- Public ownership and management of wildlife

<table>
<thead>
<tr>
<th>Rivalrous / Subtractable</th>
<th>Excludability</th>
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<tbody>
<tr>
<td>(can people exclude each other?)</td>
<td>(is it easy to exclude other people from using the resources?)</td>
</tr>
<tr>
<td>Subtractable</td>
<td>Easily</td>
</tr>
<tr>
<td>Private Goods (cars, houses, phones, etc.)</td>
<td></td>
</tr>
<tr>
<td>Common Pool Resources (forest, fish, etc.)</td>
<td></td>
</tr>
<tr>
<td>Non-Subtractable</td>
<td>Club Goods (golf club, private neighbourhood etc.)</td>
</tr>
</tbody>
</table>
But wild resources are not public goods:

- Increasingly rival (get used up)
- Increasingly excludable (technology, value)

Result – mismatch between nature of wild resources and its governance
- Private/common goods
- Public management
Beyond state and market

There is no reason to believe that bureaucrats and politicians, no matter how well meaning, are better at solving problems than the people on the spot, who have the strongest incentive to get the solution right.

— Elinor Ostrom —

GOVERNING the COMMONS

Elinor Ostrom

The Evolution of Institutions for Collective Action

2009 Noble Prize Winner

Political Economy of Institutions and Decisions
Multiple value of intact environments often exceeds converted habitats (MEA, 2005)

But we need to convert them into land use incentives

Sustainable Governance Approach

Maximize value to landholders
- Proprietorship (local rights)
- Price (maximize value to people living with resources)

Returns to different land-uses
the main input is getting the policy environment right

Benefits
- Higher financial returns from indigenous species management in lower rainfall areas
- Higher financial returns from exotic species management in areas of high rainfall & soil fertility

Rainfall (land productivity)

Policy failures drive down value of indigenous species

Subsidies (e.g. in agriculture) drive up value of exotic species management

+ 600 mm

Exotic species systems
Indigenous species systems

Higher financial returns from exotic species management in areas of high rainfall & soil fertility
Recovery of wildlife in southern Africa (compared to counterfactual; retention of colonial public approach)
Community Based Natural Resource Management

- Mostly fails, but works when applied PROPERLY
- Don’t follow principles
  - Proprietorship
  - Price
  - All people affected by decisions participate in making them (project don’t navigate scale effectively)
  - Adaptive social development of social, institutional and technical capital
Scale and Dunbar’s number

- Checks and balances in small communities
- Large societies become hierarchical and unequal
- Little growth until large societies where changed by the Glorious Revolution
- Inclusive economic and political institutions (i.e. John Locke’s ‘Lives, Liberties, and Estates’)
Representative committee-based governance

Participatory community-based governance

PUBLIC GOODS

ECONOMIES OF SCALE

ROLES, RIGHTS, RESPONSIBILITIES

Representational Governance
(Multi Village coordination level)

Roles:
- Coordination of multi-village activities
- Accountable to constituent villages

ECOLOGIES OF SCALE

Upward Delegation
(if appropriate)

INFORMED PARTICIPATION

Participatory Governance
Face-to-Face in Single Villages
(Doing level)

Equitable Benefit Sharing

Rights:
- All income belongs equally to all members (equivalent to private income from crops and livestock)
- All members make decisions, including over cash
- Members should be given full information to allow informed decision-making.
- All finances and decisions accountable to community as a whole.
- Members elect and instruct leaders
- Role of leaders is to bring people together to get information and make decisions
CBNRM scale thresholds and the provision of public goods

Equitable Benefit Sharing and Size of Community

Rare Successes
Individual benefit Community-based management

Multiple Disappointments
Public benefit Committee–based management

The rich get richer and the poor get ...
committees (Jon Anderson)

Small, participatory governance

Large, representational governance
CBNRM Namibia

Growth
✓ Business: <10 to over 100
✓ N$72,2m for communities.
✓ 6,472 jobs (increasing fast)
✓ 500,000 kg of meat for local communities - 2 million high protein meals.
✓ Rapidly growing national economic impact
Why is this important to the GEF?

- Considerable overlap between
  - Forests, drylands, etc.
  - Biodiversity, land degradation, climate adaptability
  - Poor people and communities

- Weakness in top-down approaches are emphasising the importance of bottom-up, rights-based, participatory approaches (but these are rare)
How can the GEF respond?

- Focus on local commons for global benefit
- Local commons (private-community ownership)
  - Devolution of rights
  - Development of benefits (markets, policies, etc.)
  - Effective micro-governance and cross-scale governance
  - Recapitalization of communities: social, institutional, technical, environmental
- Need to develop knowledge and practice of how to do this
- Convene workshops to discuss these issues in more detail?
How long can we wait?

World Health Organization estimates that one third of the world is well-fed, one third is under-fed and one third is starving. By 2050 that number could be significantly larger when the world’s population is expected to reach a whopping 9 billion. The world’s poorest regions in Northern Africa and the Middle East are also the fastest growing, putting them at an especially high risk of furthering the food crisis.