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Local Institutions and Participation for Sustainable Development

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This Gatekeeper Series is produced by the International Institute for Environment and Development to highlight key topics in the field of sustainable agriculture. Each paper reviews a selected issue of contemporary importance and draws preliminary conclusions of relevance to development activities. References are provided to important sources and background material.

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LOCAL INSTITUTIONS AND PARTICIPATION FOR SUSTAINABLE DEVELOPMENT

Norman Uphoff

Introduction

Sustainable development involves many things. More appropriate technologies, supportive policies, different ethics, and changes in individual behaviour are among the more obvious factors. One contributing factor that deserves more attention is local institutions and their concomitant, local participation.

Institutions such as local governments, user associations or service organisations are important for sustainable development for a number of reasons:

- For sustainable development, institutions, especially at local levels, are important for mobilising resources and regulating their use with a view to maintaining a long-term base for productive activity.
- Available resources can be put to their most efficient and sustainable use with location- specific knowledge, which is best generated and interpreted locally.
- Monitoring changes in resources' status can be quicker and less costly where local people are involved; making adaptive changes in resource use is speeded up where local decision- making has become institutionalised.
- While local institutions are not always able to resolve resource management conflicts, if they are absent, all conflicts must be dealt with at higher levels, yielding slower and often less appropriate outcomes.
- People's behaviour is conditioned by community norms and consensus, so preserving or instituting practices that are environmentally sound requires more than just individual incentives and persuasion.
- Institutions encourage people to take a longer-term view by creating common expectations and a basis for cooperation that goes beyond individual interests. To the extent institutions are regarded as legitimate, people comply without (or with fewer) inducements and sanctions.

However, it must be recognised that local institutions can produce practices that do not favour sustainability. If factionalism prevails, some groups may use them to exploit local resources to their short-run advantage and others' loss. Institutions that regulate resource use may break down and limits of regeneration may be exceeded when people do not understand these limits or feel they have no alternative.

What are Local Institutions?

The term "local" is often misused. For example, one hears the Government of Bangladesh referred to as "the local government", when in fact it is a national government with its own system of local government operating at lower levels. Decision-making and action can occur on any of ten levels, ranging from the individual to the international realm, but three are of interest here, shown in the box in Figure 1.

Three levels, not just one, should be regarded as local: *localities*, sets of communities that have kinship, marketing or other connections, *communities* or villages or towns, and *groups*. These have in common the prevalence of face-to-face interpersonal relationships, which are naturally more frequent and intense within groups and communities than within localities.

The fact that people know each other creates opportunities for collective action and mutual assistance, for mobilising and managing resources on a self-directed and self-sustaining basis. People feel more mutual rapport and sense of obligation at these levels than at district or sub-district levels, which are basically *political* constructions. There, the bonds among people are defined more formally or legally. Decisions and activities are based more on authority than on consensus which grows out of discussion and mutual understanding. The latter is more likely in localities, communities and groups because they exist as *social* entities.

The household and individual levels are the smallest units of decision-making and activity. At these levels, decisions and actions oriented toward sustainable development are not likely to be very effective or long-lasting unless meshed with what other households and individuals are doing at group, community and locality levels. Interactions at these three local levels shape people's behaviour in ways seldom fully appreciated.

Too often, the term "local" has been a residual category, equated with whatever is not national. But what is "local" has its own positive characteristics, providing a basis for collective action, for building consensus, for undertaking coordination and management responsibilities, for collecting, analysing and evaluating information, energised by a degree of interpersonal solidarity. This does not happen automatically, however: it requires leadership and also institutions at these local levels.¹

1. There are many types of institutions, some of which are also organisations (like banks, local governments, or courts) and others which are not (like money, taxation, or the law). An institution is a complex of norms and behaviours that persists over time by serving some socially valued purpose, while an organisation is a structure of recognised and accepted roles (Uphoff 1986: 8-9).

Institutions can be organisations, and vice versa. Marriage, for example, is an institution that is not an organisation, while a particular family is an organisation (with roles) but not an institution (with longevity and legitimacy). "The family", on the other hand, is both an institution and an organisation. We will be concerned here with institutions that have an organisational basis.

What is the Participatory Sector?

The usual division of an economy or society is into two sectors, public and private. But this fails to apprehend an important third sector which can be identified between the public and private sectors. It shares some features of each and yet differs significantly from each. In conventional development thinking this middle sector is less important than when sustainable development is our concern.

This sector can be described variously - the membership sector, the voluntary sector, the collective action sector. Although participation also occurs in the public and private sectors, this middle sector might best be known as the *participatory* sector.

It is similar to the public sector in that its decisions are taken with regard to *common interests* rather than individual ones. On the other hand, it can operate with the *flexibility* of the private sector, avoiding "red tape" that so often constrains government decision-making and implementation. It differs from the public sector in that its decisions are not backed by *authority* and the coercion this can invoke, while differing from most of the private sector in not seeking *profit* as the criterion of success.

Figure 1. Ten levels of decision making and activity (from Uphoff 1986:11)

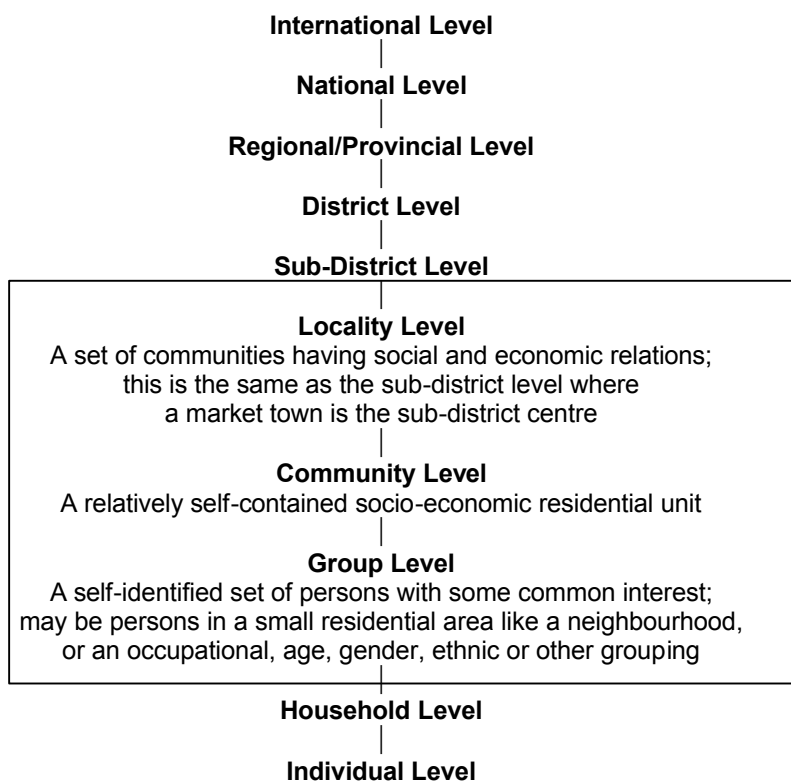


Figure 2. Examples of institutional channels and roles for decision-making and action, by sector and level

Levels	SECTORS		
	Governmental/ Quasi-Governmental	Participatory/ Collective Action	Private/ Quasi-Private
International	Bilateral and multilateral donor agencies	Society for International Development	Multinational corporations; external NGOs
National ministries	Central government ministries; parastatal corporations	National cooperative federation	National corporations; national NGOs
Regional	Regional administrative bodies; regional development authorities	Regional cooperative federation; watershed consultative assembly	Regional companies; regional NGOs
District	District council; district administrative offices	District supply cooperative; soil conservation; educational forum	District firms; charitable organizations
Sub-district	Sub-district council; sub-district administrative offices	Sub-district marketing cooperative	Rural enterprises; private hospital
Locality	Division council; health clinic; secondary school; extension office	Wholesale cooperative society; forest protection association	Businesses in market town; service clubs
Community	Village council; post office; primary school; extension worker	Primary cooperative society; village dike patrol; parent-teachers association (PTA)	Village shops; mosque; committee for village welfare
Group	Caste, panchayat, ward or neighbourhood assembly	Tubewell users' association; mothers' club; savings group	Microenterprises
Household	Citizen/voter/ taxpayer/partaker of services	Member	Customer/client/ beneficiary

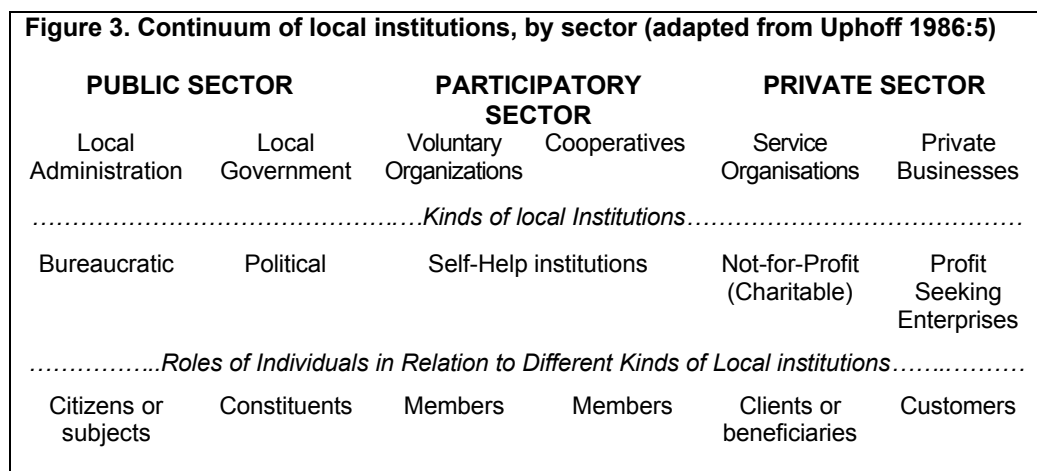
The participatory sector parallels the public and private sectors, with institutional development possible at all the levels shown in Figure 1. Examples of organisational channels and/or roles for the three sectors at the different levels are suggested in Figure 2. However, few countries have so complete a matrix of institutional development.

The vitality of institutions at different levels and in each sector depends in large part on the extent to which they meet the expectations of those persons, as citizens, members or customers, whose resource contributions are needed to keep them operating. Institutions in the participatory sector are often vulnerable to the withdrawal of support, though they can flourish and expand when they are attracting membership contributions.

Organisations that fail to meet people's needs will lose their support and institutional status, unless able to draw on outside resources, which is not a good situation for the sustainability of their capacity. If they serve an important purpose, like crop protection or preventing deforestation, one might welcome "subsidisation" of their organisational operations. But for the sake of sustainability, ways to mobilise local or regional resources to maintain that capacity indigenously are most important.

The Range and Variety of Local Institutions

Participatory institutions are not just another category to be added to the prior categories of public and private. It is better to think in terms of a continuum of institutions which ranges from public to private with participatory institutions in between, as shown at the top of Figure 2 and in Figure 3.



While most of the private sector has profit as its goal, there are also charitable or philanthropic (not-for-profit) institutions. Within the public sector there is a similar distinction to be made, between local administration - institutions that represent central authority and are accountable to bureaucratic superiors, and local government - institutions responsible to their local constituents. The significance of these distinctions can be seen at the bottom of Figure 3 where it is shown how people have different relationships to these several kinds of local institutions.

It is much different being a customer or a client, compared to being a constituent or a member. Customers have a tenuous relationship to a business; they can refuse to patronise it, and they cannot be forced to buy. That is the extent of their rights. Clients or beneficiaries have similarly limited influence with a charitable organisation, which can give or withhold services as it pleases since it is "private".

Members, on the other hand, have some rights and control because the organisation, which is to serve them, belongs to them. It is their organisation, and they can set policy and replace personnel not carrying out the members' wishes, at least in principle. As a constituent or citizen, one has legal rights that are clearer than with other institutions, though the mechanisms of control are indirect and often unsatisfactory.

Voluntary organisations and cooperatives are closely related, with less difference than between local government and local administration, or between service institutions and private businesses. Cooperatives involve some pooling of resources - savings for credit unions, purchasing power for consumer co-ops, factors of production for producer co-ops, whereas voluntary organisations (trade unions, women's associations, peasant leagues, mothers' clubs, lobbying groups, etc.) aim at advancing members' interests in some particular respect. Members stand to lose only the dues they contributed, with no more commitment and risk than this, as with a limited liability company. Cooperatives can have limited or joint (unlimited) liability of members.

For sustainable development, there are advantages and disadvantages with each kind of local institution. None is likely to be best for all purposes. Public sector institutions backed by authority are better able to achieve consistency and predictability in performance. But they operate at a fairly high cost, and they are often slower or more rigid than other institutions. They are amenable to policy direction, which is important for sustainable development if this goal has backing from the government. They are also liable to politicisation, which can have adverse consequences.

Private institutions can be more or less committed than public ones to sustainable development, depending on the values and priorities of the business persons or philanthropists involved. Concern with profit often gives precedence to short-run calculations. Usually private institutions cannot aggregate and dispose of such large amounts of resources as public institutions can. But what they have can be used more flexibly, so this may offset the advantages of scale. The criterion of profitability gives an incentive for private enterprises to use resources efficiently. Charitable institutions are likewise likely to be concerned with efficiency to the extent that their financial resources are scarce, not assured by the power of the state. Their principal advantage is flexibility, so long as this is not abused.

Participatory or self-help institutions are most variable in their performance. All local institutions tend to offer the advantages listed at the beginning of this paper, but voluntary organisations are most inclined to have and to use local knowledge, to respond quickly to changes, to handle conflict, and to create climates of opinion influencing behaviour.

Which kinds of local institutions are most desirable for supporting sustainable development cannot be generalised. Each has strengths as well as weaknesses. Whether to favour public, private or participatory institutions depends on factors like the extent of conflict endemic within communities, the existence or lack of entrepreneurial traditions in the region, or the calibre and orientation of civil service personnel. Once again, having more kinds of institutions at each level gives more capability for mobilising and managing resources according to the varied requirements for sustainable development.

Thinking in terms of the ten levels identified in Figure 1, together with the set of institutions analysed in Figures 2 and 3, maps out an impressive set of possibilities for policy makers and communities. We should not recognise just four kinds of institutions (national-public, national-private, local-public, and local-private). There are at least eighteen local options (three levels times six kinds of institutions), plus twenty to thirty more as one moves up the hierarchy of levels.

Local Institutions' Effectiveness for Natural Resource Management

A specific question worth considering is: when are local institutions most likely to be effective and sustainable in the management of natural resources? The characteristics of the natural resource in question, as well as of the persons who would use it, condition the feasibility of managing it beneficially through local institutions over time. A critical factor is the "bounded-ness" of the resource and the users, as analysed in Figure 4.

Local institutions are more likely to be successful in natural resource management where the resource is "bounded", that is, known and predictable rather than shifting and variable, and where the users themselves are an identifiable group or community with its own authority structure. The most favourable situation for local resource management is (i), for which the example of irrigation water management is given in Figure 4. The resource is relatively ascertainable and only certain persons have access to it. One cannot encroach on channel water to the extent that one can extract forest resources or graze pasture land surreptitiously. The most abundant examples of effective local management of natural resources are in the irrigation sector (Uphoff, 1986a). And among irrigation systems, institutional arrangements are more successful where the users are a socially cohesive group. In larger systems, there is likely to be less solidarity among farmers than in smaller, community-based ones, and offtakes by upstream users make the resource less known and predictable for those downstream.

The contrasting situation (iv) represents a resource that fluctuates according to shifting rainfall patterns, with users organised into various migrating clans. Such conditions make it

difficult for local institutions to control access and regulate resource use². District, regional or even national institutions accordingly become more likely candidates for dealing with this kind of natural resource management situation. Examples of local rangeland management can be found but they are much less numerous than for irrigation (Sandford 1983).

Figure 4. Resource management situations, according to differences in resource and users (from Uphoff, 1986:26)

	NATURAL RESOURCE IS:	
USER-MANAGERS ARE:	Known and predictable	Little known and unpredictable
Identifiable and coherent group	(i) Irrigation water management, by water users themselves	(ii) Coastal fishing, by local fisherman groups
Lacking group identity and structure	(iii) Forest management, by all who have access to the forest	(iv) Rangeland management, by nomadic herders

This analysis suggests that the potential of local institutions for natural resource management can be improved, other things being equal, by investing in gathering *information* on the resource in question and making it available to local people. Likewise, working with users to encourage the establishment of *groups* is likely to be a good investment for promoting local resource management. One of the "social technologies" developed over the last decade is the deployment of catalysts, variously called community organisers, social organisers, institutional organisers, or association organisers, to overcome previous barriers to resource user cooperation. These persons evoke and channel "social energy", as discussed by Hirschman (1984) in Latin American settings and by Uphoff (forthcoming) in an Asian context.

The nature and distribution of costs and benefits from local management of natural resources will also affect the feasibility of local institutions taking responsibility. Benefits and costs from natural resource management can vary along four main dimensions:

- Time: benefits/costs accrue immediately or very soon rather than after a long time.
- Space: benefits/costs accrue locally rather than remotely.
- Tangibility: benefits/costs are quite evident rather than hard to identify.
- Distribution: benefits accrue to the same persons who bear the costs of management rather than to different persons.

2. Use-management is another option, ie. management by individuals who use the resource within certain cultural and social norms that are not enforced by any formal authority (Roe and Fortmann 1982). This involves institutions (based on shared values and expectations) that are not at the same time organisations, following the definition of an "institution" in footnote 1.

Getting local people to take responsibility for natural resource management will be easier where the benefits accrue more quickly, locally, visibly, and to those who bear the cost. In the opposite situation, where benefits are delayed, remote, hard to identify, and do not go to those who invested effort, money or foregone use, local management and maintenance of natural resources would be most unpromising. Institutional arrangements should seek to include those who bear the costs of as well as those who benefit from resource management schemes.

The relative magnitudes of benefits and costs from natural resource management are important, but these are often hard to measure and compare, so they may be less important than distribution and apparent effects. Management schemes will be more sustainable where benefits can be made more definite and immediate, or conversely, where costs are more ambiguous and deferred.

Approaches to Participatory Development

Saying that people will participate only when their benefits exceed their costs is not very helpful because it is true by definition, unless we can measure and compare both benefits and costs. This we can do only inadequately and imperfectly. Rather than try to anticipate ourselves the benefit-cost calculus of individuals and households, it is more sensible to engage in a process of development planning and natural resource management which is both participatory and experimental. This has been analysed as a "learning process approach" by Korten (1980), and as "inductive planning" by Esman and Uphoff (1984: 262-265).

A systematic approach to problem-solving, whether by an informal women's group or a legally-constituted district council, is important. Its basic elements are simple. The purpose is to focus thought and effort on a few main problems at any one time. One wants to be sure that local institutions are making progress, as otherwise resources are frittered away and people become disheartened. Conversely, contributing to the solution of local problems identified as major priorities will enhance the sustainability of institutions, as stated above.

The first step is to determine the unit for decision-making and activity above the household, whether a group, a community, a locality or some larger unit. This should not be decided unilaterally but on the basis of discussions with persons in the area of concern, whether a rural district to be given assistance for agricultural improvement, a forested area needing protection, or a certain area where public health problems are evident, to give examples (Uphoff and Cohen 1980).

Frequently it is most effective to start by talking with people in households, then in small groups of households, something like "focus groups" being used by public opinion pollsters in the U.S. now. The purpose of the discussions is to find a match between perceived difficulties (agricultural, natural resource, health or other problems) and areas or arenas of action to resolve them.

The most likely outcome of consultations will be a "nested" conception of action units as shown in Figure 1. Members of households belong to groups, communities, localities, subdistricts, etc. in an ascending hierarchy and with diminishing interest and intensity. By a system of indirect representation, household needs and ideas can be communicated at higher levels, and decisions at those levels can be conveyed to households and individuals on whom implementation depends.

For facilitating this process of consultation, it may be desirable to use specially trained persons as facilitators and catalysts, since technical specialists as a rule are not confident and versed in such skills, and they often do not have the time available to invest anyway. The value and importance of these skills is increasingly recognised in government and NGO programs. Where technical personnel have the time and talent for this kind of work, of course there are benefits from utilising them.

The process of mobilising local participation for sustainable development initiatives depends very much on a consultative, problem-solving approach. Approaches like participatory or rapid rural appraisal carried out with communities and groups are a good starting point. By themselves such approaches are not sufficient, however. It is important to have an appropriate philosophy since local people form quick, and usually correct, opinions about how genuine the outsiders approaching them are.

A participatory strategy for promoting sustainable agricultural and rural development proceeds on the assumption that rural people have more to contribute to the development process than just their money or labour power. They have ideas, management skills, technical insights, and organisational capabilities that are needed for development³. They are to be regarded as partners more than "beneficiaries" or (worse) "target groups".

As stated above, a critical element of strategy is to take a *problem-solving* approach. With this, local people and government or NGO personnel identify and discuss problems affecting the area and its population. Often gathering some systematic information (a survey or rapid appraisal, or analysing government records or historical documents) will help to illuminate the problems, to clarify their sources, their magnitudes, their trends, the distribution of their effects, etc.

With a shared understanding of problems, they can be assigned some *priorities* so that efforts for dealing with them, from the community and from outside, are focused rather than dispersed. Problems should be given priorities according to how *significant* they are (how urgent, how broad their impact, how great the costs they impose) and how *amenable*

3. Three cases I know of, in Mexico, Nepal and the Philippines, where engineers were planning dams to capture river water for irrigation, dramatically support this statement. In all three cases, local people told the technical experts that the location and/or design for the dam was wrong — it would not succeed. In all three cases, the experts placed more faith in their data, measurements and calculations, only to be embarrassed when the dams washed out almost as soon as built. If unschooled local residents could be more correct than the engineers about designing and building a dam, surely there are many other areas where they can contribute technical knowledge, and not just strong backs and building materials. For discussions of experience involving farmers in technological innovation and experimentation for sustainable agriculture, see Bunch (1985) and Chambers et al. (1989).

to solution they may be. Trivial and intractable problems obviously get lowest ranking, and major, easily solvable ones deserve most attention and effort. Trade-offs between significance and tractability can best be made by discussion leading to consensus.

Once priority problems have been agreed upon, *strategies* for dealing with them need to be worked out by discussion, taking all views and experiences into account. A *plan of action* is needed to carry out the strategy, specifying who will do what, when, how, etc. Then this needs to be implemented. The problem-solving approach then requires periodic *evaluations* by local organisations, groups or communities of their progress, assessing whether the problem has been solved, and if not, why not? The sequence of questioning is the reverse of that followed initially.

Was the plan not implemented? If not, responsibilities may be reassigned. Was the plan appropriate? If not, it should be revised. Was the strategy decided upon a good one? Maybe it should be rethought and reformulated. Is more information needed to arrive at the best strategy and plan? If so, this can be done and the process of problem-solving should be started over again. Is the problem, even if unresolved, still a priority problem? Perhaps working on it should be set aside, temporarily or for good.

Successes are achieved by eliciting widespread participation in the problem identification and analysis stage as well as in the planning and implementation of solutions. But participation can be a result as much as a cause of such successes. When institutions can solve the problems that members, constituents, clients, etc. recognise as important, this justifies greater support and contributions from local people. The leadership of local institutions should understand this and take responsibility for establishing and carrying out systematic, participatory problem-solving processes.

Many problems cannot be solved at local levels or with just local resources. The problem-solving approach is a continuous one, and though it is proposed here to start at one or more local levels, it is expected to expand and include higher ones as well. Once groups, communities or localities have made serious efforts to solve priority problems by their own initiative and with their own resources, they are in a stronger position to get assistance from higher levels to deal with problems that cannot be redressed locally.

The participatory approach is often described as "bottom-up". The process described here is bottom-up in a different but compatible sense; it starts with self-help efforts but engages higher level resources to the extent that local efforts are not effective. Having a framework or network of local institutions as represented in Figures 1, 2 and 3 provides channels for a problem-solving system that links local resources and talents with complementary outside resources and expertise.

It does little good to create local institutions for their own sake. Indeed, according to the conception here of "institutions" as distinguished from "organisations", one can only create the latter (systems of roles). To the extent that they effectively meet people's needs and expectations, they become the former. So outside agencies must be careful that they promote or support only organisations that are likely to serve real needs; otherwise the chances of these becoming "institutionalised" and self-sustaining are slim.

Concern for "sustainability" applies to institutions as much as it does to development. Sustainable institutions, ones which meet people's needs and expectations, are important for sustainable development. Development as a process and institutions as organisational structures are not the same things. But they have similar dynamics and objectives, with sustainability being a crucial common denominator and concern.

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The Sustainable Agriculture and Rural Livelihoods Programme

The Sustainable Agriculture and Rural Livelihoods Programme of IIED promotes and supports the development of socially and environmentally aware agriculture through policy research, training and capacity strengthening, networking and information dissemination, and advisory services.

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The Programme supports the exchange of field experiences through a range of formal and informal publications, including *PLA Notes (Notes on Participatory Learning and Action - formerly RRA Notes)*, the *IIED Participatory Methodology Series*, the *Working Paper Series*, and the *Gatekeeper Series*. It receives funding from the Swedish International Development Cooperation Agency, the British Department for International Development, the Danish Ministry of Foreign Affairs, the Swiss Agency for Development and Cooperation, and other diverse sources.

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