MEETING THE NEEDS OF THE PRESENT...

►Economic needs   ►Environmental needs
►Social, cultural and health needs   ►Political needs

...WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS

►Minimising the use or waste of non-renewable resources   ►Sustainable use of finite renewable resources   ►Not overtaxing the capacity of ecosystems to absorb or break-down wastes   ►Protecting natural processes and climatic systems, including not overtaxing the finite capacity of global systems to absorb or dilute wastes without adverse effects   ►Political and institutional structures within nations and internationally which support the achievement of the above

CAN GLOBALISATION BECOME SUSTAINABLE?

Like sustainable development, globalisation means different things to different people. Conspicuous by its absence from the documents agreed at the Rio Summit, it has emerged as the motor of the age, whose beneficiaries and ultimate direction are all deeply contested: indeed, the question of how to 'manage', 'steer' or 'replace' globalisation is now the central political issue.

If sustainable development has gained vocal support to comparatively little effect, globalisation has had major effects with comparatively little support. This is not surprising: the term globalisation was coined to describe what is happening in the world, not what ought to happen. At times it is treated as synonymous with international economic liberalisation and the fall of communism. At other times it is treated as an environmental or cultural phenomenon.

In its **environmental dimension**, globalisation refers to the increasingly interconnected nature of environmental problems. With global warming, for example, greenhouse gas emissions from around the world combine to alter the global climate. Behind this highly publicised example, a wide range of global environmental threats are emerging: stratospheric ozone depletion, the dispersion of persistent organic pollutants (POPs), loss of biodiversity, emerging viruses, and so on. All of these problems involve the interplay of global processes, with causes and consequences, in different continents.

Economic globalisation refers to the increasingly interconnected nature of the world economy. An increasing share of production is traded internationally. International financial exchanges, with the help of new information technology, are growing ever more rapidly. Corporations are increasingly transnational in character. Economic activities are becoming functionally more integrated: a single product is increasingly likely to contain both labour and material inputs from many countries. With capital and products flowing ever more easily, labour faces more international competition and, unlike corporations, unions have not been able to adapt successfully to globalisation. Nation states have less scope for economic management. While a world-scale economy has existed for centuries (eg. imperialism), it is at very least taking on a new form. And while the major shifts in economic flows have occurred between the more affluent countries, even the poorest states have been affected.

Social globalisation refers to an increasingly transnational character of social processes and networks. With the help of new information technologies, ideas can be communicated rapidly around the world. Corporations and the international media have been particularly quick to take advantage of this, evidenced by expanding consumerism. But political processes, social movements and even personal networks are also adapting. From a sociological perspective, globalisation can also refer to people's increasing consciousness of the world as a whole. Some sociologists see this as part of a shift towards a more 'reflexive modernisation', that questions traditional views of science, progress and development, and undermines political categories such as "left" and "right". While many of these shifts are more evident in affluent countries, they are globally significant.

These different dimensions of globalisation are closely interrelated. Together, they not only bring new challenges and opportunities but transform old ones. Globalisation has reduced the influence of national governments, but places new demands on governance at every level.

There are many examples of ways in which the private sector can be understood to have played a positive role in stimulating economic growth in poor countries – providing both financial benefits through the generation of jobs and increased foreign trade, and technological innovations – which improve the quality of life for some. Links with multinational companies and advances in the capacity of domestic producers to compete internationally represent the principal means by which Southern countries are currently able to access global markets and increase their gross national product.

Yet the uneven effects of economic liberalisation have resulted in growing income disparity, both between and

within countries, which is increasingly unsustainable. The challenge is to turn the process of globalisation in favour of the the environment and the poor in the South. At the same time, it is important to recognise that globalisation will never be a solution for many of the poor in the South. As a result, new ways need to be found to build up the thriving livelihood economies that enable the poor to overcome local oppression and resource constraints and take back control from multinational corporations where necessary.

ARE POVERTY ERADICATION AND SUSTAINABLE DEVELOPMENT COMPATIBLE?

Most governments and international agencies define and measure poverty by income levels or consumption levels. Three limitations in this approach are now widely recognised:

► *The lack of attention to the assets on which most poor people rely for their livelihoods*, including access to resources (natural and financial), good health and capacity to work.

► *The extent to which income-based poverty lines fail to capture many critical aspects of deprivation* including the health burden linked to very poor housing and lack of basic services and powerlessness (seen in the contravention of poorer groups' civil, political and resource using rights).

► *The lack of attention to the social relations that so often underpin poverty (or processes of impoverishment)* – for instance a lack of political influence, insecure or uncertain tenure of resources and being the object of discrimination. These often underpin poverty because they limit people's access to income-earning opportunities, services and resources and the fulfilment of their civil, political and resource-use rights.

This led to the concept of 'sustainable livelihoods' – entailing the capabilities, assets (including both material and social resources) and labour required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the resource base. This highlights the extent to which poverty reduction must ensure that poor farmers, pastoralists and those depending on forests and fisheries have access to the natural resource base that permits sustainable livelihoods. This implies the need to address inequitable patterns of ownership or use rights.

New perspectives on poverty also give more attention to the health risks to which low-income groups are exposed and their direct (health) and less direct (economic and social) implications for creating, perpetuating or deepening poverty. This

includes more attention to basic services - safe and sufficient water supplies, adequate provision for sanitation and health care. These can be both expenditure reducing (less time off work from illness or injury, less expenditure on health care, less physical effort) and income enhancing (as housing can be used for income-earning activities and forms the household's most valuable asset).

With regard to poverty and to environmental change, four conceptual shifts are of particular relevance:

► **From general trends in natural resource degradation to more location-specific** diverse, differentiated and dynamic **understandings of environmental change**. New conceptions of environmental degradation recognise the ability of local groups to lessen environmental impacts and place such degradation in context with other problems faced by poor local people.

► **From the availability of natural resources (soils, forests, water) to what influences people's access to and control and management of them**. Markets and legislation have critical roles in shaping people's access; so too do institutions (both formal and informal) which also serve as arbitrators in contested resource claims.

► **From inadequate income or consumption to a lack of assets, rights, and access to resources and services** in conceptions of poverty and many other aspects of deprivation - including health burdens. This implies a shift from addressing poverty to addressing the processes that contribute to impoverishment, with location-specific understandings. It suggests the need to change institutional structures and power relations also influenced by age, gender and class.

► **From an assumption that poverty causes environmental degradation to a recognition that most environmental degradation arises from the consumption patterns of middle and upper income groups and the production systems that meet (and stimulate) their demands**. Poverty is strongly associated with high levels of environmental health risks (notably insecure, unsafe housing lacking provision for water, sanitation and drainage) but is rarely a major contributor to environmental degradation.

WHAT SYSTEMS AND STRUCTURES CAN HELP DELIVER CHANGE?

During the 1990s, most governmental, intergovernmental and private development assistance agencies recognised the need to support 'good governance' since aid effectiveness depends on accountable and effective local partners. These partners include not only the political and administrative institutions of governments but also citizens and civil society organisations – and new models of governance bring them together with a new, negotiated set of rights and responsibilities. 'Good governance' is needed not only at national and provincial level but also within each district and municipality. 'Good governance' is obviously central to achieving environmental management, economic and social development that is more equitable and more ecologically sustainable, and political structures that are more responsive and accountable. Such changes involve:

► ensuring the upholding of civil, political and resource use rights for everyone, especially for low income groups;

► ensuring that low income groups have assured access to natural resources, the skills to improve their long term productivity, and the markets and prices which provide a strong incentive for conservation-based management;

► ensuring that the environmental health burden associated with poverty is addressed;

► facilitating informed dialogue and agreement among stakeholders;

► ensuring that those who take decisions are directly accountable to the people affected by them;

► tackling governmental corruption, which further disadvantages the poor and undermines democratic institutions.

Political and institutional capacity needs to improve in more than just the technical aspect which has preoccupied much development assistance. It includes the abilities to develop and agree the 'rules of the game'; identify and engage with stakeholders; prioritise key issues; communicate and develop commitment to agreed responses; co-ordinate with institutions 'vertically' and 'horizontally'; learn and adapt and ensure transparency and accountability.

A major challenge arises with the multitude of institutions which have a stake in environmental management and its outcomes.

Informal institutions: Many institutions involved in the 'front line' of sustainable development are non-formal: for instance, those controlling access to land and water amongst pastoralists involve rules and sanctions – and indeed institutional memberships – which are rarely codified,

and go unrecognised by the 'higher' formal institutions. Uniting effective formal and informal institutions is a key challenge because many local environmental impacts cumulate at the regional level and varied national policies have an impact locally.

Organised civil society institutions: At a higher level, NGOs and some community-based institutions are more visible and may have legal recognition. Some are not truly representative, and become as resented as government institutions in their failure to work in participatory ways. Nevertheless, many *bona fide* organisations are representative of the poorer sections of society – including community-based membership organisations that have democratic and accountable structures and local NGOs that have developed more participatory models of working with low-income groups.

Governmental institutions: Four trends – privatisation, decentralisation, partnerships, and co-ordination – have characterised much governmental institutional change in recent years, in response to fiscal and other pressures to improve the efficiency and transparency of government. The challenge is to reform – and not merely to cut back – the state's role in an increasingly complex institutional environment.

Decentralisation can improve 'responsiveness' to local-level 'good governance' or it can merely increase the penetration of governmental influence. Much depends on the actual capacity at local level and accountability to local populations to work with local stakeholders to plan, implement and monitor actions. In urban areas, much of the innovation in Local Agenda 21s (the call for local participatory initiatives from the Rio Summit) has taken place in countries in which the power and the democratic nature of local governments have been increased.

Many of the positive signs involve new partnerships between governments and other stakeholders. Governments are now less likely to claim all responsibility for sustainable development, and citizens and NGOs are more likely to take an active role to share both responsibilities and benefits.

An emerging challenge is how to develop policies and practices that recognise the need for a twin track approach. The first track is clearly to turn the process of globalisation in favour of the poor and the environment in the South - for example, by ensuring greater returns for Southern exporters who produce sustainable products, or by developing markets for environmental goods and services. But the second is to recognise that globalisation will never be a solution for many of the poor in the South – and indeed is currently succeeding by disrupting the local economies on which the poor subsist. As a result, new ways need to be found of building up the thriving livelihood

economies that enable the poor to overcome local oppression and resource constraints, and regain control from multinational corporations were necessary.

NEW APPROACHES TO POLICY COHERENCE

Partnerships can be especially influential if staff of different institutions are trained together and work together in the field, especially on 'new' types of projects focused on environmental management and/or poverty alleviation.

The trend towards improving co-ordination is, thus far, more apparent in rhetoric than reality. Coherence has been attempted – but rarely achieved in full – through various models:

▶ **Rationalist technocratic** *'planning'* **approaches, such as National Environmental Action Plans.** These have rarely included either full analyses of the cross-sectoral and 'vertical' links, or analysis of related institutional capabilities. However, they have improved patterns for vertical and horizontal communication.

▶ **Environment ministries have used** *development control tools* **such as Environmental Impact Assessment** – but their impacts have been constrained.

▶ **Multi-stakeholder fora and round tabling approaches**. The best of these have improved communications and the development of shared vision. They have changed policies incrementally, through the actions of their members exerting influence within their own institutions.

Nevertheless, institutional coherence ***per se*** is not a sufficient criterion for sustainable development if 'bad' policies and procedures remain. Many govern-ments retain historically anomalous environmental policies, reflecting the needs of only a few stakeholders.

At UNCED, governments undertook to adopt national strategies for sustainable development; a target of 2002 for their introduction was agreed at the Rio +5 UN General Assembly Special Session in 1997. But what form should such strategies take to improve governance and assist the transition to sustainable development?

Early strategies had some positive effects, but were very often instigated by an external agency, and driven by financial conditionality. In order to address this, the OECD Development Assistance Committee (DAC) initiated a series of multi-stakeholder reviews and dialogues in Bolivia, Burkina Faso, Ghana, Namibia, Nepal, Pakistan, Tanzania and Thailand. These have led to production of policy guidance for country-level strategies for sustainable development. This offers a set of principles

for national strategies. These emphasise local concepts and norms of sustainable development, local ownership and direction of the strategy process, appropriate participation from all levels, high-level commitment, and mechanisms that work well locally. Thus a strategy for sustainable development should now be able to bring together the aspirations and capabilities of government, civil society and the private sector to create a vision for the future, and to work tactically and progressively through the challenges.

Sustainable development represents an organising principle which aims to bring coherence to different institutional processes and policy interests. Its over-arching claim to legitimacy rests on the balance and the trade-offs between economic, environmental and social factors which sustainable development signifies, in pursuit of equity, transparency and accountability.

The effects of this holistic approach are already evident in numerous examples – Local Agenda 21s and an emerging body of work on national strategies for sustainable development present a diverse range of success stories. But many also illustrate the limitations of attempts to implement sustainable development at one level while broader systemic factors remain unchanged. The global regimes of trade, finance and investment are still organised by an entirely different set of imperatives and principles.

A crucial challenge for the Johannesburg Summit is to present sustainable development as a set of choices which are relevant for everyone, a set of principles which can guide future action, and a set of practical and popular policies.