

# nature: poor people's wealth

the importance of natural resources in poverty eradication



Friends of the Earth International

#### friends of the earth international secretariat

P.O. Box 19199 1000 GD Amsterdam The Netherlands Tel: 31 20 622 1369 Fax: 31 20 639 2181 E-mail: info@foei.org Website: www.foei.org **friends of the earth** Friends of the Earth International is the world's largest grassroots environmental network, uniting 71 diverse national member groups and some 5,000 local activist groups on every continent. With approximately 1.5 million members and supporters around the world, we campaign on today's most urgent social and environmental issues. We challenge the current model of economic and corporate globalization, and promote solutions that will help to create environmentally sustainable and socially just societies.

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editorial team Ann Doherty (Friends of the Earth International), with Javier Baltodano (Friends of the Earth Costa Rica), Paul de Clerck (Friends of the Earth Netherlands), Janneke Bruil (Friends of the Earth International), Longgena Ginting (Friends of the Earth International), Ronnie Hall (Friends of the Earth England, Wales and Northern Ireland), Juan Lopez (Friends of the Earth International), Simone Lovera (Friends of the Earth International), Catherine Pearce (Friends of the Earth England, Wales and Northern Ireland), Catherine Pearce (Friends of the Earth England, Wales and Northern Ireland), Meena Raman (Friends of the Earth Malaysia), Farah Sofa (Friends of the Earth Indonesia) and Damian Sullivan (Friends of the Earth Australia).

design Tania Dunster, KÏ Design, ki designnl@yahoo.co.uk

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the importance of natural resources in poverty eradication nature: poor people's wealth





## nature: poor people's wealth

meena raman, friends of the earth international chair, malaysia



Poverty is the greatest shame and scandal of our era. As we kick off the 21st century, more than one billion people around the world live in extreme poverty. Some 25 million people die from hunger each year, and a billion people lack access to clean drinking water. Nearly half of all Africans live on less than one dollar per day. The figures are numbing; however, a growing number of people believe that it is possible to eradicate poverty within the next few decades.

As an environmental organization, Friends of the Earth International campaigns to protect forests, agricultural lands, fisheries, wetlands, rivers and the climate, all of which support the livelihoods of people and communities. In fact, some 70 percent of the world's poor live in rural areas and depend upon their local environments for their daily survival.

There is a direct and critical link between environmental degradation and rural poverty. Our groups on the ground and the communities they work with can also bear witness to the fact that neoliberal economic globalization has increased environmental devastation and poverty among natural resource dependent people. In this publication, we will illustrate the tragic cycle between the over-exploitation of the environment; loss of cultural, political and economic self-determination; inequity; hunger; and poverty.

We will also look on the bright side, and offer living proof that communities around the world are able to lead rich, dignified and fulfilling lives when they are in charge of their natural resources. Rural people, especially women and indigenous peoples, often have a long-standing symbiotic relationship with their local environment. To many of these people, and particularly those who are considered 'poor' in the economic sense of the word, a fulfilling life is about much more than simply money or possessions. It is about their access to and control over natural resources and their involvement in decision-making processes about these resources.

We do not claim to have all of the solutions to the poverty crisis, but we can offer some essential insights into the relationship between the environment and sustainable livelihoods. Our approach to redressing poverty and inequity includes providing strong support to those local people who are promoting alternative models of development. We are also campaigning for measures to redistribute resources and wealth from the rich to the poor, such as addressing the historic ecological debt which is owed by the North to the South. At the same time, we are pressuring international financial institutions, trade bodies, corporations and governments to axe their environmentally and socially destructive policies that destroy natural wealth and create human poverty. We believe that the absolute eradication of poverty, and not simply its partial alleviation, is the most important challenge facing humankind today.

# part one | introduction





## introduction

Poverty is a complex, multifaceted problem. Policy debates tend to emphasize the monetary aspect of poverty, whereas many other factors – including access to and control over natural resources and land, employment, health, nutrition, education, access to services, conflict, political power and social inclusion – also play crucial roles.

Poverty is thus as much a social, political and environmental problem as it is an economic one. According to the 1997 United Nations Development Report, "From a human development perspective, poverty means the denial of choices and opportunities for a tolerable life." In this publication, we will focus on the causes of rural poverty, and show how communities are protecting their livelihoods and their natural environments by making their own choices and creating opportunities for themselves.

As the case studies in this publication show, poverty can mean anything from the absence of a particular tree species, as in the case of the Pehuenche of Chile (see page 8), to restrictions on bushmeat hunting, as for the Bagyeli "pygmies" of Cameroon (see page 7). Poverty eradication solutions are similarly diverse, and may include initiatives like empowering women to become local entrepreneurs in Ghana (see page 40) to cultivating medicinal plants in Paraguay and El Salvador (see page 36, 34).

International financial institutions and governments are learning to "talk the talk" when it comes to poverty alleviation, and recent moves towards debt cancellation, although not far reaching enough, are a critical and long-overdue first step. Nonetheless, the eradication of poverty and hunger are at odds with the current economic model that promotes growth and development, and nothing short of a structural overhaul is needed in order to move towards equitable societies and allow rural people to thrive in their local environments.



what poverty means to the bagyeli people [friends of the earth cameroon]

The Bagyeli 'pygmies' living in the Campo Ma'an national park in southwest Cameroon have sustained themselves for centuries using their vast knowledge of the plant and animal life of the surrounding forest. They traditionally survived by hunting, fishing and gathering honey, fruit, wild yams, caterpillars and snails. When they track animals, they cover themselves with a powder made from the bark of the Moabi tree as camouflage. A nomadic people until recently, they sheltered themselves in temporary huts made of sticks and leaves. Although a few Bagyeli still follow the traditions of their elders, intensive logging, agriculture and a pipeline traversing their lands have threatened their traditional lifestyles as well as those of other pygmy groups.

In 2000, Cameroon's Poverty Reduction Strategy Paper was approved by the World Bank, making the country eligible for debt relief. However, Friends of the Earth Cameroon raised concerns that the voices of indigenous and tribal peoples such as the Bagyeli have not been heard, and that their perception of poverty and aspirations regarding development are not represented in the strategy. "If you do not collect fruits, you cannot have soap; if you do not go fishing, you cannot eat salt; if you do not cultivate plantains to sell you cannot buy clothes. I am dirty and without clothes because I do not do anything. I have already been forbidden from entering the forest."

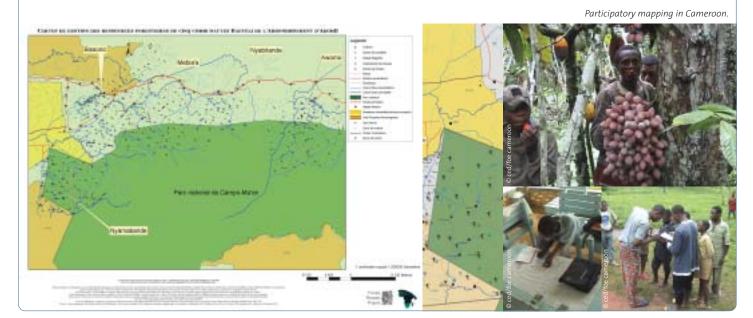
Indigenous Bagyeli person, Cameroon.

To outsiders, the Bagyeli may appear very poor. They have next to nothing in the way of material possessions, little or no money, and are still often without a permanent house. Yet one of the most important indicators of wealth for these peoples is the access they enjoy to the forest and its resources and the amount to which they are able to participate in decision-making processes relative to their livelihoods. For the Bagyeli, limited access to the forest affects their traditional livelihoods and leads to marginalization, discrimination and impoverishment.

Since the inception of the Campo Ma'an national park, which was created by the government as compensation for the environmental damage caused by the Chad-Cameroon pipeline, the food security and even the very survival of the Bagyeli people has been threatened due to restrictions placed on their hunting activities. This area is known for its remarkable biodiversity - nearly 390 invertebrate species, 249 fish species, over 80 amphibian species, 122 reptile species, 302 bird species, and around 80 species of large and medium-sized mammals – all of which have been conserved and sustainably managed by local and indigenous peoples for generations.

Since 2003, Friends of the Earth Cameroon, the Forest People's Project and the Rainforest Foundation have supported the Bagyeli in the documentation of their use of the forest and its resources through a process "participatory called mapping". Participatory mapping, widely used by indigenous communities in Latin America and Southern Asia, entails the collection of detailed information by communityselected cartographers about the land, its features and its resources. The outcomes clearly highlight the importance of the forest and its resources for the subsistence strategies of indigenous populations in Cameroon.

For the Bagyeli, the creation of protected areas on their ancestral territories has infringed upon their individual and collective rights, marginalizing and impoverishing them. They believe that any poverty reduction strategy proposed by the government or by external funders must include their participation, and must be based upon their collective right of access to land and forest resources.





Bilingual school for Quin-Quen children.

#### quin-quen win rights to trees and pine-nuts [friends of the earth chile]

The Araucaria, or Monkey Puzzle tree, can reach more than 2500 years of age and is thus one of earth's longest-living tree species. It is both essential and sacred to the Native American Pehuenches, who have included its pine-nuts in their diet since time immemorial. In their native language, "pehuen" means Araucaria, and Pehuenche thus means "people of the Araucaria".

In 1987, during the military dictatorship, Quin-Quen Pehuenche community members were outraged by a new law authorizing the felling of Araucaria trees. This law, backed by timber companies keen to exploit forestry resources, jeopardized previously protected ancient forests.

Community leaders contacted CODEFF/Friends of the Earth Chile for support in building a network of environmental and social organizations to fight for the Araucaria. In 1990, the Quin-Quen, backed by a citizens' movement, finally attained the protection of the tree species when Chile regained its democracy.

However, the Quin-Quen's lands now officially belonged to the same forestry companies that had challenged the legal protection of the Araucaria. As a reprisal for the community's triumph over commercial trade in the ancient trees, the companies tried to evict the Pehuenche from their ancestral lands. Once more, the indigenous communities sought the help of citizens' organizations. A second victory was ultimately won in 1992 when the government intervened to purchase the disputed lands, transferring the title deeds to the Quin-Quen and other indigenous communities.

This turn of events allowed the Pehuenche to design and implement community-based development projects in order to improve their living conditions. A bilingual school for children was established with the support of Friends of the Earth Chile, as well as a health clinic and a storehouse for pine-nuts, which provide one of the Pehuenche's main sources of income.

Renewed control over the land also allowed the Pehuenche access to the deciduous Lenga tree (Nothofagus pumilio), a species that grows alongside the Araucaria and has enormous commercial potential if responsibly managed. They are currently defining a long-term plan to build shelters for community-raised livestock using this timber, thus improving their living standards. It is hoped that the Pehuenche will be able to maintain long-term control over their natural resources, managing them in line with their own interests and generating ecological and financial benefits for the whole community.

# part two | poverty and natural resources





two poverty and natural resources

## introduction

Environmental degradation is a major cause of poverty among rural communities around the world. Colonialization launched a process of natural resource exploitation by northern-based corporations in southern countries, and catalyzed the continuing intervention by industrialized governments in the political systems of resource-rich countries. Corrupt, repressive regimes in many countries also benefit from these neocolonial arrangements – at the expense of their citizens and local environments. This exploitation of people and natural resources is fueled by overconsumption by people in wealthy industrialized countries and the southern elite.



As political leaders dither about how (and in some cases, whether) to address the poverty crisis, global inequities are steadily increasing. Many studies, including a 2004 International Labor Organization report, show that the income gap between the richest and poorest countries is widening. Today, on our planet of 6 billion people, one billion enjoy 80 percent of total global wealth and another billion struggle to get by on US\$1 per day.

It has long been popular among development 'experts' to claim that the poor are largely responsible for destroying their environments as they sink deeper into poverty. This belief persists despite centuries of community experience which have shown that indigenous peoples and local communities are perfectly capable of living in harmony with nature. The livelihoods of many of the world's poorest people depend directly on unspoiled natural resources, from which they obtain food, housing, energy, water, medicine and income. When their traditional natural resource management practices are hampered, whether through environmental devastation, overexploitation, privatization, or lack of access, they may be forced to make their livings in less sustainable ways in order to support themselves and their families.

The main culprits in the destruction of natural resources and livelihoods are transnational corporations, backed by their governmental allies and enabled by trade agreements and international financial institutions. These actors promote inappropriate policies and technologies – including large-scale dams, intensive agriculture, logging for export, commercial fishing, and oil, mining and gas operations – that put enormous pressure on the environment and natural resources. Grossly unsustainable consumption patterns by higher-income people contribute to this downward spiral: more natural resources are expropriated, increasing poverty among the local people who depend on them. Furthermore, degraded environments are less productive, more prone to environmental hazards including floods, famine and desertification, and less able to support the people that depend upon them.



#### two poverty and natural resources

#### threatened forests

The Center for International Forestry Research has calculated that 100 million people depend on forests to supply key elements needed for their survival, whether it be resources like food, fuelwood, medicine, bushmeat, housing, compost for agriculture, or income. However, half of global forests have already disappeared, deforestation continues apace, and the health of remaining forests is declining rapidly.

There are many pressures on forests, but the greatest threat is the expansion of large-scale monocultures like soy, oil palm and pulp plantations. An important underlying cause of deforestation is the growing production and trade of forest products fueled by rising consumption, especially in wealthier countries. Paper, pulp and plywood are the fastest growing commodities, and make up the lion's share of the global forest trade in terms of value. Wood consumption is far from evenly distributed: in 2000, more than half of the industrial timber and 72% of the world's paper was consumed by the 22% of the world's population which lives in the US, Europe and Japan.

There is a clear link between forest degradation and human poverty. Friends of the Earth Costa Rica has documented a strong correlation between rural poverty and timber exploitation in tropical forests (Coecoceiba, 2003). Extensive logging in the past decades in Malaysia has destroyed the health, rivers and livelihoods of indigenous forest communities (see page 13). The Katkari indigenous people of India have been forced to learn to cultivate land due to the disappearance of their native forests as a result of colonialization, leaving them vulnerable to malnutrition and starvation (see page 39).

In addition to jeopardizing people's livelihoods, forest destruction increases the vulnerability of communities to environmental threats. It is widely acknowledged that the destruction caused by Hurricane Mitch in Central America in 1998 would have been significantly lighter if the affected areas had been less deforested. Similarly, the tsunami that ravaged Asia in 2004 would have been less devastating to coastline communities and ecosystems if mangroves and coastal forests had still been intact.



#### mapping their rights: sarawak forest communities [friends of the earth malaysia]

The indigenous communities of Sarawak have long battled the state government for permitting logging, plantations and dam building on their customary lands. Extensive logging since the 1960s has resulted in the loss of a third of Asia's forest cover, threatening biodiversity and livelihoods of communities. the resident The repercussions for communities are dire: flooding destroys crops and adversely affects water supplies and fish stocks. Monetary benefits promised to communities are usually distributed unfairly, resulting in conflicts and the erosion of traditional governance structures.

Towards the end of the 1980s, Penan indigenous communities staged protests, erecting wooden barricades on company logging roads. About one hundred Penan were arrested and detained. Logging resistance continued until the early 1990s, culminating with many promises by the government ranging from forest reserves to infrastructure, and from health care to seeds for cultivation. Yet one decade later, the Penan are more impoverished than ever, lacking decent housing and plagued by frequent food shortages and poor health. Their rivers are polluted by silt, oil spills, wood preservative chemicals and garbage discharged by the logging companies. The staples of their diet - game, fish, fruit and wild sago palms - are almost depleted. They are struggling to adapt to a settled lifestyle, and learning agricultural skills.

After no significant government action and a second round of blockades in 2002, the Penan adopted a new approach. They joined up with a US-based NGO, the Borneo Project, in order to survey and map their land and associated resources. These maps were then converted into computer format using geographical information system technology (GIS). The maps have since been used as legal support for the community's defense of its rights to its subsistence land base. Friends of the Earth Malaysia has cooperated with the Penan on several income-generating activities that do not endanger forest resources, including agro-forestry and timber production from native tree species. These economic initiatives have enabled the community to pay for education and medicine. The community mapping approach has since spread across Sarawak, resulting in important legal victories for many forest communities.





### communities care for forests

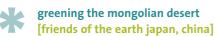
[walhi/friends of the earth indonesia] In Wonosobo, a rural district in Java, Indonesia, you can see with your own eyes how forests managed by people are much healthier than forests managed by the state. People have lived in these forests for generations, relying on rice, fruit, livestock, and vegetables for their sustenance and selling products such as honey, resin and fiber for extra income.

> When the colonial government was in charge of managing the Wonosobo forest, it converted most of the lowland forest to monoculture agricultural land and plantations. Local people were hired to work on the plantations and to produce timber, but they no longer had control over the land. They continued however to apply their traditional forest

management in a few parts of the forest, and developed a very sound model of agro-forestry in which community members decide collectively how resources should be managed, taking both economic and environmental needs into account.

The difference is striking: the community forest is diverse and flourishing, and the state forest is degraded. The people of the Wonosobo forest have demonstrated that, given the opportunity, local communities can manage not only the forest but the entire local ecosystem.







The people of Horqin Sandy Land in Inner Mongolia, China have traditionally lived from the land, grazing their goats, sheep and cattle in the grasslands. However, overgrazing, increased agriculture and deforestation over the past decades due to the population boom in China has put great pressure on grasslands, with an estimated 2500 square kilometers of land turning into desert each year. Green areas are replaced with dry, infertile sand, and local people are unable to support themselves.

Desertification, which destroys the ecological basis of people's livelihoods, is a major cause of poverty and hunger around the world. One quarter of the planet's land area is desertified today, and one sixth of the world's population is affected. Many people are forced to abandon their lands, becoming ecological refugees. In reaction to this situation, Friends of the Earth Japan began working with a village in the Horquin Sandy Land area in 2001 in a project called 'Greening the Desert'. By 2005, their collaboration had expanded to three villages and one junior high school in the area. Joint activities include planting trees and protecting grasses to allow them to recover.

Ultimately, green lands will be transformed into farmlands and grassy fields so that people can once again graze their cattle. They will also be able to sell cut grass in order to earn money. In 20 years, it is predicted that they will be able to supplement their incomes by selling trees as logs, while avoiding excess deforestation.



#### two poverty and natural resources

#### fisheries in trouble

Fishing has traditionally been a major source of livelihoods for coastal communities around the world, and fish are the primary source of protein for hundreds of millions of people. Fishing is also a culturally important activity, as skills are passed down from generation to generation.

Small-scale fisheries are also critical to many economies. In several countries in Africa, the Caribbean and the Pacific, for example, fish product exports, sourced primarily from small-scale fisheries, generate a higher income than exports of tea, coffee or cocoa. Small-scale fisheries also contribute to sustainability: around 99 per cent of fish catches have a commercial use or are consumed directly.

However, the livelihoods of small coastal fisherpeople are being jeopardized by the collapse of fish stocks, mainly due to largescale fishing by commercial trawlers for export markets. Industrial fishing is based on non-selective extraction; immature fish and other non-commercial species die and are thrown back into the sea. In the shrimp fisheries of the Gulf of Mexico, for example, this wasteful approach means that up to 90 percent of the total catch is discarded. Since 1982, the UN Convention on the Law of the Sea (UNCLOS) has recognized that fragile marine ecosystems need to be protected and preserved from large-scale fishing in order to conserve the oceans' biodiversity.

In general, the trend towards economic globalization and market models, based on neoliberal policies, is leading to a drastic reduction in access rights for traditional fisherpeople. Coastal communities in Togo among other places (see page 16) are unable to compete with high-tech rivals, and their local markets are being overwhelmed by cheap imports from Europe. The conversion of mangrove swamps into shrimp farms for export, as is happening in the Niger Delta (see page 16) also places enormous pressure on the local communities dependent on these ecosystems. the best fish is a local one global trade creates poverty on togo's coastlines
 [friends of the earth togo]

Togolese beaches bustle with activity in the early morning as the wooden 'pirogues' are pushed out to sea, and later in the afternoon when they are hauled back in. Women smoke the fish and sell them on the beach and at the local market, just as their parents and grandparents did. However, these traditions are imperilied, and hunger and poverty are on the rise along these palmfringed beaches.

It is an absurdity of the global market that 74 percent of the fish eaten in Togo is caught in northern Europe, while many of the country's coastal fisherfolk are no longer able to sustain themselves by fishing. Hunger is increasing, as many people can no longer afford to buy the fish that is a major source of their protein. Togo's coastline and its inhabitants are threatened by modern fishing fleets from northern Europe, which dominate the sea and deplete its marine resources. They are enabled by international trade agreements, with the European Union for example, which provide unfair subsidies favoring large-scale operations over communitybased coastal livelihoods. The governments of Togo and other West African countries are torn between the promised 'development' and income promised by these trade agreements and the need to protect the natural resources upon which people depend for their livelihoods. Friends of the Earth Togo is campaigning to convince the people of Togo to buy locally caught fish rather than cheaper foreign imports. They are also educating local fisherfolk about the importance of using alternative nets which allow the young fish to escape back into the sea where they can later breed. They support suspending fishing activities during certain periods, traditionally one week per month during the full moon, so that fish stocks can be replenished. They are also working with local women in promoting alternative ways of smoking fish, using recycled wood rather than local trees or charcoal. At the same time, Friends of the Earth groups in Europe are lobbying against the unsustainable European Union policies and regulations that are harming the fisherfolk of West Africa.



#### shrimp farming threatens local fishing rights in the niger delta [friends of the earth nigeria]

The future of more than 8 million people in the Niger Delta whose livelihoods depend upon fishing and the surrounding ecosystem hangs in the balance due to threats posed by industrialized fishing and shrimp farming. These people live in coastal communities and fishing settlements in the fragile saline mangrove swamps of the Niger Delta, the breeding ground for more than 60 percent of the fish caught along the west coast of Africa.

Coastal communities are concerned about the progressive decline of their fish catch due to the pollution of their fishing grounds by oil companies like Shell, as well as unsustainable fishing practices by illegal trawlers. These trawlers ignore local and national laws, catching fish regardless of size, and destroying the fishing nets and traps of local people. Fisherfolk also dread the proposed collaboration between Shell and the UN Development Program for industrialized shrimp farming in the Niger Delta. Although the project sponsors claim poverty alleviation for fishing communities as a main goal, local people have not been consulted in this blatantly top-down development scheme. The ulterior motive for the scheme is clear, with worldwide demand for tropical shrimps increasing dramatically in recent years.

Fisherfolk worry with good reason that the shrimp farms will pollute their fishing grounds and simultaneously destroy the mangrove forests, their source of wood for building boats and paddles, fish traps, fences and carvings.

Horror stories about shrimp farming in Asian countries including Thailand, Indonesia, India and Taiwan heighten people's fears. In these countries, shrimp farms have been accompanied by displacement, loss of traditional fishing rights, environmental degradation, land conflicts, migration to overcrowded cities, pollution by harmful antibiotics and chemicals, and gross inequalities between those who profit and those who lose. The promised local employment at the shrimp farms is generally less viable than people's original fishing-based livelihoods, catalyzing a downward spiral of poverty and environmental degradation.

Friends of the Earth Nigeria is increasing the heat on oil companies to accept liability for the messes they have made in the Niger Delta. This will allow fish, crabs, shrimp, crustaceans and other sea food to flourish again. At the same time, they are encouraging the development of small-scale fisheries and artisanal shrimp farming in order to relieve poverty and stress on the environment. They are also working with partners in the North, including Friends of the Earth Netherlands, to inform the public about the social, economic and ecological impacts of shrimp imports.



#### better shrimp farming in java [walhi/friends of the earth indonesia]

In the early 1990s, most of the intensive shrimp ponds in Java and other parts of Indonesia collapsed due to a shrimp disease called white spot virus. The virus, for which there is no cure, was particularly damaging to intensive aquaculture ponds. In addition, intensive shrimp farming destroyed mangroves and polluted the water. Indebted farmers sold their lands to money lenders; most of them eventually ended up working at these same ponds which were bought by local elite.

Intensive shrimp farming has proven to be unsustainable. The ponds last only a few years, and they pollute the environment enormously with wasted shrimp feed, antibiotics and chemical fertilizers. Indonesia has the highest concentration of shrimp ponds in the world, occupying some 400,000 hectares of land.

#### traditional vs. intensive shimp farming

Aquaculture is the main activity for most of the farmers in the Sidoarjo region of East Java. They have practiced environmentallyfriendly traditional shrimp and fish culture, with no industrial and chemical inputs, for the last 400 years. Shrimp are fed with plankton that is washed into the ponds by tidal currents.

In the mid-1980s, the Indonesian government and multinational feed companies actively promoted intensive shrimp farming, taking advantage of existing shrimp ponds in Indonesia and elsewhere in Asia. Several demonstration ponds were constructed in order to influence local farmers to opt for this quicker, higher production method of aquaculture. The World Bank and the Asian Development Bank provided the government with loans in order to promote the development of intensive ponds.

As a result, the use of shrimp feed and chemical inputs increased drastically, and diverse polyculture ponds were quickly transformed into monoculture shrimp ponds. Today, farmers spend almost 60 percent of their production costs for shrimp feed and antibiotics. Some 25 percent of the feed is not consumed by the shrimp, and it settles on the bottom of the pond.

#### transforming shrimp production

Learning from the failure of these intensive ponds, shrimp farmers in Sidoarjo opted for a complete transformation. Avoiding industrial and chemical inputs, they readopted local methods of aquaculture, and have been cultivating shrimp in the traditional manner together with fish since 1997. Some innovations have been added: for example, organic fertilizer is used to generate algae and plankton for food.

Today, nearly 90 percent of the ponds in the Sidoarjo region are traditional, polyculture ponds. The community is also rehabilitating the mangroves and local ecosystems. The previous dependancy on corporate aquaculture products no longer exists. Other farmers, as well as shrimp importers from Japan and the European Union, are following the Sidoarjo initiative with interest as a model to be replicated.



Children from a Palestinian village standing near the water tank of a water harvesting system.



# sharing water [friends of the earth middle east]

Water scarcity is a serious and ongoing problem in the dry Middle East, and the sharing of water resources between communities in Israel, Palestine and Jordan is absolutely essential. Since 2001, Friends of the Earth Middle East has been running the 'Good Water Makes Good Neighbors' project in order to promote water conservation and recycling.

Water harvesting devices to collect rain from rooftops, run-off from paved school yards, and excess water from drinking fountains have been fitted into school buildings in 11 communities. The stored water can then be used for flushing toilets, for irrigation and even for drinking in areas where there are serious water shortages. This innovative system has meant huge savings in fresh water use, and has brought water to schools that could otherwise not provide children with a regular supply of drinking water.

#### two poverty and natural resources

#### water woes

Water is becoming dirtier, scarcer and costlier for people in many parts of the world. More than one billion people do not have access to clean drinking water, and 1.8 million people die each year due to inadequate hygiene, sanitation and water supply.

International financial institutions, trade treaties and multinational water corporations promote the privatization of water services, thus decreasing the access of poor people, and particularly women, to water. Pollution, industrialized agriculture and mining are also part of the problem, as are big dams. The World Bank, notorious for funding mega-dams which displace people and contribute to local poverty, is for example financing yet another destructive project in the Mekong Valley which will affect the livelihoods of more than 100,000 farmers (see page 26). Friends of the Earth believes that water is a human right, is essential to livelihoods, and should not be treated as an economic good. We are campaigning for water justice by promoting collective water management systems, urging water reduction and reuse, and restoring rivers and wetlands to more natural states. Friends of the Earth Middle East, for example, is harvesting rainwater in order to promote water conservation and recycling (see above).

# part three | how neoliberalism fails to alleviate poverty





This kind of growth-oriented development has the primary goal of creating markets and wealth for the largest transnational corporations, the richest countries and the elite. Simultaneously, this approach impedes regulation by national governments and wipes out domestic industries and vulnerable small-scale businesses. Local communities are disempowered and left with polluted rivers, diminished forests and degraded land. In short, this kind of development is profitable for corporations and governments but is often devastating for rural, natural resource dependent communities.

This section provides a few examples of neoliberal schemes that claim to reduce poverty, but in fact have just the opposite effect, in no small part due to their damaging impacts on the environment. Trade liberalization, promoted by organizations like the World Trade Organization (WTO), exploits natural

#### three how neoliberalism fails to alleviate poverty

## introduction

Globally, we have the resources to eradicate poverty and hunger, both in rural and urban communities. However, this can only be achieved by moving away from the current neoliberal economic model, which advocates market-based solutions to poverty with minimal interference by governments. The push for expanded foreign direct investment into poor countries and increased exports is based on the false premise that the revenues generated will "trickle down" to the poor. This is the basis of the poverty alleviation approaches of international financial institutions like the World Bank and trade bodies including the World Trade Organization. resources and increases rural poverty. Development aid, through governments and international financial institutions (IFIs) like the World Bank and IMF, promotes policies and projects that hurt the poor and the environment alike. Transnational corporations, the biggest winners of the neoliberal agenda, have been key to the push for socially and environmentally damaging industrialized and geneticallymodified agriculture around the world. They are now profiting from various 'poverty alleviation' partnerships with United Nations agencies with the not-so-hidden agenda of gaining access to new markets. The privatization of natural resources and services, pushed by the corporate, trade and IFI lobbies, decreases people's access to and control over natural resources and increases poverty. Policies to implement the Millennium Development Goals, however welcome, are doomed to fail in the long run as they leave the current environmentally and socially exploitative system intact.



Harvard University Professor Dani Rodrik has conducted empirical studies to show that trade liberalization does not necessarily lead to economic growth. In fact, he argues the causal relationship is the other way round: countries grow first and then integrate into the global economy. This is the case for China and India, which have been careful to retain significant amounts of government protection rather than simply following the WTO's prescriptions for liberalization and privatization. On the other hand, those countries that fully embraced the WTO's liberalization/privatization/globalization agenda in the 1990s, particularly those in Latin America, have faced financial crises and disappointing economic performances.

The benefits of unlimited economic growth are also questionable from an environmental point of view. Economic growth is based on the possibility of limitless expansion, but ecosystems have finite boundaries and will collapse if overstressed. Multilateral, regional and bilateral free trade agreements that open markets for penetration by transnational corporations often increase the exploitation of forests, fisheries, minerals, water and biodiversity, increasing poverty amongst those who depend on these resources for their livelihoods.

The World Trade Organization and other free trade agreements also reduce the space for governments to regulate in favor of people, local economies and the environment, both at the national level and internationally. The interests of communities are ignored, as they have no access to the negotiators deciding on rules and agreements, and the environment loses as international trade and investment flows take precedence over the protection of our natural resources. Furthermore, neoliberals insist on the use of the market to resolve various environmental problems, ignoring the fact that unfettered markets are very often part of the problem.

#### three how neoliberalism fails to alleviate poverty

#### trade liberalization: the 'trickle down' myth

Contrary to popular belief, most trade liberalization does not lead to poverty reduction; in fact neoliberal policies often contribute to the global system of unsustainable production and consumption that benefits giant corporations but fails people. The United Nations Conference on Trade and Development's Least Developed Countries Report 2004 clearly demonstrates the fact that wealth is not 'trickling down' to the poor. There has been little correlation between export growth and sustained poverty eradication in least developed countries, many of which undertook far-reaching liberalization measures in the 1990s. The biggest losers from the World Trade Organization's Uruguay Round of trade negotiations, for example, were Sub-Saharan African countries, already among the poorest in the world. In particular, current negotiations in the WTO and regional and bilateral trade agreements that aim to liberalize trade in goods and services relating to water, energy, forests and fisheries should be stopped. Ultimately, the WTO should not be involved in the regulation of trade in food and agriculture. These changes would directly contribute to poverty eradication by allowing rural people to continue to manage and sustainably use their natural resources to meet their basic needs. In addition, trade liberalization negotiations must not be permitted to stop governments legislating in favor of social and environmental well-being and local economic development.



#### three how neoliberalism fails to alleviate poverty

#### corporate greenwash allows business-as-usual

Trade liberalization has winners and losers - and the winners include transnational corporations scouring the globe for new markets, weak competitors, cheap resources and lower operating costs. These companies have privileged access to and influence upon governments and trade negotiators, enabling them to make and break the rules of the global economy to suit their commercial interests. All of this often comes at the expense of communities, local economies and the environment.

Corporate power has greatly increased in the past decades, and companies have managed to slip away from attempts to regulate their behavior. They have successfully coopted the concept of "sustainable development" while at the same time expanding their unsustainable practices in the agricultural, water, mining, energy, pharmaceuticals, chemicals and transport sectors. They have triumphantly promoted the idea of 'voluntary initiatives' while continuing to pollute, exploit and degrade environments around the planet. In recent years, the most influential corporations have managed to worm their way into various poverty-related initiatives, including some in alliance with the United Nations environment, labor and human rights agencies. These are some of the very corporations – Nike, Shell, Rio Tinto, Novartis, BP, Daimler Chrysler, Bayer DuPont, McDonald's, Disney, Chevron, Unocal – that are contributing to poverty around the world through their exploitative activities.

Corporations have enthusiatically embraced opportunities to show off their newfound 'Corporate Social Responsibility' in highprofile initiatives such as the 'Global Compact' between the United Nations and industry to promote human rights and reduce poverty. However, these ventures are often part of a public relations strategy that masks the less commendable activities of involved companies. In the end, corporate activities, both social and antisocial, are driven by the need to bring in profits.



#### sakhalin sickens fish and people [sakhalin environment watch, russia]

Since ancient times, the Nivkhi people have survived by fishing and collecting sea products on the coast of Sakhalin Island in the Russian Far East. In the past few years however, catches have decreased, and inhabitants say the fish caught can often not be eaten as they smell of chemicals, medicine, drugs, or "rotten hay". Salmon with oozing ulcers have also been found in the waters off the coast of Sakhalin. What is making the fish sick? It seems that seventy years of oil and gas extraction on Sakhalin have damaged coastal and fresh water habitats, affecting the ability of fish to reproduce, and destroying the taste and commercial value of the fish. The Nivkhi are tired of these unhealthy activities, and along with other island communities are battling the most recent proposal by Shell and Exxon for what will be one of the world's largest integrated oil and gas projects, including an underground pipeline through an active seismic fault.



#### more information: Sakhalin Environment Watch: **www.sakhalin.environment.ru**

The project, awaiting loans from the European Bank for Reconstruction and Development and several national export credit agencies, has received substantial negative publicity due to its likely impact on the remaining population of Western Pacific Grey Whales. What is less known, however, is that it will likely worsen the poverty already faced by local people on Sakhalin Island by further degrading their natural resource base. One community organization has documented the serious negative impacts that the project will have on the water, sewage, housing, medical and transportation infrastructure on the island.

Indigenous groups on Sakhalin have united in protest of the project's impacts on their native fisheries and overall livelihoods, as well as the unwillingness of the corporate sponsors to engage with them in dialogue. They are pushing for an independent cultural impact assessment and a development fund for affected people, and have taken to the snowcovered streets in direct action.

#### three how neoliberalism fails to alleviate poverty

#### the failure of development aid

#### bilateral aid

There is a pervasive myth that governments give significant amounts of bilateral aid to the poor. However, nearly all of the rich nations consistently fail to meet their Official Development Assistance (ODA) target of 0.7 percent of GNP, most of them hovering in the area between 0.2 and 0.4 percent each year.

To a large extent, financing the demise of poverty is a matter of prioritizing. Kari Nordheim-Larsen, then Norwegian Minister of Development Cooperation, said in 1996 that "It has been estimated that the world would need to mobilize between 30 and 40 billion dollars annually for several years to achieve universal access to basic social services, including low cost water-supply and sanitation. While it definitely is a large amount of money, it only represents some 3 or 4% of what the world spends on the military every year."

The quality of aid remains an area of concern as well, as a real danger exists of locking people into dependency rather than promoting selfdetermination and empowerment. In recent years, following a range of aid scandals, development agencies have tried to move away from financing large, inappropriate development projects that have wasted millions of public dollars and euros. There is now a growing tendency to listen better to local needs when designing aid programs. While this is welcome, it is just as important to remove structural barriers that impede people's opportunities to create longterm sustainable livelihoods for themselves.

Generally, transnational corporations fare well as a result of aid programs; the Australian aid program is even explicitly formulated to promote Australian commercial interests. Furthermore, a large part of the multilateral aid channeled through international financial institutions directly supports northern corporations.

#### multilateral aid

Much of the world's multilateral development aid is channeled through international financial institutions (IFIs) such as the World Bank. Although the mission of most of these banks is poverty alleviation, many of their projects and policies have the reverse effect.



## nam theun mega dam bad news for laotian farmers [friends of the earth france]

Large dam projects have acquired a bad reputation over the years. There is good reason for this: the World Commission on Dams found that some 40-80 million people have been resettled for dam projects. According to their 2000 report, "Indigenous people and women have suffered disproportionately from the impacts of dams while often being excluded from the benefits. Resettlement has caused extreme economic problems. Millions of people living downstream of dams have also suffered devastating impacts as a result of disease, altered river flow, and loss of natural resources such as fisheries. The benefits of dams have largely gone to the rich while the poor bear the costs."

Yet the lure of huge financial projects remains, and the World Bank, the European Investment Bank and the Asian Development Bank have pledged to fund the controversial Nam Theun 2 project in Laos despite public outcry.

The dam is predicted to have enormous consequences for the whole Mekong river basin. Some 6,200 people will be displaced when the reservoir is flooded, and the livelihoods of more than 100,000 local farmers are at risk. Experience from other hydropower projects in Laos shows that replacing subsistence livelihoods is extremely difficult. Villagers are being provided with small plots of land, but reports say that the soil is poorly suited for crop production and high inputs of fertilizer will be needed. There will be insufficient



land for grazing villagers' livestock, including their prized herds of buffalo. For downstream communities, the project plans to replace freshwater fisheries with aquaculture. However, experiences in Laos and elsewhere suggest that adoption of aquaculture is a slow and gradual process with environmental and social costs, and that the poorest people often lack the necessary land and capital resources.

Friends of the Earth, International Rivers Network and others have been campaigning to persuade funders not to touch the project. According to Sebastian Godinot of Friends of the Earth France, "This risky and complex project will not benefit poor people, but rather the country's elite and foreign companies."

more information: Les Amis de la Terre (in French): **www.amisdelaterre.org** International Rivers Network: **www.irn.org** 

#### three how neoliberalism fails to alleviate poverty

By attaching conditions to their loans, the IFIs impose structural adjustment packages - liberalization, privatization and deregulation policies - on the world's poorest countries. In addition, they provide subsidies to transnational corporations for investments around the world. These policies and practices generally hurt the poor: the revenues that are supposed to trickle down are often minimal, end up in the wrong pockets and do not compensate for negative social and environmental impacts.

It is a well thought-out package. Liberalization allows transnational corporations free reign to out-compete local and small scale businesses. The privatization of public services opens more markets for big business, but makes essential resources such as water and energy unaffordable for poor people. Simultaneous deregulation limits governments' possibilities to protect people and natural resources by prohibiting them from placing social and environmental requirements on corporate activities. And to complete the picture, direct financing of megalomanic projects like oil pipelines, gold mines and large hydro dams directly destroys environments and livelihoods for communities around the world.

Cost overruns, displaced communities, devastated environments and useless constructions are the unhappy results. Communities are deprived of access to clean water, healthy forests and other natural resources they depend upon. And the few jobs created by these capital-intensive operations can not compensate for the livelihoods that are lost in the process.

The soaring debt burden, which increases as a result of these lending activities, makes it impossible for governments to invest in social and environmental sectors. Payment of interest on debt has created the unacceptable situation in which more money flows from developing to developed countries than vice versa. From Africa alone, the money transfer to the IMF and World Bank between 1986 and 1990 was US\$ 4.7 billion. The poor are hit the hardest, all in the name of development.

It is no secret that these institutions are failing in their poverty alleviation missions. The World Bank's 2003 Extractive Industries Review report 'Striking a Better Balance' found that: "Increased investments have not necessarily helped the poor; in fact, oftentimes the environment and the poor have been further threatened by the

The people and nature that will be impacted by the Nam Theun dam.



expansion of a country's extractive industries sector"; and that "the World Bank Group does not appear to be set up to effectively facilitate and promote poverty alleviation through sustainable development in extractive industries in the countries it assists." In its March 2005 analysis of the reasons for Africa's economic woes, UK Premier Tony Blair's Commission for Africa concluded that: "Evidence shows that IMF and World Bank economic policy in the 1980s and early 1990s took little account of how these policies would potentially impact on poor people in Africa."

In short, Friends of the Earth International believes that steep increases in bilateral and multilateral development aid are necessary, but will only succeed in alleviating poverty when technocratic and top-down solutions are substituted for participatory, equitable and sustainable alternatives. We also believe that development agencies and international financial institutions must accept joint responsibility for the marginalization of communities and the destruction of natural resources that their projects and policies have caused, and ensure that the needs of the poor take priority over corporate interests. Several of the case studies in this publication show how IFI policies and projects that were supposed to alleviate poverty have impacted the poor. The Shell and Exxon-led Sakhalin oil and gas project in the Russian Far East (see page 23), which is awaiting funding from international financial institutions, illustrates how the health and livelihoods of communities can be threatened by exploitative projects. The Nam Theun II Dam in Laos, funded by the World Bank, the European Investment Bank and the Asian Development Bank, will displace more than 6,000 people and threaten the livelihoods of more than 100,000 farmers (see page 24). Fortunately, many communities are fighting poverty by demanding control of their natural resources, including the Bagyeli pygmies of Cameroon whose livelihoods have been impacted by the World Bank funded Chad-Cameroon pipeline (see page 7).



#### three how neoliberalism fails to alleviate poverty

#### privatization puts nature up for sale

Over the past decade, many governments have privatized publicly owned assets, often under duress, due to structural adjustment programs imposed as loan conditions by international financial institutions. Neoliberal policy-makers in the fields of biodiversity and water management have promoted market-based conservation mechanisms including the privatization of the provision of drinking water, the sale of protected areas to eco-tourism companies and big conservation NGOs, the sale of genetic resources and associated knowledge to pharmaceutical companies, and the sale of forests to oil companies and other industries that want to offset their carbon emissions and other polluting activities. This has resulted in the emergence of an 'environmental services market,' which entails corporate 'ownership' and management of vital livelihood resources like water, fuelwood and traditional medicinal plants.

Indigenous peoples and local communities increasingly find themselves excluded from the forests and other biologically rich areas where they have traditionally lived as their lands are handed over to logging, tourism and private park management companies. Land is also being reserved for a new breed of company that establishes 'carbon parks' to offset the carbon dioxide emissions of rich consumers in the North. As a general trend, these marketbased conservation mechanisms tend to block access for those who cannot pay for the environmental 'services' nature provides.

Friends of the Earth International is calling for common assets like water to be removed from the ongoing services liberalization negotiations in the World Trade Organization. The inclusion of natural resources in the environmental services market tends to make women, who rely more on natural resources in providing for their families, more dependent on men, who have better access to paid work. It makes indigenous peoples and local communities more dependent upon jobs that provide them with a monetary income, forcing them to abandon their traditional lifestyles and seek external employment. In short, it makes those without money more dependent upon those with money.



#### bogotá: city without hunger? [censat/friends of the earth colombia]

The great variety and abundance of food crops cultivated year-round by Colombian farmers are proof of the country's diversity. This richness of ecosystems is matched by the diverse cultures found in the country, including indigenous, black and mestizo peoples, and varied culinary traditions. However, despite this wealth of diversity, the imposition of the current economic and development model has led not only to the impoverishment of the population but to the loss of food security and food sovereignty.

A clear example is provided in Bogotá, Colombia's capital city, where 3 million people out of a total population of 8 million live in poverty, and 25 percent of the city's children under seven are malnourished. Thousands of families move into Bogotá each year, displaced from their homes by the social and armed conflict that has bled the country for decades.

#### corporate response

This is why the citizens of Bogotá welcomed Mr. Luis Eduardo Garzón as the new mayor, and were positive about his proposed 'Bogotá without Hunger' program, which recognizes the urgency and scale of hunger, exclusion and poverty in the city. He called for the introduction of nutritional supplements and for school and community canteens, food banks and a network of food stores and cooperatives to be established. The program had enthusiastic responses from many, including universities, businesses and the Chamber of Commerce. Huge supermarket chains, including transnational corporations like Carrefour, began to donate meals and cash for the program, and several stores "adopted" community canteens around the city and supplied them with food.

However, the program and its vision have generated a lot of criticism from various social and environmental movements. Hunger and poverty are attributed to laziness and lack of education, and the proposed solution of distributing corporate profits among the poor is purely economic. Critics maintain that the project's approach to hunger is superficial, and that the underlying causes of hunger and ways to create lasting food security are not addressed. Farmers and environmentalists are also opposed to the program, as it ignores the role of the local producer in dealing with hunger and poverty. All of the food for the program is imported, in order to reduce costs. These 'donations' of tons of food by large supermarkets are thus contributing to the further consolidation of their control over national and global food markets. Hundreds of thousands of farmers are involved in supplying food for the people of Colombia, and this commercially-oriented scheme deals them a harsh blow from which they might not recover.

#### grassroots alternatives

Fortunately, a variety of farmers' organizations in Colombia are developing important food sovereignty initiatives such as the recovery of traditional seeds, agro-ecological cultivation practices, seed exchanges, diversification of crops, establishment of local markets and the reintroduction of diverse traditional recipes. Friends of the Earth Colombia has long supported these projects, including one carried out by a farmers' organization in the province of Santander to strengthen food sovereignty in that region.

#### three how neoliberalism fails to alleviate poverty

#### corporate-driven agriculture does not feed the poor

Half of the world's hungry are smallholder farmers. In the case of Africa, three-quarters of the poor live in rural areas. The livelihoods of subsistence farmers around the world are being threatened by corporate-driven agriculture policies, including the neoliberal model of growing food for export, a second Green Revolution and the promotion of genetically-modified crops by biotech companies.

#### food for export, not for the hungry

Thanks to the neoliberal trade model, much of the food produced in developing countries is destined for export markets. This is a driving force behind the growth of hunger and poverty in rural areas, as large-scale export-oriented agriculture creates far fewer jobs than family farming, and expropriates land so that communities can no longer grow their own food. Export-oriented agriculture also has the ludicrous outcome in wealthy and poor countries alike that food flown in from across the world can be cheaper than locally-grown, environmentallyfriendly produce. Furthermore, the monoculture crops promoted by corporate-led agriculture models destroy local genetic diversity, which is essential for both human nutritional needs and environmental sustainability. Expansion of largescale monocultures like soy and oil palm into primary forests also forms one of the main causes of global biodiversity loss.

#### unsustainable green revolutions

A more recent threat is the push for a second Green Revolution, which champions agricultural technology as the way to tackle hunger and poverty in rural areas. The first Green Revolution, which played out primarily in the 1960s and 70s in Latin America and Asia, resulted in millions of indebted, landless and impoverished farmers due to an unhealthy dependence on chemical inputs and commercial seeds pushed by its corporate backers. The pesticides, fertilizer and new technologies used in the Green Revolution also increased biodiversity loss and genetic erosion. This in turn jeopardized food security for the poor, who depend on direct access to natural resources for up to



#### three how neoliberalism fails to alleviate poverty

corporate-driven agriculture does not feed the poor - continued

90 percent of their livelihood needs. In addition, the health of farmers and their families was endangered by the chemical pesticides that accompany industrial agriculture.

Furthermore, despite claims by its proponents that it would feed the poor, the Green Revolution did not reduce hunger. In South Asia, where food availability per person increased by 9 percent, the number of hungry people increased by the same percent. The United Nations estimated that in the early 1990s, 80 percent of all malnourished children in the developing world lived in countries with food surpluses. In addition, a 1999 study by the World Bank's International Food Policy Research Institute found that in 63 countries with malnutrition, improvements in social factors – health, environment, women's education and status – accounted for nearly three-quarters of the reduction in malnutrition since 1970. The World Bank further concluded in an 1986 study on world hunger and poverty that a rapid increase in food production would not necessarily provide food security. Hunger is not a problem of insufficient production but one of political will. While we believe that there is a need for policies and strategies to support and improve the livelihoods of smallholder farmers, we are in favour of a new "revolution against hunger and poverty" rather than another ill-fated Green Revolution.

#### gmos will not feed the world

One of the best examples of the threats posed by the corporatedriven agriculture agenda is the introduction of geneticallymodified (GM) crops around the world. Although the biotech industry argues that GM crops will alleviate hunger and poverty in developing countries, the reality of the introduction of these crops in the last decade shows that biotech companies are motivated by a less noble goal.

Friends of the Earth International believes that the use of GM technology to address malnutrition and the problems of



resource-poor farmers is simply part of a corporate-led push to open new markets. To date, there has been no convincing evidence that GMO technology is without risks, let alone useful for eradicating hunger and poverty. Firstly, over 99 percent of commercial GM crop acreage worldwide is confined to just four countries, three of them highly industrialized and exportoriented: the United States, Canada, Argentina and China. Secondly, over 99 percent of commercial GM crop acreage is comprised of just four crops used mainly for animal feed (soybeans & corn), oil (canola) or fiber (cotton), not for hungry or malnourished people. Thirdly, over 99 percent of commercial GM crops feature just two traits - herbicide-resistance for weed control and insect-resistance - designed for farmers in the industrialized world who practice a highly industrialized, exportoriented mode of agriculture. Finally, one single company, Monsanto, accounts for over 90 percent of the total area of the global area cultivated with GM crops, which clearly illuminates the corporate agenda behind the global push for GMOs.

GM technology has a dismal record of developing crops suitable for resource-poor farmers. In India, hundreds of transgenic cotton farmers have committed suicide in recent years due to mounting debt and failed crops. A joint project of the Kenyan Agricultural Research Institute (KARI) and Monsanto to develop a GM virus-resistant sweet potato took 12 years and cost US\$6 million, yet failed to develop a single suitable variety. In contrast, conventional breeding of sweet potatoes in Uganda produced a well-liked virus-resistant variety with yield gains of nearly 100 percent in a few years and with a very small budget.

The experience of the contamination of maize varieties in Mexico as a result of the import of GM maize highlights the dangers posed by the introduction of GM crops. Mexican corn varieties have been developed by indigenous and local farmer communities over thousands of years, and these varieties are a key reserve of genetic material for plant breeding and the basis for food security in the country. Cases like this offer a strong argument for promoting the existing alternatives to GM crops as a way to address poverty and to ensure environmental sustainability.



#### three how neoliberalism fails to alleviate poverty

#### millennium goals fall short

The Millennium Development Goals, adopted by governments in 2000, set targets for reducing poverty, hunger, disease, illiteracy, environmental degradation and discrimination against women by 2015. One aim is "to reduce by half the number of people living in extreme poverty by 2015"; another is to halve the proportion of people who suffer from hunger within the same period.

This ambitious initiative deserves to be taken seriously. However, it is far from perfect and current implementation policies fail to address some of the underlying structural causes of poverty and hunger. These policies tend to have a technocratic, neoliberal approach that defines poverty very narrowly, in terms of income (GNP) and consumption flows. Secondly, massive infrastructure projects are proposed in order to accelerate economic growth in developing countries without taking the social and ecological impacts into account. Thirdly, the proposal for a new Green Revolution and GM agriculture is doomed to fail in alleviating poverty and hunger (see page 27). It is also important to note that global climate change, if not urgently addressed, could undermine all of the Millennium Development Goals.

The findings of a separate process, the Millennium Ecosystem Assessment, were released by the United Nations Environment

Program, international scientific groups and NGOs in March 2005. The result of four years of research by 1300 scientists from 95 countries, it assesses the impact that changes to ecosystems will have on human well-being. The report found that humans have changed ecosystems more rapidly and extensively over the last 50 years than in any comparable period of time in history, and that the changes made are unsustainable and have left many in poverty. It concludes that the degradation of ecosystems could grow significantly worse over the next fifty years and could serve as a barrier to achieving the Millennium Development Goals.

Although assigning financial worth to natural resources can be a dangerous approach, it is interesting to note some of the Millennium Ecosystem Assessment's calculations of the value of various ecosystems and the services they provide. An intact mangrove in Thailand was valued at US\$1,000 per hectare; after clearing for aquaculture it was worth US\$200. A 3,000 hectare coastal peat bog in Sri Lanka is valued at \$5 million a year for the flood control services it provides locally. The burning of 10 million hectares of Indonesia's forests in the late 1990s cost an estimated \$9 billion in increased health care, lost production and lost tourism revenues. In short, taking care of ecosystems can save huge amounts of money in the long run, but it is doubtful whether this message will resonate well with short-sighted governments and corporations.

# part four | how people can prevail in poverty eradication





four how people can prevail in poverty eradication

## introduction

Institutional solutions to poverty and hunger, inspired by the neoliberal economic model, are doomed to fail. Friends of the Earth International believes that communities and local people can to a large extent determine their own sustainable and equitable futures when they are given access to and control over their natural resources and appropriate technology.

The groups we work with around the world are living proof that alternatives to business-as-usual in the area of poverty eradication can succeed. Together with them, we campaign for the recognition of environmental rights, including collective rights to natural resources. We are also pushing for the inclusion of women in all aspects of poverty eradication, from defining the problem to implementing the solutions. Our answers include the promotion of sustainable energy, which is essential in addressing the dangers posed to people everywhere by climate change. We also believe in the power of sustainable agricultural practices to feed the world and to preserve ecosystems. We are campaigning against regional and global trade agreements, and in particular for the removal of food and agriculture issues from the World Trade Organization's mandate, so that small, local and diverse rural economies can be created. Finally, we are pushing for the immediate and unconditional cancellation of the external debt owed by poor countries to international financial institutions and northern private banks, and the repayment of the ecological debt owed by industrialized countries to southern people for decades of resource exploitation.



sustainable jobs contribute to harmony in northern ghana [friends of the earth ghana]

The dry, remote north of Ghana has long been plagued by tribal conflicts, social upheaval, food insecurity, high illiteracy rates and widespread poverty. The poor quality of life forces many young people, and particularly women, to leave in search of menial work in the south of the country. In order to address this migration of young people from their communities, Friends of the Earth Ghana has set up a project to create sustainable and meaningful local employment. Not only do the jobs created directly reduce poverty, but they also reduce the incentives for young people to become involved in conflict.

#### economic benefits

The project supports the economic activities of rural women and young people by providing them with farm tools and seeds. Shea butter and gari processing centers have been set up for some 4,000 women and young people. Trainings are offered in batik, tie dye and general textile design, and workshops are given on business management and book-keeping. Bicycles with trailers are provided so that women can transport their agricultural products to market.

The diversification of women's economic activities has also improved food security, and some communities have managed to produce surplus gari, beans and groundnuts to be traded with people in southern Ghana. Newly empowered women entrepreneurs can now re-invest in their communities, and they enjoy economic independence and greater freedom to determine their own futures. As a result of increased disposable incomes, more children, and particularly girls, are able to attend school, and health care facilities have been improved. Boreholes built in each of three communities prone to guinea-worm, for example, now provide over 5,000 inhabitants with access to safe, clean water.

Exchange visits between women from different tribes have resulted in trade links: for example women from Yendi now purchase shea oil from Bimbilla to sell elsewhere. For the first time in decades, women are able to travel to each other's districts without fear or intimidation.

#### conflict reduction

In its first year, the project benefited over a thousand people, 98 percent of them female. Workshops and training programs were held in schools, mosques and churches to equip people with skills and tools for addressing the causes of conflict as well as its management and resolution. Social clubs in communities and schools brought together different ethnic groups so that young people could test their newly-acquired reconciliation skills.

The project has also been successful in increasing women's participation in decision-making. Women's groups have been formed based on traditional structures with a Magazia - or women's leader - as the chairperson. Women are now empowered to speak at village council meetings on issues that concern them.

#### four how people can prevail in poverty eradication

community-based resource management

The UN Universal Declaration on Human Rights states that: "Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care." Yet for many people living in already impoverished countries, access to and control over the very resources they need to provide for their families is declining, with little or no compensation in the form of finance or social security.

Friends of the Earth International is calling for fair and sustainable economies with new economic goals, including the equitable and sustainable use of limited resources and the recognition of the importance of economic diversity. Communities, including indigenous peoples, small farmers, landless peasants and women, should have equitable access to agricultural land, water, seeds and other productive resources, and the ability to make decisions concerning the use of those resources. We also want new devolved, transparent and participatory economic decision-making processes based on the principle of economic subsidiarity. This means that communities can choose the extent to which they are selfreliant, generating their own wealth and jobs, yet retaining the option to trade.

Creating democratic and sustainable economies is an ambitious goal that can only be realized by ensuring that international policies genuinely reflect and address peoples' hopes, needs and aspirations. To achieve this, political decentralization is essential. It will be absolutely necessary to ensure that nations and communities are the key decision-makers; that all relevant decision-making bodies – from the local through to the international – are genuinely representative of women and men and participatory; and that people have real opportunities to develop themselves.

Many initiatives based on sustainable economies and local control over resources are already underway. In Ghana, women's activities have been diversified to include shea butter

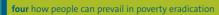


#### medicinal plants create jobs and alleviate poverty [friends of the earth el salvador]

Poverty, hunger, and lack of schools and health services are common problems faced by the people of the San Juan del Gozo peninsula in El Salvador. When people are ill, they often can not afford to treat their ailments through conventional medicine.

Fortunately, there is a long tradition of using medicine derived from plants to cure certain illnesses in El Salvador. In rural areas in particular, where there is great biodiversity and a large variety of medicinal plants, people have handed down knowledge about their cultivation and use through the generations. In 2002, Friends of the Earth El Salvador set up a school for natural medicine, including a laboratory and a nursery in San Juan del Gozo, in order to promote the use of medicinal plants to treat common illnesses including diarrhea, gastritis, muscle pain, rheumatism, digestive and respiratory illnesses and headaches.

Those involved in running the school now have a steady income and the health of the local population is improving. The ultimate goal, when the effectiveness of the medicinal products has been widely established, is to sell them first locally and then regionally.



community-based resource management - continued

processing and trade of beans and groundnuts with other regions, and they have also reinvigorated traditional decisionmaking processes at the community level (see page 35). In Chile, the Pehuenche indigenous peoples are designing communitybased development projects including a health clinic and a storehouse for pine-nuts in order to improve their living conditions (see page 8).

On the island of Atauro (formerly part of East Timor), people have decided to use their resources sustainably and only allow small-scale income-generating activities (see page 37). In order to increase their self-determination, communities in Cameroon and Malaysia are engaged in participatory mapping initiatives which allow them to document the importance of natural resources in their subsistence strategies (see pages 7 and 13). In El Salvador and Paraguay, communities have reinvigorated the cultivation of medicinal plants which are threatened by the loss of biodiversity (see above and page 36).



#### community self-determination on paradise island of atauro [lee tan, australian conservation foundation/friends of the earth australia]

When the East Timorese voted overwhelmingly to be freed from Indonesian rule in 1999, the military regime retaliated by killing tens of thousands of Timorese and destroying about 90% of the country's infrastructure. Five years later, independent Timor Leste remains one of the most impoverished nations in the world, struggling to meet urgent humanitarian needs and to reestablish basic infrastructure through foreign aid and development assistance. Despite huge pressure, the government has to date resisted taking any loans from international financial institutions.

The 105-square kilometer island, home to some 8,000 people, is fringed by coral reefs which attract diverse species of fish and marine animals. Its majestic mountains plunge down to palm-fringed beaches which are lapped by the warm tropical waters. Atauro's isolated position and the subsistence lifestyles of its people have allowed its cultures, traditions and selfreliance to remain intact. Local people are committed to ensuring that development goes hand in hand with environmental and cultural protection.

Proposals for large-scale tourism development have prompted local people to take things into their own hands. They have decided to use their island resources sustainably, and to preserve their strong culture by allowing only small-scale income generating activities such as community-controlled ecotourism.

Their aspirations are supported by Atauro's own NGO, ROLU, with assistance from several external NGOs. ROLU has organized trainings and facilitated discussions about development issues so that communities can make informed decisions about their island's future. They have also helped to nourish the successful Tua Koin ecotourism project, which has generated supplementary incomes and sustainable livelihoods for local people. Every aspect of Tua Koin has been designed for minimal ecological impact and maximum benefit for the community. Community members build the huts from local materials, and the roofs are thatched with a long grass which otherwise is a noxious weed. Linens are designed and sewn by women from the island. Water is recycled and used for plants, and solar panels provide basic electricity. Bathrooms are shared, and the compost toilets do not require water, a scarce resource on the island.

Visitors, many of whom come for the weekend from the mainland of Timor Leste, are briefed on the need to respect local cultures and traditions. The project has provided much-needed local employment, as well as an additional market for local produce and fish catches. Profits have been re-invested into improving facilities at a local school and health clinic.

The communities of Atauro are very proud of their achievements, which have attracted much interest within Timor Leste. They are living proof that a community-based approach facilitates ownership and control by local people, ensuring a sustainability which will outlive the project.

Eco huts, compost toilets, palm trees from which local people make palm wine, and a local library on Atauro island in Timor Leste.





ancient solutions for today's headaches promoting medicinal plants in paraguay [sobrevivencia/friends of the earth paraguay]

In Paraguay, the knowledge of medicinal plants and their application is very important. The various indigenous cultures that coexist in the country still practice traditional medicine, and rural communities and even city dwellers use medicinal plants to cure all kinds of illnesses. Furthermore, native edible plants are an important element of the diet of poor rural communities, contributing to their food security.

Over the years, however, the growing dependency upon conventional medicine among the population has threatened the customs, traditions and usage of medicinal plants. Local knowledge about biodiversity and agricultural practices has been lost due to widespread forest destruction and the expansion of largescale agriculture. Precious medicinal plants are hard to find due to the loss of their natural ecosystems and excessive gathering in the dwindling areas where they still grow naturally.

#### 'school farms' for local people

Friends of the Earth Paraguay has created two 'school farms' in the forested hills of Los Altos. Ecosystem restoration and conservation, sustainable agriculture and non-agricultural production practices are tested and developed on these training farms, and capacity is built among people from the local communities.

Both farms contain 'living pharmacies,' areas where native and non-native medicinal plants utilized in traditional herbal medicine are cultivated, and where courses are given to community members. Communities are also assisted in creating, recreating or maintaining their own living pharmacies, and in restoring and conserving the local ecosystems where native medicinal plants grow naturally.

About 300 species of medicinal plant are now grown on the farms, and a still undetermined (pending a detailed botanical study) number of wild medicinal plant species are found in the surrounding area. The use, cultivation and conservation of the ecosystems of these plants is steadily increasing among members of the Los Altos communities.

Friends of the Earth Paraguay's community forestry project has also encouraged the revitalization of traditions and activities such as the celebration of the Winter Solstice with its indigenous dances, music and pantomime, the carving of traditional masks and animal figures from renewable forest resources, and crafts made from clay, weaving and palm leaves.





#### building houses from the bottom up [friends of the earth mauritius]

In Mauritius, an island state in the Indian Ocean, poverty is both a consequence and cause of environmental degradation. It exacerbates the depletion of natural resources by forcing people to till marginal lands, over-harvest seas or exploit natural resources in a desperate struggle to survive. Most of the 35,000 inhabitants of Rodrigues Island, a dependent of Mauritius, rely on fishing and agriculture for their livelihoods. Nearly 40 percent of the island's population live below the poverty line. Coastal inhabitants have traditionally built their homes from blocks cut from coral deposits on the beaches. Through the years this has caused considerable damage to the coastline.

In 2002, the Mauritean government abruptly prohibited inhabitants from using the coral deposits as building material. As a consequence, impoverished inhabitants were forced to earn their livelihoods in new ways including selling handicrafts, fishing and animal husbandry. However, those who had spent most of their lives cutting coral blocks resisted. A local NGO working on poverty alleviation assisted them by establishing a basalt block-making workshop in the same village, training and employing those whose livelihoods had depended on the coral. Basalt is abundant on the island, and is thus a much more sustainable choice of material for housing.

This project is judged to have been a success: the coral deposits that have been built up over a period of millions of years are protected, and those most dependent upon them have found alternative, more sustainable livelihoods.





### scottish coal mining communities seek environmental justice [friends of the earth scotland]

# Major new research published in May 2005 shows that Scotland's poorest communities are more likely to live near industrial pollution, derelict land, or rivers of poor water quality. The government-funded study also found that people living in the most deprived areas are more likely to experience poorer air quality than those in less deprived areas. In rural areas, quarries and opencast sites are more likely to be located near poorer communities.

One example of this environmental injustice is the coal mining area of Lanarkshire in Scotland, which has long been known as a place of poverty and oppression. The area has suffered from post-industrial neglect and environmental degradation. The deep mines have been closed over the past few years, but a number of opencast coal mines still scar the landscape and damage the health and well-being of local communities. They provide fewer and fewer jobs, although three applications for mines are pending.

One application, for a mine that would damage an important Planted Ancient Woodland Site near the village of Douglas, was withdrawn due to pressure from local people, but a revised application was submitted for what is likely to be a deeper mine covering a smaller area. Community activists, with the assistance of Friends of the Earth Scotland, are opposing another plan to extend an existing mine on the grounds that an Environmental Impact Assessment should be undertaken.

# more information: www.foe-scotland.org.uk/nation/ej.html

Fortunately, Lanarkshire's people have a history of resisting, of organizing for social justice and of creating alternatives that dates back to the industrial revolution. In 2003, four rural communities in the Lanarkshire area formed a Better Environment Group to defend the health and social and economic well being of their communities in the face of unsustainable development.

Recently, campaigning by coalfield community activists and Friends of the Earth Scotland succeeded in influencing a review of planning policy which, if implemented, will discourage new operations which do not genuinely benefit local communities.

Friends of the Earth Scotland runs an environmental justice course aimed at equipping people living in polluted communities with tools to challenge this injustice. Graduates have been active in a variety of fields, including planning issues, opencast coal mining, fish farming, industrial pollution, waste, recycling landfill sites, and sustainable development.

A public road used by school buses falls victim to the greed for more coal in Lanarkshire, Scotland.



# four how people can prevail in poverty eradication

# fighting for environmental rights

The legitimization of environmental rights is critical for communities around the world that are struggling to protect their livelihoods and ecosystems from the impacts of economic globalization. One of the most essential environmental rights is access to and control over the natural resources that enable survival, including land, shelter, food, water and air. Environmental rights also include political rights for indigenous peoples and other collectivities including fisherfolk and farmers; the right to information and participation in decisionmaking; freedom of opinion and expression; and the right to resist unwanted developments. Friends of the Earth International also believes in the right for people displaced by environmental destruction to claim reparations for violated rights; the right to claim ecological debt; and the right to environmental justice.

Environmental rights, and more specifically collective rights, are essential for indigenous and tribal people. There are some 370 million indigenous peoples in the world constituting some 5,000 different cultures, and they live in some of the most biodiverse areas of the planet. When measured by most social and economic indicators, indigenous and tribal peoples generally rank among the poorest in the world. They are often afflicted with health problems, limited access to basic services, social conflict and migration. Their languages, cultures and livelihoods are often under siege.

However, indigenous peoples bring their own perspectives to development, which are based on principles of interdependence and the sustainable use of natural resources. Indigenous peoples also have their own perceptions of what poverty means and how it should be addressed. For indigenous peoples like the Ayoreo of Paraguay, for example, one of the most important indicators of wealth is the access they have to the forest and its resources (see page 38). For the indigenous Katkari forest people of India, obtaining legal rights to land has allowed them to regain some of their previous economic self-sufficiency (see page 39).

In the industrialized world, sustainable communities must often be created from scratch. In many southern countries, however, communities that manage their own resources have existed for centuries; their greatest challenge is simply to resist external threats by claiming their environmental rights.



getting to know poverty paraguay's ayoreo forced out of isolation [iniciativa amotocodie, paraguay]

The Ayoreo indigenous peoples were traditionally nomadic hunter-gatherers in the forested Gran Chaco region of Paraguay. They hunted wild pigs, anteaters and armadillos, collected wild honey, and cultivated crops in the forest.

Over the past 60 years, most of the Ayoreo have been settled by missionaries: at least one group, however, still resists all contact with the outside world. The habitats of these last uncontacted Ayoreo are currently under threat by ranchers who are clearing the forest for cattle pastures.

The encroachment upon Ayoreo territory by the surrounding society has meant that their culture and quality of life have undergone enormous transformations. Most communities were induced under false pretences to abandon their forestbased lifestyles, and ended up living in settlements. This was an abrupt interruption to their traditional hunting and gathering livelihoods and their unique coexistence with their natural environment. Prior to their colonization, the Ayoreo had never been poor, as their needs were fulfilled by their surrounding habitat. Poverty began to emerge only when they were forced to adapt to an alien, nonindigenous economic model and had to struggle to maintain adequate standards of living, Today, many Ayoreo live under extremely precarious conditions in the outskirts of urban areas. They have insecure jobs as unskilled day laborers in a highly restrictive labor market. Many young Ayoreo feel hopeless about their future prospects.

Eradicating poverty among the Ayoreo would require creating the space and conditions for them to regain their previous collective lifestyles, likely in combination with some new 'westernstyle' economic activities. This can only happen if their ancestral territories are devolved to them and their right to control them is recognized. Eliminating poverty among the Ayoreo will require the enforcement of laws protecting their rights, interests and traditional resources. Convention 169 of the International Labor Organization, which recognizes the development and preservation of ethnic minorities' cultural identities and forms of organizations, will be an important tool for the Ayoreo's struggle.

Iniciativa Amotocodie, strongly supported by Sobrevivencia/Friends of the Earth Paraguay, is working for the protection of the rights of the uncontacted Ayoreo and the integrity of their habitats. This is only possible if the Ayoreo's deteriorated ecosystems are restored and protected. Environmental restoration is also a precondition for the future sustainability of the surrounding society. Economies based on conventional production and trade are not only incompatible with the natural resource based culture of the Ayoreo, but also with a sustainable future for the entire Gran Chaco.





land rights empower the katkari of india [rainforest information centre, australia]

The Katkari indigenous forest people of India have tremendous knowledge about local fish, animals, birds, tubers, wild vegetables, fruits and nuts. During the summer months, Katkari women draw crabs out from their holes by rubbing two stones together in imitation of the sound of cloudbursts. They are expert fishers, swimmers, divers, archers, stone crushers, tree fellers and charcoal makers. Nonetheless, despite these impressive skills, the Katkari have been subjected to years of systemic exploitation, racial prejudice, loss of traditional lands and abject poverty.



Indigenous forest tribes in India have a long history of marginalization and low social status dating back to the colonial era. As a hunter-gatherer people, the Katkari have traditionally relied on noncultivated wild foods and forest products, which have become increasingly scarce due to deforestation and infrastructure development. Their efforts to improve food production through agriculture have been impeded by their extremely limited access to land.

Despite a long history of settlement in the area, the state has never formally recognized nor given the Katkari title to much of their traditional lands, robbing them of self-determination and making them vulnerable to encroachment by land developers. Food security is thus a major issue, and many suffer from severe malnutrition and starvation. A recent survey showed that some 90 percent of Katkari families live below the poverty line, 90 percent live in temporary huts, and 80 percent are landless.

# breaking the cycle of poverty

Australia's Rainforest Information Centre is cooperating with the Academy of Development Science (ADS), an Indian organization that works to alleviate problems faced by village communities, in order to help break the cycle of poverty and landlessness among the Katkari.

An essential part of their work is to support the Katkari in obtaining legal rights to land. Educational camps have been organized in some 40 villages in order to increase basic land literacy, resulting in hundreds of families obtaining legal ownership of land. Collective farming, in which landless Katkari families join together to bargain for a favorable land lease agreement, is also increasing.

Katkari families are being motivated to cultivate their own food, as the forests they have traditionally relied upon are disappearing. Seeds from farmers in other regions have been distributed to Katkari families so that they can grow traditional crops including turmeric, elephant's foot yam, okra, cluster bean, cow pea, sesame, pumpkin, bitter gourd, sweet potato, ground nut, cucumbers, guava and chilly. Families are able to earn additional income through selling surplus crops, thereby boosting their economic self reliance.

#### how you can help:

The Rainforest Information Centre has produced a film about the Katkari, and is accepting donations to the Katkari project via: www.rainforestinfo.org.au/aboutthe.htm #Donations





#### environmental empowerment for young women [friends of the earth ghana]

Friends of the Earth Ghana believes that educating young women about natural resources is an important way to fight poverty and to increase environmental sustainability. In Ghana, as in many other parts of the world, decision-making processes about natural resources are monopolized by men although it is women who are most affected by environmental degradation. Friends of the Earth Ghana's project, carried out in partnership with the US EPA's Education, Democracy and Development Initiative, aims to empower young women so that their voices will later be heard on important environmental issues.

Friends of the Earth introduced an environmental curriculum at two girls' schools in environmentally deprived areas of Ghana – one in an urban community where a local hospital discharges waste into a stream, and another in a hilltop community threatened by deforestation and landslides. The girls learned about core environmental and natural resource issues including climate change, land degradation, biodiversity, environmental health, waste management, sustainable energy, water and sanitation and sustainable agriculture. They used films and art to learn about local environmental devastation and possible alternatives, and in the future will use the internet to research local, national and global environmental issues.

To date, some 125 young women have benefited from the project, and it is hoped that their knowledge and empowerment will be spread to other Ghanese communities.

#### four how people can prevail in poverty eradication

# mainstreaming gender into poverty eradication strategies

Statistically, women form the overwhelming majority of the world's poor due to the large amount of time they spend on economic activities that are not remunerated in monetary terms. Women in developing countries work 60 to 90 hours per week. They provide three-quarters of healthcare services. Over 75% of the food consumed throughout Africa is produced by women. Childcare, parental care, caring for domestic animals and the vegetable garden, cleaning the house and homestead, cooking: these are all essential economic activities that are not officially recognized as contributing to a country's national product.

Women have a special relationship with the environment. In many communities, they are the ones who are responsible for fetching water and fuelwood and gathering medicinal and edible plants. When their access to local natural resources is hampered, they face enormous pressures in order to feed and care for their families. When food is not plentiful, women are more likely to become malnourished as they focus on ensuring that men and children have enough to eat. Very often, women are also excluded from political and economic decision-making processes, leading to their marginalization and impoverishment.

Friends of the Earth International believes that women must be involved in all steps of poverty eradication and environmental protection, from defining and analyzing the problems to choosing and implementing the solutions. Fortunately, projects that put women at the forefront of environmental protection and economic and political decision-making are popping up all around the world. Local women in the Periyar Tiger Reserve in India, for example, have learned to conserve fuelwood and protect the valuable Sandal tree despite needing to feed their families (see page 41). A Friends of the Earth Ghana project ensures that girls are educated about environmental issues from a young age so that they can escape poverty and become involved in decision-making about natural resources (see above). \*

#### women forest guards in tiger reserve [rainforest information centre, australia]

The tribal people who live in and around the Periyar Tiger Reserve in India once enjoyed a sustainable lifestyle of shifting agriculture, hunting and fishing. In the 1880s, however, the British administration forcefully suppressed shifting cultivation, planting teak and other commercially valuable timber species instead. Tribal people were forced to remain in one place, and resorted to gathering wood from the forest to sell and to use as fuel. Over the decades, the relationship between official forestry and tribal peoples remained one of strong mistrust.



The Periyar Tiger Reserve is the most biodiverse region in India, with tigers, leopards, elephants, bison, wild boar, giant squirrels, monkeys and some 470 bird species. In 1996, as part of an ecodevelopment program in the reserve, forestry officials visited the local communities to discuss the consequences of wood collection on the nearby forest. "We knew that our activities were destroying the forest, we had seen the impacts directly, but we couldn't help it, we needed to live," said one of the women.

The eco-development project managers knew that they needed the support of the local women, and the women knew that they needed to protect their environments in order to survive. As a result, local peoples' committees were implemented, and today some 100 women ranging in age between 20 and 55 volunteer to patrol the forest for illegal wood collectors and poachers. "Now when I see someone cutting even a small green tree, I feel as if my own child is being hurt."

Today the women use fuel much more sparingly, mostly for heating water. They pay special attention to the valuable and overexploited Sandal tree, which produces an essential oil used in religious ceremonies, bath soap and perfumes. Their work has not been easy, and they have had to battle ridicule from the local men as well as their own doubts and fears. "Will I be able to do this? I used to be afraid of the forests and the animals," one veteran forest guard remembered thinking. As a result of their work, women have become more respected in their communities and more in touch with the forests they protect.

#### how you can help:

Rainforest Information Centre is soliciting funds internationally to provide the uniforms and raincoats that the women have requested. To contribute, please visit: www.rainforestinfo.org.au/aboutthe.htm#Do nations



burning clean in argentina [proteger/friends of the earth argentina]

Friends of the Earth Argentina is enthusiastic about biogas, particularly given the shortages and high costs of natural gas in their country. Biogas is energy generated from human and animal waste. It has several advantages to wood and fossil fuel-based energy: it destroys methane before it can contribute to global warming; it provides clean-burning fuel for stoves and lamps; it reduces labor, particularly for women who traditionally are responsible for wood collection; it protects forests; and it reduces respiratory ailments caused by smoke from wood fires. Best of all, following a small initial investment for a bio-digestor, the system creates energy out of garbage. In 2004, Friends of the Earth Argentina's Santa Fe office installed a bio-digestor in order to become energy self-sufficient. The office is now powered by a mixture of domestic garbage, leaves and sorghum. The group's president, Eduardo Groppelli, is a pioneer for biogas in Argentina, and has installed a bio-digestor for 800 inhabitants in the rural town of Emilia that runs from organic garbage. His goal is to prove that people can produce their own energy, thus alleviating poverty and reducing pressure on the environment.

# four how people can prevail in poverty eradication

sustainable energy and climate justice

Climate change, the biggest environmental threat to the planet, is already upon us. Vulnerable communities in some parts of the world are feeling its devastating impacts, through increased desertification, decreased food production, rising sea levels, heat waves and water insecurity.

It is the poorest people in the poorest regions who are suffering the burden of climate change, although these people have done the least to contribute to the problem. The Intergovernmental Panel on Climate Change noted that: "Small island states account for less than 1 percent of global greenhouse gas emissions, but are among the most vulnerable of all locations to the potential adverse effects of climate change and sea level rise." The current and historical greenhouse gas emissions of industrialized countries have far exceeded their *per capita* share. G8 countries, with 13 percent of the world's population, account for 45 percent of global emissions – 65 percent if historical emissions are taken into account. The rich, industrialized countries have an obligation to take a lead in cutting their greenhouse gas emissions furthest and fastest and to help poor countries adapt to the unavoidable negative impacts of climate change through new funds and resources. The greater integration of climate impacts into development programmes and models is required. Although gender equity receives little attention on the climate issue, women tend to suffer most from climate change as they have less access than men to formal information and infrastructure. It is essential that women, who greatly rely on the land and have extensive knowledge of local agriculture, are involved in the design and implementation of adaptation programs.

Some small island states face complete annihilation: some 7 million inhabitants of the 22 Pacific Island states are seriously threatened by sea level rise. As more and more people find their homelands uninhabitable in the coming decades, the world is on the verge of being flooded with millions of 'environmental refugees'. Where will these displaced people go? There is



# biking out of poverty [cesta/friends of the earth el salvador]

In the 1980s, people suffering from economic hardship in El Salvador urgently needed alternatives to expensive gas or diesel cars and buses. In response, CESTA/Friends of the Earth El Salvador set up the EcoBici school and workshop in San Salvador in order to bring sustainable and affordable transportation to the people. Over the years, some 600 people have graduated from the workshop, many of whom now support themselves with their own bicycle-making workshops. After some years, Friends of the Earth set up a mobile school in order to reach rural children who could not attend EcoBici because their labor was needed at home. The program has been successful in increasing the use of bicycles among young people in urban and rural areas alike.

The project has wheeled from one success to the next. A bicycle fitted with a wheelbarrow and 18-speed tricycles capable of carrying heavy loads are now used by small and medium-sized companies to sell dairy products,

newspapers and drinks from door to door. Bicitaxis, popular in tourist areas, are also promoted as a way to relieve increasingly congested urban streets. In addition, the group's Bicirecollectors have increased the effectiveness of garbage collection and reduced fuel consumption.

Friends of the Earth El Salvador also runs an appropriate technology workshop that encourages the sustainable use of water and energy through bicyclepowered water pumps as well as woodsaving stoves and solar cookers.



currently no legal recognition or status for environmental or climate refugees, and their numbers in the coming years could be daunting. One of the major authorities on the topic, Norman Myers of Oxford University, says there could well be 150 million climate refugees on the move within 50 years, including at least 75 million in the Asia-Pacific region. So far, only New Zealand has publicly agreed to relocate climate refugees from Tuvalu over the coming decades.

Greater efforts can be made to facilitate grassroots, communitybased approaches to reducing harm from extreme weather events. There are many practical examples – including seed banks, water management, disaster relief, storm and flood protection, and conservation of forests and other ecosystems – which represent effective ways for threatened communities to protect themselves against poverty, hunger and climate change.

Many regions have enormous potential for renewable energy, which, if promoted by governments and actively supported by community groups, can also help to tackle poverty as well as reduce climate change. Access to electricity for the 2 billion people around the world currently in the dark could help to fulfil some of the most basic and necessary human needs, such as food storage, cooking, heating and lighting. The challenge is to create access to clean, affordable energy sources so that these regions can avoid the dirty energy path that so many others have followed, and at the same time meet real energy needs.

All of this will require political commitment and new financing from governments in all countries, and a major shift in priorities by the World Bank and other development bodies. International financial institutions and export credit agencies must adopt policies that widen the availability of sustainable energy measures. In 2003, fossil fuel projects represented 86 percent of the World Bank's spending on energy, as compared to 14 percent for renewables funding.



malaysian community lights the way with renewable energy [friends of the earth malaysia]

The community of Long Lawen in the remote Sarawak region of Malaysia has since 2002 been the first inland Malaysian settlement to meet all its electrification needs with a combination of hydro and solar energy. The success of the 70-family community in avoiding the use of fossil fuels is particularly impressive given they were previously part of a village inundated by the controversial Bakun Dam, which displaced 10,000 people from 13 communities. The community defied imposed relocation plans, returning upriver to their ancestral land. With the financial, technical and administrative support of the US-based NGOs Green Empowerment and the Borneo Project, and with construction assistance from Friends of the Earth Malavsia, they replaced their diesel-powered generator with a microhydro dam and solar energy for electrification. By making use of small streams with sufficient drop to generate electricity, dam construction was relatively inexpensive, resulted in little alteration of river hydrology and did not require further displacement of inhabitants. The electricity generated has also enabled the community to develop small businesses in order to supplement their incomes.

The project has been such a success that similar efforts are being made in other parts of Sabah and Sarawak. One Sabah village is using solar energy to make internet access possible in its elementary school amidst the forest. Key to the success of all of these sustainable energy projects has been the involvement and ownership of the initiatives by communities from conception to completion.



four how people can prevail in poverty eradication

sustainable energy and climate justice - continued

To meet escalating demand, according to the International Energy Agency, some US\$16 trillion of investments is expected in energy supply and distribution systems over the next 30 years. The challenge is to ensure that this money is invested into cleaner, more sustainable energies; otherwise we will be locked into a high emissions trajectory for many years to come, destabilizing our climate to catastrophic levels.

Friends of the Earth groups and the communities we work with are implementing sustainable energy projects in many countries. In Malaysia, the Long Lawen community in Sarawak has become the first inland Malaysian settlement to meet all of its electrification needs through sustainable energy (see above). In El Salvador, Friends of the Earth has created jobs and reduced pollution by training people to build bicycles (see page 43). In Argentina, the local Friends of the Earth group in Santa Fe has constructed a 'bio-digestor' in their office, which is now sustainably powered through a mixture of domestic garbage, leaves and sorghum (see page 42).



farmer-led food sovereignty [latin america]

'Movimiento The Campesino а Campesino' is a farmers' movement for sustainable agriculture that has spread over the past twenty years throughout villages in Mexico, Central America and parts of South America and the Caribbean. Basing their work on principles of agro-ecology, solidarity, and innovation, its campesino and campesina promoters use simple tools, seeds, and farmer-to-farmer learning methods to spread sustainable agriculture practices. The movement's growing number of learning networks has been remarkably successful in raising yields, reclaiming soils and spreading agro-ecological practices to hundreds of thousands of poor peasants in the drought-ridden tropics, the eroded hillsides, and the bleak agricultural frontiers of Latin America.

The movement has spread with virtually no help from — and largely in spite of governments and multilateral development programs. It has relied on progressive NGOs and farmers' organizations for support in training campesinos and organizing farmerled workshops, agro-ecology fairs, farmer-tofarmer cross-visits, and the documentation of shared experiences. The result is a movement of resistance to the ecologically degrading and socially destructive commodification of soil, water, and genetic diversity. It is also a movement of social transformation, in which smallholders are empowered to determine their own equitable, sustainable course for agricultural development.

#### four how people can prevail in poverty eradication

people's food sovereignty and sustainable agriculture

The current system of agriculture has proven incapable of delivering global food security and environmental sustainability. Shockingly, 826 million people, the majority of them women and children, suffer from hunger and malnutrition even though there is sufficient food for everyone being produced at a global level.

Industrial agriculture, which uses expensive and sometimes untested technologies, is characterized by large-scale, monoculture production and high levels of external inputs like pesticides and fertilizers. Although proponents argue that traditional forms of agriculture fail to produce adequate quantities of food, studies have shown that crop yields can be effectively increased via sustainable agriculture techniques. For example, a survey of nearly 9 million farmers working on 208 separate sustainable agriculture projects in 52 countries found "substantial increases in per hectare cereal production, typically up to 50-100 percent, and in some projects rising to 200 percent increases." Along the same lines, studies have shown that Uruguay, a country of 3 million people, could potentially produce food for 14 million using sustainable agriculture techniques. It is clear that we need to change track: agriculture needs to focus on and promote food security, food sovereignty and diverse sustainable agriculture practices, not 'efficient' production for an ever more competitive global market. Communities, people and countries should have the right to decide upon their own policies to secure adequate and affordable food supplies.

Smallholder farmers and their families constitute about half of the world's extremely poor and hungry. There is a large amount of evidence to show that a farmer-led approach, utilizing known and proven agricultural techniques and practices, can transform the livelihoods of farmers, increase food security and reduce malnutrition while also preserving the environment.

Many communities around the world rely heavily on traditional agriculture methods and indigenous knowledge, key elements of sustainable agriculture. The loss of local plant species and traditional seed varieties in many places under environmental stress has given birth to community efforts to preserve them. In Uruguay, farmers are protecting local seed varieties which are on the brink of extinction, including butter beans (see page 46).



protecting local varieties for family farms [friends of the earth uruguay]

In Uruguay, the neoliberal economic policies imposed over the last decades have promoted an agricultural model that favors food imports over locally and nationally grown crops. The impacts for family farms have been devastating, with land being bought up by large companies and farmers losing their livelihoods. The end result has been a food crisis of proportions previously unknown in Uruguay, with children being the most visibly affected. One consequence of these trends has been a severe loss in the local crop varieties that form the basis of small-scale production, like butter beans and other horticultural crops. In response, Friends of the Earth Uruguay is working with the Uruguayan Association of Organic Farmers (APODU) to identify and multiply common varieties and to reintroduce local varieties that are in danger of disappearing. The program also has an urban component in which the seeds are distributed to community gardens, and the general public is informed about the ecological, economic and social importance of local varieties and sustainable agriculture production systems.

Simultaneously, Friends of the Earth Uruguay is working to promote policies towards food sovereignty in Uruguay, together with allies like the farm workers unions and the Network of Rural Women. These policies deal with issues such as access to land; the right of small family farmers to produce food; local and national markets; fair prices; access to food; and women's rights. Several studies that have been conducted as the basis for the proposed policies show that Uruguay, a country of 3 million people, has the potential to sustainably produce food for nearly five times as many people.





In June 2005, the world's richest governments formally agreed to cancel at least US\$40 billion of the debt owed by the 18 most heavily-indebted countries to the World Bank, the International Monetary Fund and the African Development Bank. However, this deal covers only a small number of heavily indebted countries, and does not include debt owed to the Inter-American Development Bank or the Asian Development Bank, major lenders in the respective regions. Also, the debt relief will likely be paid from existing budgets, meaning that the amounts received by developing countries will be cut from their aid flows. The G8 agreement does not impose additional conditions, which is a notable change from earlier initiatives. However, the countries that have been selected have already implemented economic reforms imposed by the financial institutions, often with devastating results.

Friends of the Earth International welcomes this initiative, as it is an important recognition that debt relief is necessary and possible. However we continue to demand 100 percent debt cancellation, including debts owed by all poor countries in economic and social crisis to all financial institutions, and the removal of all economic conditions. This is essential in order to ensure that people in the South can regain control over economic decisions that affect their lives.

#### four how people can prevail in poverty eradication

cancellation of the external debt and recognition of the ecological debt

The debt owed by poor countries to the IMF and World Bank is crippling, and very often comes at the expense of essential investments in people such as education, health care and environmental services. Some African countries, for example, spend an average of US\$14 per person each year on servicing their debts, compared to only US\$5 per person on health care.

Friends of the Earth International and many other groups have been campaigning for many years for the unconditional cancellation of all outstanding foreign debt owed by poor countries to rich ones, and to international financial institutions like the World Bank and IMF. Many of these debts were accumulated by dictatorial and criminal regimes and should therefore be considered illegitimate. Debt and those who participated in creating it need to be investigated and judged: the global cry for debt cancellation is also a call for justice.

We are also campaigning for the recognition of the ecological debt owed by northern countries to countries in the South for decades of resource exploitation. Affected communities in Paraguay and Argentina, for example, are calling upon international financial institutions to provide compensation and remediation for the environmental and social disruption caused by the Yacyretá mega-dam. On the opposite side of the world, Friends of the Earth Scotland is building alliances between Scottish and southern communities in order to address the repayment of the ecological debt.

The case studies in this report provide only a tiny sampling of the groundswell of sustainable, alternative approaches to poverty eradication that are being carried out on the community level around the world. Friends of the Earth International strongly believes that initiatives like these are the way forward – not only for the millions of people suffering from hunger and poverty today, but for the future environmental sustainabiliity of the entire planet.

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