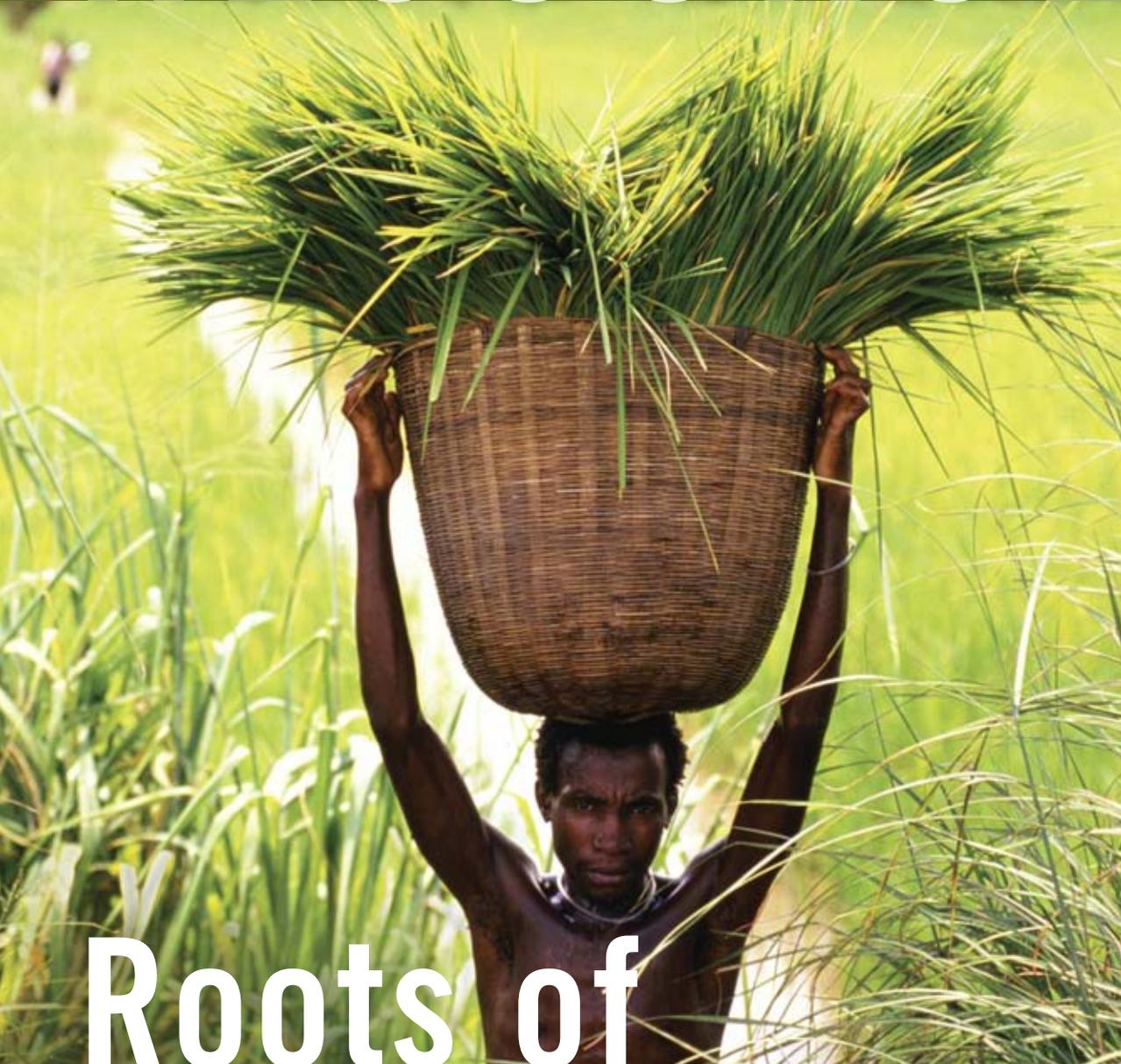


2008

WORLD RESOURCES



Roots of Resilience

Growing the Wealth of the Poor
OWNERSHIP • CAPACITY • CONNECTION



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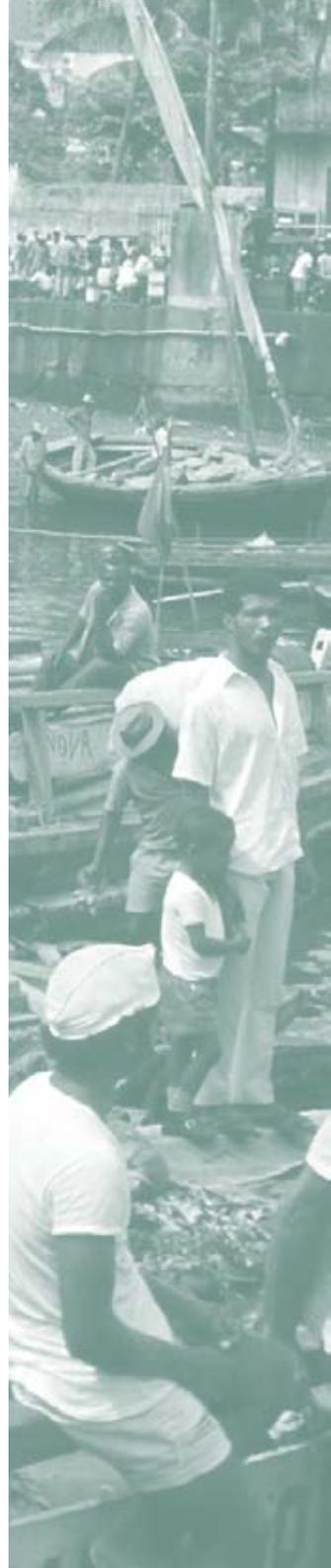
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CREATING ENTERPRISE, FIGHTING POVERTY, FOSTERING RESILIENCE.

THREE-QUARTERS OF THE WORLD'S POOREST CITIZENS— those living on less than \$2 per day—are dependent on the environment for a significant part of their daily livelihoods. Climate change, therefore, adds a real urgency to the efforts of the many institutions that work to improve the lives of the poor.

World Resources 2008 argues that properly designed enterprises can create economic, social, and environmental resilience that cushion the impacts of climate change, and help provide needed social stability. Increased resilience must be part of the response to the risks of climate change. The efforts that foster resilience chart the first steps on the path out of poverty.

What can we say with some certainty about environment and development as we approach the end of the first decade of the 21st century?





- The world is far wealthier; Brazil, India and China are emerging as new and influential economic powers. At the same time, however, wealth tends to be highly concentrated in a small percentage of the population worldwide.
- The Millennium Ecosystem Assessment of 2005 found that 15 out of the 24 major ecosystem services it assessed are being degraded or used unsustainably.
- We are already experiencing the initial consequences of climate change; the pace of these early changes, such as polar ice melt, is more rapid than any models had predicted.
- We have made commendable progress in reducing the number of people living in poverty, but that achievement has been limited to China and a handful of South Asian countries. The plain fact is that almost half the world's population—2.6 billion people—continues to live on \$2 per day or less; one billion of them on \$1 per day or less.
- In spite of the news that as of 2007, we have become a predominately urban world, the reality of poverty remains geographical. Three-quarters of the poorest families live in rural areas; they still depend in large measure on natural resources for their existence; they remain vulnerable and their future insecure.

What we know well from successful case studies, and what this volume again argues is that any success in overcoming poverty takes time and persistence; efforts to address rural poverty are linked to natural systems and must abide by natural cycles. Yet time is a growing constraint as the early impacts of climate change emerge and their long-term effects become clearer.

Of equal concern is the fear that progress made over the past decades to overcome poverty may be at risk from the disruptive effects of climate change. This poses a dilemma for the development community: we must not only maintain but scale up our responses to such poverty, to reduce the economic vulnerability of the poorest at a time when many natural resources are being degraded.

World Resources 2005: The Wealth of the Poor examined the relationship between ecosystem management, good governance, and poverty reduction. In it we argued that poverty and the environment are inextricably linked, that the world's rural poor could enhance their livelihoods by capturing greater value from ecosystems.

Our thesis was that income from sustainably managed ecosystems can act as a stepping stone in the economic empowerment of the poor. But this could only happen when poor households are able to reap the benefits of their good ecosystem stewardship. Governance, in the form of tenure reform, can create the self-interest that leads to an improved natural resource base, be it agriculture, forestry, or fishing.

We believe the linkage among poverty, environment, and governance, and the promise it holds for the poor has even more currency today. In this book, we take a closer look at that

linkage. We draw on a wealth of experience in community-based natural resource management, much of it supported by the partners in this book.

We identify those elements without which the achievement of any permanent measure of improvement, of any promise of sustained growth, is greatly diminished. We explore three essential factors in some detail: community ownership and self-interest; the role of intermediate organizations (in providing skills and capacity); and the importance of networks—formal and informal—as support and learning structures. When these factors are present, resourceful and resilient communities can emerge.

Resilience is the capacity to adapt and to thrive in the face of challenge. This report contends that when the poor successfully (and sustainably) scale up ecosystem-based enterprises, their resilience can increase in three dimensions: They can become more economically resilient—better able to face economic risks. They—and their communities—can become more socially resilient—better able to work together for mutual benefit. And the ecosystems they live in can become more biologically resilient—more productive and stable.

It is clear that in the coming decades, the rural poor will be tested as the impacts of climate change manifest. There are no cities in the developing world large enough or wealthy enough to absorb the migration of the poor who have no buffer against these dangers, and can find no means to adapt. The political and social instability inherent in such potentially massive movements of people is of increasing concern to the international community.

With the adoption of the Millennium Development Goals in 2000, and the increased attention given poverty with succeeding meetings of the G-8, a renewed and expanded commitment to overcoming poverty is slowly being put in place. There are big strategies being tested, and significant resources being expended, both by donor countries and by NGOs and philanthropic organizations.

We recognize that the concern for poverty extends to the serious problems of urban poverty as well. For this reason, we must continue to support responsible industrial development that generates jobs and opportunity, even as it lessens its burden of pollution. Such urban industrial growth has been a significant factor in East Asia's success over the last two decades in reducing poverty.

But for the rural poor, the challenge is different. Natural resources are still the mainstay of the rural economy. Nature-based enterprises such as community forestry or ecotourism lodges offer the poor a way to use their ecosystem assets and gain business capacities that allow them to participate in an increasingly integrated and globalized economy. They provide the opportunity for diverse livelihood strategies.

And, as we move to reduce carbon emissions, there may well be additional economic opportunity for the rural poor through the mechanism of carbon markets, in which rural communities may receive compensation for carbon reduction or

offset programs, such as storing carbon through community forestry projects.

Improved governance is the key. Giving communities the right to manage local natural resources themselves can be a critical catalyst for improving well-being.

Governments committed to end poverty should also begin to remove barriers to rural enterprises, such as lack of competitive markets, lack of transportation infrastructure, and lack of financial services. There is ready help in public and private institutions to assist in these tasks.

Most importantly, the concern over poverty must translate into a real and substantial effort to build the capacity of local organizations to manage natural resources and create viable enterprises. Scaling up such enterprises can provide a potent source of revenue for substantive rural development—the key to a better life for almost 2 billion of the world's poor.

To this imperative is now added the unease that comes from knowing that the time to get ready, the time to help millions prepare, is growing short. The consequences of not acting may well test the depths of our compassion.

Thirty-five years ago—in 1972—the nations of the world came to Stockholm for the first international conference on the human environment. The theme of that historic gathering was “Only One Earth.” It marked the onset of our awareness that we all share a common environment, a fact not fully appreciated then or for many years after. Today, the manifest reality of climate change and its certain impact on all of us, no matter how privileged, leaves no doubt as to that fact.

How we embrace that reality does now determine our common future.

Kemal Dervis
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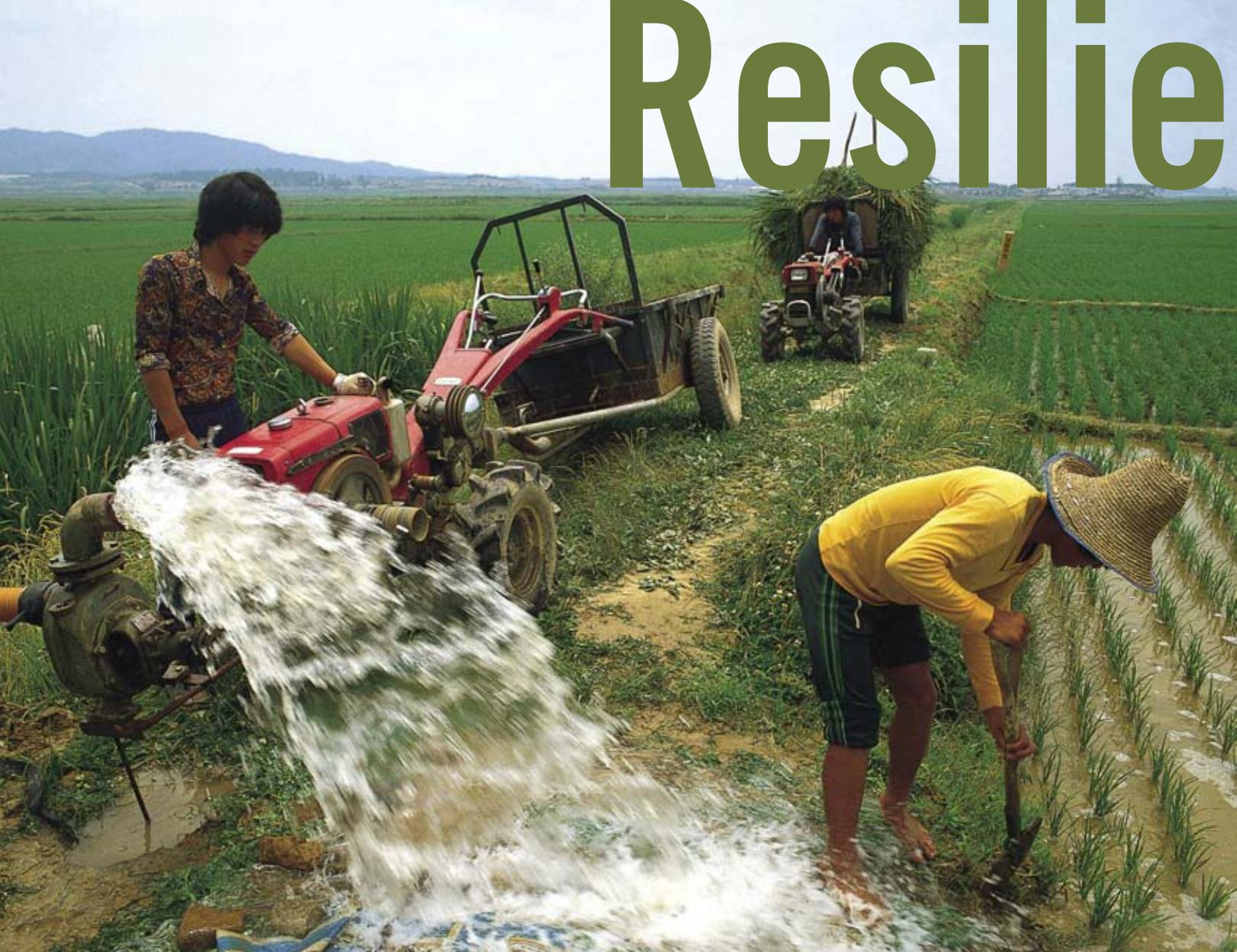
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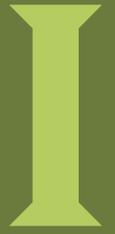
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Roots of Resilience





PART

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1 Scaling Up Ecosystem Enterprise

2 Building Ownership, Capacity, and Connection

- Building Ownership
- Developing Capacity
- Connecting Rural Enterprises: Networks and Associations

3 Routes to Resilience: Case Studies

4 Driving the Scaling Process

5 Recommendations: Advancing Enterprise and Resilience



Scaling up nature-based enterprises

offers a clear route to building

the resilience of rural communities.

