



**Applied Research on Rural Territorial Dynamics in  
Latin America. A methodological framework.  
(version 2).**

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## Glossary

Institutions	Humanly devised constraints that structure social interaction, composed of formal rules, laws and regulations, or informal conventions, norms and values, and the enforcement characteristics of both (North 1990).
Policy networks	Structural relationships, interdependencies and dynamics between actors in politics and policy-making. Policy networks are seen as clusters of relatively autonomous but interdependent actors that are incorporated into the process of public policy making.
Rural region	The program accepts the OECD-inspired definition of “rurality”, as a gradient based on population density and remoteness to a major urban center (e.g., da Veiga 2002, Chomitz et al. 2005). This means that the territories in the program will pay attention not only the agrarian hinterlands, but also to the rural towns and intermediate cities, as well as to the links between these two sub-spaces.
Rural territorial development	A process of simultaneous productive transformation and institutional change of rural territories, with the aim of reducing poverty and inequality (Schejtman and Berdegú 2004)
Rural territorial dynamics	Processes of change in the economic structure, the institutional framework and the natural capital of rural territories and their concomitant changes in development outcomes (growth, social inclusiveness and environmental sustainability). A central hypothesis of the program is that social actors and their interactions play a major role in determining rural territorial dynamics.
Rural territory	A rural space with a socially constructed identity (Schejtman and Berdegú 2004).
Rural territory (operational definition)	<p>We take a pragmatic approach, and define territories according to a small set of operational criteria, while taking into account the availability of data:</p> <ul style="list-style-type: none"> <li>• Geographic scale – a territory in the program falls between large political or economic regions (e.g., Brazil’s Northeast, Mexico’s Bajío) and the very small and local communities. A territory will normally include at least part of two or more municipalities.</li> <li>• Policy scale - a territory in the program is large enough to be relevant to policy makers; it has “political, social and economic critical mass” and thus the possibility of sustaining development.</li> <li>• Identity – the local population must recognize the territory. In other words, the limits of the territory should be apparent to them.</li> <li>• Links with urban nuclei – The territories in the program must include one or more significant urban nuclei, as urban-rural relations are an essential element of our conceptual framework. Under certain circumstances (e.g., territories that are located in distant areas), the urban nuclei may not be physically included within the boundaries of the hinterland section of the territory; yet, the identity of the territory includes the links between both spaces.</li> <li>• Diversity of social actors – Because of the research questions, the territories in the program must include different social actors. Areas which are extremely homogenous in terms of their social structure are of little interest to the program.</li> <li>• Political-administrative units – Policy processes are constrained by the hierarchy of political and administrative authorities, and the spatial units in which each one operates. The limits of the territories in the program will need to be reconciled with the relevant political-administrative divisions.</li> </ul>
Social actor	Individuals, groups, networks, movements or organizations engaged in purposeful social interaction. It should be noted that includes actors from the private (for-profit), public (government and, more generally, State) and civil society sectors of society.
Social coalitions	Tacit or explicit alliances of actors which contest and seek to control the distribution of assets and of tangible and intangible social products or benefits. These groupings of actors may be in (active or latent) conflict with one another. <i>Innovative</i> social coalitions are those that are responsible for promoting successful territorial dynamics.
Successful territorial dynamics	Territorial dynamics that result in self-reinforcing cycles of economic growth, social inclusion and environmental sustainability.

# 1. Introduction

The Rural Territorial Dynamics Program (RTD) is a research-based policy advice and capacity-development program for rural economic growth, social inclusion and environmental sustainability in Latin America.

Over five years (2007-12) the program expects to achieve the following outcomes:

1. Diverse change agents dialogue and collaborate in a broad regional and globally-linked network
2. The network collectively advances a theoretically-consistent and empirically-tested vision and strategy on how to achieve rural economic growth with poverty reduction, greater equality and environmental sustainability; and
3. The network engages effectively in relevant national, regional and international debates and policy processes on rural development in Latin America.

The program is envisioned as a functional network, extremely light in structure but very dense in activities. The network is regional in scope, and it is linked to leading research, policy and development practice centers in other areas of the world. At the heart of the network are around 20 rural territories in ten countries, with activities supported in full or in part by the program. The network is open to the participation of many others working in the field of rural development; in this sense, the program catalyzes linkages, collaboration and communication processes that go well beyond the direct participants in the program as such.

The program will organize its activities under five interacting components:

1. Applied research
2. Capacity development
3. International networking and dialogue
4. Postgraduate training
5. Communication (a cross cutting component)

The program has been designed and will be coordinated by Rimisp in collaboration with four core partners: the Danish Institute for International Studies (DIIS), Grupo de Análisis para el Desarrollo (GRADE, Peru), Natural Resources Institute of the University of Greenwich (NRI, UK), and the Departamento de Economia, Universidade de São Paulo (USP, Brazil). The first phase of the program has been designed to last five years (2007-2012).

Canada's International Development Research Center (IDRC) has very generously supported the program with a grant of \$ 10 million.

The first version of this paper was discussed by an international, multidisciplinary group of 24 experts that met in Cocoyoc, Morelia, Mexico, on 23-24 November 2007. The expert consultation resulted in several substantial improvements and in this, the second version of the document.

Three "scout projects" are now testing the methods proposed here in Nicaragua, Peru and Chile, and as the results begin to emerge new versions of this framework will be prepared and published. The same will happen as the approach is then applied (starting in late 2008) in about 12 "regular projects" in ten countries, and, again, when we conduct a third wave of about ten "synthesis projects". After five years of this cycle of continuous testing, refinement and cumulative development of results and insights, we expect to have produced a solid methodological approach for the policy-oriented analysis of rural territorial dynamics, with a focus on understanding how the interactions of social actors, institutions, assets and development outcomes determine the opportunities of economic growth with social inclusion and environmental sustainability.

## 2. Research questions

In rural Latin America there are some territories that have evidently taken advantage of the opportunities of globalization. There one can observe economic dynamism and technological and social innovation. In some of these territories there has also been important progress in terms of social inclusion. Sometimes such changes have been associated with a growing awareness of environmental issues and more effective private and public actions to conserve natural resources and the ecosystems.

Next to these successful cases of territorial development, one finds situations in which every indicator of development is changing in the wrong direction. The local economy is stagnant, people are leaving due to lack of opportunities, poverty is widespread, the old caciques rule unimpeded, and forests disappear.

In between these two ‘extremes’, one finds territories in which the dynamics of development show mixed outcomes. Perhaps there is an economic boom linked to an important investment in mining or in forestry, but the benefits do not reach the local communities and as a result social conflict emerges. Other regions witness a rapid expansion of profitable for-export fruit plantations with positive effects on employment and the local economy, at the expense of rapid deforestation to make room for the new orchards. In other places one sees how household incomes grow, but driven mainly by remittances from migrants or conditional transfers from social programs, without much real growth of the local economy. Sometimes forests and fragile ecosystems are conserved, at the cost of driving the people out.

These differences are another dimension of the economic and social inequalities that are deeply rooted features of Latin American societies. A recent analysis has concluded that inter-regional, within-country inequalities explain a substantial proportion of the overall problem (World Bank, 2005). De Janvry and Sadoulet (2004 p. 2) argue that “what is specific to Latin America is that local inequalities tend to be as high as national inequalities.” In Ecuador less than 15% of total inequality is due to inter-community differences, while the rest is explained by inequality within communities (Elbers et al. 2004). De Janvry and Sadoulet go on to conclude that “high local inequalities imply that local growth will have little value for poverty reduction ... To be effective, any poverty reduction strategy at the local level must consequently address the issue of inequality, and identify the mechanisms through which local inequalities are being reproduced over the long term. Linking anti-poverty strategies to inequality reduction puts rural development initiatives in a new perspective, different from traditional approaches to rural development that have been concerned with the incomes of the poor.”

The underlying hypothesis of the proposed program, is that the socioeconomic inequalities in rural Latin America are, in part, associated to territorial dynamics, above and beyond changes occurring at the level of individuals, households or social groups. This is not to say that territorial differences are more important or should receive more attention than differences at those other levels, but the implication is that policies aimed at opening opportunities and reducing disparities among individuals, households and social groups, need to be complemented by territorial development efforts. A constraint to doing so is that territorial dynamics are poorly understood, and this affects our collective capacity to design effective policies and programs<sup>1</sup>.

The starting point for defining the research questions is the observation that there are rural territories characterized by what could be called virtuous cycles of economic growth, social inclusion and environmental sustainability, at levels which can be judged to be significantly better than those of the rest of a larger region or a country. A preliminary analysis using household survey data, estimated that slightly less than a quarter of the total rural population of six South American countries, lived in regions which had simultaneously experienced economic growth and social inclusion over the second half of the 1990’s (Berdegué et al., 2007). These people lived in about 15% of the regions included in the study. While the study did not include an analysis of the environmental

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<sup>1</sup> A landmark World Bank publication thus referred to “the promise of the spatial approach to rural development” (de Ferranti et al., 2005, p.103)

dimension, it seems safe to say that not in all of these regions one would also observe positive trends in the quality of the ecosystems. Hence, a second important observation that inspires the questions of this program, is that virtuous cycles of economic growth, social inclusion and environmental sustainability at the territorial level, are indeed rare phenomena. It is a sad reference point for this program –out counterfactual if you wish- that even today, in the majority of the rural territories of Latin America, the dynamics of development are ones of economic growth with little if any social inclusion (22% of the population in the Berdegué et al. study), or, even worse, of economic stagnation and deepening deprivation and social exclusion (54% of the population in the Berdegué et al. study). On top of this, add widespread deterioration of the ecosystems. It is against this bleak background that the achievements of some rural territories can best be recognized.

The **policy questions** –one positive and the second one normative- are quite obvious:

1. What explains “successful” territorial development, i.e. development dynamics characterized by a localized virtuous cycle of economic growth, social inclusion and environmental sustainability?
  - a. Why some territories are locked in paths of underdevelopment?
  - b. Why and how did certain rural territories manage to turn around and achieve dynamic of mutually reinforcing economic growth, social inclusion and environmental sustainability?
  - c. Are changes in trends necessarily slow, gradual and incremental, or can they be accelerated, and, if so, how?
2. What kind of purposeful public action –including but not restricted to public policies- can be effective in stimulating or promoting such “successful” rural territorial development?

There are several theories that can be used to answer these questions. These range from those that underline the endowment of natural resources and other geographic factors (Sachs 2001), to those that argue in favor of localized externalities that convey a competitive advantage (Bagnasco 1977), to others that propose the combined effect of increasing returns at the firm’s level, market size and transportation cost (Krugman 1995). And there are those that sustain the primacy of institutions (Rodrik 2003, Acemoglu and Robinson 2006). The program approaches its policy questions from the institutional angle.

One way to approach the research issues is shown in figure 1. The framework first highlights specific combinations of changes over time in economic growth, social inclusion, and environmental sustainability, labeled ‘development outcomes’ in figure 1. These three dimensions of development are not independent of each other. On the contrary, there are well documented interactions between economic growth and social inclusion, between growth and environmental sustainability, and between the quality of the environment and social inclusion. Understanding these interactions and their drivers in a given territory and how these change over time, would surely add to our ability to answer the two overarching policy questions of the program.

The second element in figure 1 is labeled ‘social processes’. These include all dimensions of social life in a territory, such as the economy, politics, collective action, and so on. In each of these dimensions, social actors interact with each other, forming explicit or tacit alliances that we call distributional coalitions. Such interaction is mediated by formal and informal institutions. Of particular interest to this program in Latin America, are those interactions that are related to the distribution, creation, and use of assets (tangible and intangible).

The third element of this framework is taken from the Millennium Ecosystem Assessment (2005). It represents natural capital and the ecosystem services which have a direct and powerful influence on the options and constraints faced by society in the territory. Natural resources are extremely important as productive assets in rural territories. Hence, the use of natural capital directly or indirectly promoted through formal and informal institutions has very strong impacts upon the distribution of development opportunities and outcomes among different social groups.

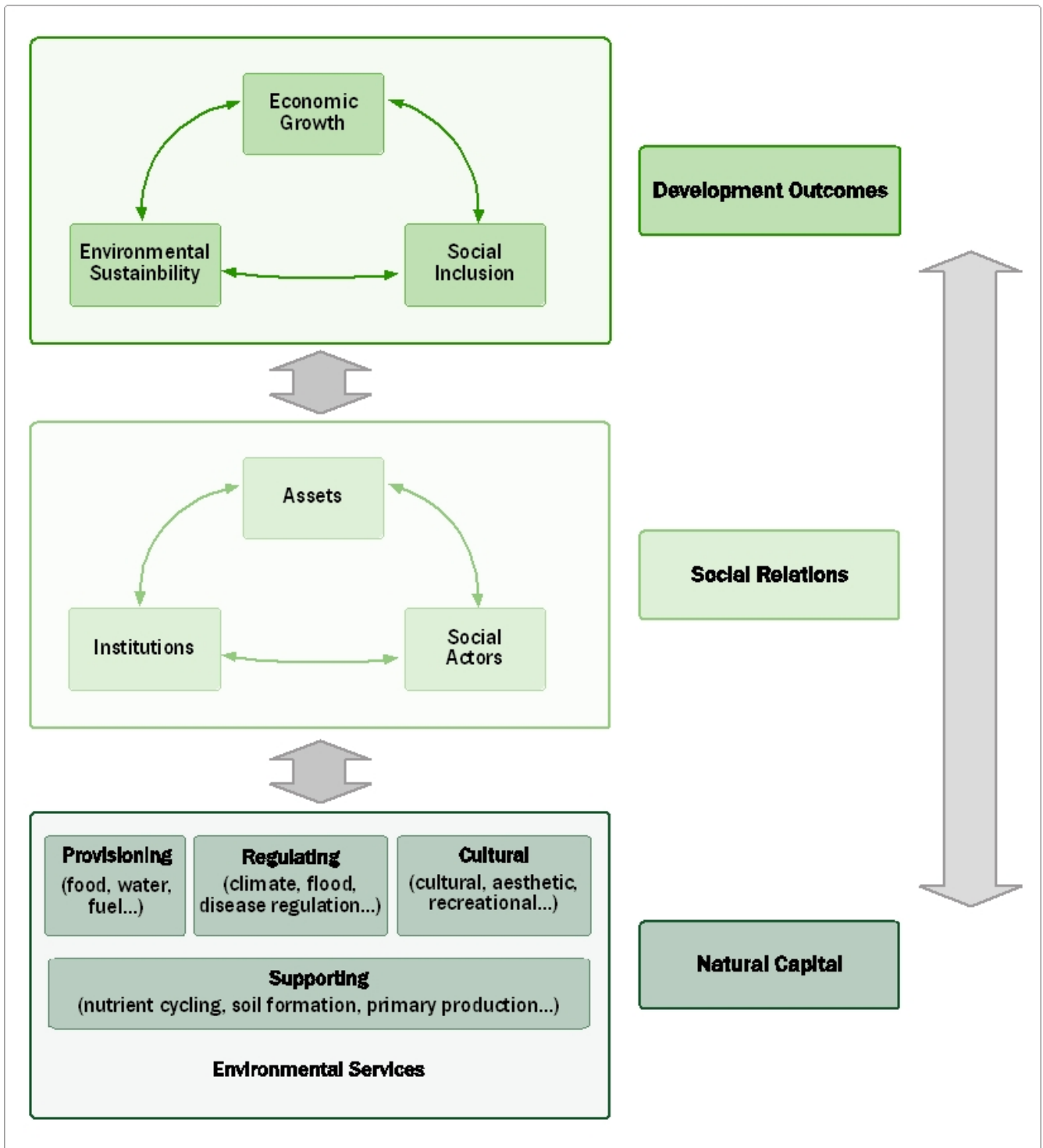


Figure 1. A framework for the analysis of rural territorial dynamics (the section on natural capital is taken from Millennium Ecosystem Assessment, 2005)

These three elements interact with each other in complex ways. Development outcomes are determined in large part by social processes, and vice versa. Development outcomes also affect the natural capital through such direct drivers as changes in land use, technological change, or resource depletion, all of them the result of social processes. Environmental services in turn have direct effects on the well-being opportunities of the local society.

Finally, rural territories interact with neighboring regions and, more generally, with the broader societies and environments of which they are an integral part. It is clear that much of what occurs inside a territory is driven by positive or negative incentives and shocks originating in the broader economic, political, cultural, technological and intellectual spheres of a country, a nation's history, the larger environments including the global climate, and so on. Territories contribute and affect the larger systems of which they are part.

To fully answer the two overarching policy questions it would be necessary to research the different components and all the relations depicted in figure 1. That comprehensive undertaking is beyond the capacity of a single research project. However, a broader research strategy, at the program level, may allow us to achieve this undertaking. In any case, priorities need to be defined to focus the research, while remembering that we are dealing only with part of the overall problem.

The initial set of **research questions** of the program are the following:

1. Can rural territories that are relevant for public action be identified on the basis of development outcomes? Do such territories make sense to social actors?
2. Which social actors and coalitions promote institutional frameworks that stimulate and reward innovation towards successful territorial dynamics?
3. Which institutional frameworks are required for the emergence of innovative social coalitions?
4. Which social actors coalitions promote distribution and uses of assets that can sustain successful territorial dynamics?
5. Are large asset endowments required for the emergence of innovative social coalitions? Can innovative social coalitions emerge in resource-poor territories?
6. What institutional frameworks stimulate a distribution and use of assets that are associated with successful territorial dynamics?
7. Does a more equitable distribution and a more innovative use of assets stimulate the development of institutional frameworks that are associated with successful territorial dynamics?
8. How do ecosystem services contribute to social relations that are associated with successful territorial dynamics?
9. What social coalitions and what institutional frameworks favor sound environmental governance?

### **3. The research process**

As we have seen, rural territorial dynamics are complex, multi-dimensional phenomena. It is very difficult to obtain a perfect set of “treatment” and “counterfactual” territories in which to do the research. Yet, the program will go nowhere in terms of answering the research questions if it is simply a loose collection of case studies, incapable of drawing general conclusions which are grounded on solid empirical work. The program –and indeed, the whole field or rural territorial development- needs to follow the advice of Williamson (2000, p. 595): “we need to sort the sheep from the goats. That is accomplished by asking each would-be theory to advance refutable implications to which the data are applied.”

The methodology of the research component of the program is based on a comparative analysis of the development dynamics of roughly similar rural territories (about 25) across ten countries in Mesoamerica, the Andes and the Southern Cone. The strength of the comparative analysis will no doubt rest on four elements:

1. A shared conceptual framework and research questions
2. A common methodology with refinements efficiently shared across the territories
3. Careful selection of territories in which to conduct the research according to a pre-defined typology of rural territorial dynamics
4. Very intense and frequent communication and debate between the research teams involved in the program

An excellent example of the use of a similar methodological strategy is the work of Tandler (1997). Rimisp has used this type of approach in its work on non-farm rural employment between 1992 and 2003, on supermarkets and small-scale producers (since 2000), and on rural development based on cultural goods and services (since 2004).

In addition, the first group of research projects (called ‘scouts’, one each in Nicaragua, Peru and Chile)<sup>2</sup> will test the feasibility of building a common data set across rural territories in Latin America. This common data set will contain information about development outcomes (economic growth; poverty and inequality; environmental changes), social actors and social networks, institutional frameworks including policies, economic structures and employment, demographic change, investment climate for different types of firms, productive assets, etc. If this is found to be a feasible option, then that would open up a whole new set of alternatives for analysis across territories, and would lead to a revision of the research methodology.

The research process is organized in three stages (Table 1):

1. Mapping development dynamics and selection of territories
2. Answering the research questions in each territory
3. Synthesis across territories

This strategy takes into account what de Janvry and Sadoulet (2004) call the dimensions of the territorial development approach: defining the region, institutional change, productive transformation, and social change.

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<sup>2</sup> Countries in which the members of the Coordination Unit of the program have active research projects and teams. It was thought important that the methodology be tested directly by the team charged with the responsibility of leading and coordinating the overall research effort. In addition, these three countries illustrate very well for the region as a whole, the gradient of economic growth, poverty reduction and income distribution in rural areas.

Table 1. Summary of the research process

Stage	Results	Base Methods/Key Activities
Stage 1 – Mapping the development dynamics and selecting the territories	A broad conceptual typology of rural territorial dynamics	Concept paper produced at the program level.
	Maps of countries or large sections of countries that localize the different types of rural territorial dynamics	Small Area Estimates (Elbers et al. 2003) for the economic growth and social inclusion dimensions. Classification of pre-selected territories according to degree of transformation of the ecosystem using available data and/or expert consultations, using the Millennium Ecosystem Assessment framework (2005).
	Identification of the boundaries of potential territories in which to work, including a general description and a set of specific research hypothesis corresponding to the program's research questions	Largely qualitative – key informants, secondary information, visits to the candidate territories.
	A set of territories relevant for public action selected to be included in the program	A program-level decision so that we end up with a coherent set of territories across the region (LAC)
	Basic description of the territory following the framework of figure 1.	Semi-structured interviews and analysis of secondary data
Stage 2 – Answering the research questions in each territory	Analysis of the social actors, networks and coalitions in a territory, including an understanding of their emergence and evolution.	Economic sociology, sociology of markets: Bordieu (2001), Fligstein (2001), Granovetter (2001) Social Network Analysis: Carrington et al. (2005) Analysis of clusters: Otsuka (2006)
	Analysis of formal and informal institutions and of institutional (including policy) changes. This is linked to the above analyses of social actors, assets and ecosystems.	Policy and institutional mapping: Birner and Wittmer (2003); Birner et al. (2006); Mayntz (2003)
	Ecosystem assessment, emphasizing key social actors and institutions driving changes in natural capital	Millennium Ecosystem Assessment (2005)
	Analysis of the changes in the endowment, distribution and use of assets in a territory, linked to the analysis of social actors, institutions and natural capital	Access to assets: Ribot and Peluso (2003) Asset-based poverty analysis: Carter and Barret (2006); Barret (2005) Asset-based livelihood analysis: Pender et al. (2006); Jansen et al. (2006)
Stage 3 – Synthesis across case studies	Inductive approach – patterns and regularities across territories Deductive approach – common data set and analysis across territories	

### ***3.1. Stage 1 - Mapping territorial dynamics and selecting the territories***

Stage 1 of the research process will produce five results:

1. A typology of rural territorial dynamics
2. National or subnational maps of rural territorial dynamics
3. Identification and description of territories with the potential to be included in the program
4. A set of territories in which the program will concentrate its research
5. An initial description of each of the selected territories

We need to define a coherent set of (approx.) 25 territories in 10 countries in which the program will carry out its work.

It is a decision of the program to focus only on territories which show economic growth over the past 15 to 25 years or so, because economic growth is well established as a necessary condition for sustainable social inclusion. Hence, all the rural territories in a country or in very large regions (e.g., the Brazilian Northeast or the Peruvian Southern Sierra), will be analyzed to classify them in the matrix shown in table 2.

*Table 2. Typology of territories to be included in the program.*

Environmental Sustainability	Social Inclusion	
	With Social Inclusion	Without Social Inclusion
Sustainable use of natural capital	A	D
Sustainability improving substantially	B	E
Unsustainable use of natural capital	C	F

Note - All territories need to fulfill the condition of economic growth.

For each country (or large sections of a country) the program will generate a map of rural territorial dynamics. The map should be produced by working at the lowest possible scale, such as municipalities or below. By aggregating contiguous areas (such as municipalities) that show the same type of territorial dynamics, one can start the process of identifying territories.

The problem of course is to obtain data for at least two points in time and at the required geographic scale on economic growth, social inclusion, and environmental sustainability. Household survey data are available in most LAC countries, but these are not representative at the needed spatial scale. Census data are available in all countries but normally they do not allow the estimation of variables such as household income. The Small Area Estimate method (Elbers et al. 2003) allows a way to get around this problem. The method is normally used to construct poverty maps, but it can be applied to map indicators of economic activity (e.g. per capita income, employment). The necessary data sets (household survey and national censi) appear to be available in most countries. The method has been tested in several countries, included in Latin America.

Another option is to construct indexes of social inclusion using the multivariate (principal component and clustering) methods as done by the Government of Mexico in its Progres program (Davis 2003). This method uses population census data. Human Development Indexes at the municipal level have been calculated by the UNDP in several LAC countries, and at least in Chile an analysis is available of the changes in this indicator between 1994 and 2003 (PNUD and MIDEPLAN undated).

With respect to the environmental dimension, many studies and data bases are available in many countries. One problem is that we usually do not have an aggregate indicator of the overall status of the environment that integrates across resources (if you wish, an environmental equivalent of the Human Development Index). Also, the data often

are not representative for the same spatial units as those used in the analysis of the economic and social data. How to approach this dimension will then depend on the data which is available in each country or large region thereof.

If adequate data is available for the same spatial units as those of the economic and social dimensions, then we can easily integrate the environment within the same ‘Small Area Estimate’ approach. This would of course be the preferred option.

If that condition of availability of environmental data is not met, then we will need to use a three-step approach. The first step will be to identify territories using the economic and social data, with the Small Area Estimates method. ‘Best candidates’ will be pre-selected on this basis, to reduce the size of the problem. With a small group of ‘best candidate’ territories, the second step will be to recur to secondary information on the environment, and to interviews and workshops with expert informants. This should result in a small group (4 or 5) of potential territories.

The third step will be undertaken regardless of whether the previous process was entirely automated or involved use of secondary data and informants. It is to visit these locations, conduct interviews with local stakeholders and other expert informants. To identify the actual boundaries of the territories as defined by the program and extract them from the maps of spatial aggregates, we propose to follow a purely qualitative approach. A pre-selection of potential target areas can be done using the maps. For each of these areas, key informants will be interviewed and secondary information will be reviewed. The areas will be visited and workshops can be organized with local experts. Part of the interviews will be aimed at finding out the real interest of local stakeholders in participating in and contributing to the program.

Eventually we will be ready to propose several candidate territories. For each one we will know which of the types of territorial dynamics it is “representative” of. We will also have a general description of its main characteristics - including its limits-, an assessment of the potential buy in of local partners and stakeholders, and an initial formulation of tentative hypotheses based on the four research questions.

While attempting to select a “representative” range of territories we need to acknowledge explicitly that choice of territories to study will be directly affected by a number of factors which derive directly from the research process itself:

- Presence of motivated and capable research teams with interest and capacity to undertake the research in particular territories.
- Presence of local stakeholders that are truly interested in becoming active partners in the research process, in order to build from the very start very strong research-policy-collective action linkages.
- Nature and quality of available data and pre-existing knowledge / documentation about the territory.
- Accessibility, logistics, feasibility and cost of working in the territory.

The final selection of the territories is a decision that will be made at the program level, with the active engagement of all the project coordinators and of key advisors. The goal is to select a coherent set of territories that can be used to answer the program’s research and policy questions. The choice is not thus purely technical and a regional perspective –and not only a project-by-project perspective- will be important in making the final decision about the territories to be included in the program.

An initial “reconnaissance” of each selected territory will be based on secondary data, informal interviews, and short surveys of different types of firms based on the investment climate questionnaires of the World Bank. The description will be guided by the framework presented in figure 1. The report will should cover in broad terms such aspects as the local economy and its recent evolution, key development issues, main social actors including where relevant a more in depth analysis of ethnic diversity, main institutional issues, and the main environmental concerns.

The report should be the basis for three important initial decisions: selecting the key development trend(s) in the territory where the research will focus, defining some initial hypotheses to guide the work in the next stage, and identifying an appropriate time frame for the analysis.

### ***3.2. Stage 2 – Answering the research questions in each territory***

Stage 2 corresponds to the research work in each of the selected territories. Stage two directly aims to answer the research questions. In each territory, the research teams will start by specifying a reference period of 15-25 years.

We propose to start by characterizing social actors and the interactions between them, in each of several ‘fields’ (Bourdieu): economic, political, administrative, environment, cultural... The work of Fligstein (2001) and Granovetter (2001) will orient this analysis.

Operationally, Social Network Analysis (SNA) can be used to characterize the social networks in each field, and, within them, the social coalitions (see, for example, Carrington et al. 2005). We will analyze the characteristics of these networks: closed or open, linkages and interactions within, linkages and interactions with external agents and other networks, and so on.

We will discuss the position of the poor and the socially excluded in the networks in each field. Of much interest is to describe the linkages between the networks operating in different fields, and this can also be done with SNA techniques.

After having a good understanding of social agents, their interactions in networks, and the coalition within the networks in the different fields (or across fields?), the research will focus on the changes in the formal and informal institutions. This includes an understanding of the challenges (including the unsuccessful ones) to these institutional frameworks.

It is also important to try to understand “institutional failures by design”, that is, institutional failures that are sustained by powerful agents because it is in their benefit to do so. An example is contradictory laws and regulations which leave large spaces for discretionary asset or public resources allocation. The lack of formal rules gives space for non-rule based decision making and in many circumstances could play in favor of sustaining the status quo, or in some cases could produce autonomy for different regions vis-à-vis contradictory national rules and institutions.

We propose to follow the approach of Birner and Wittmer (2003) and Birner et al. (2006). The work on policy networks of Mayntz (2003) is also relevant to this stage of the research.

At this stage, we will have linked the analysis of social actors and their interactions, with the analysis of institutions and institutional change. That is, we will know the role of the different social actors and coalitions in the emergence of different institutions.

A preliminary synthesis of results across territories will be produced at this point in time. A synthesis paper will deal with research questions 2 and 3, and set the stage for moving onto questions 4, 5, 6 and 7.

Using the methodology of the Millennium Ecosystem Assessment (2005), at this time ecosystem assessment reports will be produced for each territory. The emphasis is on understanding the changes over the past 15-20 years in the key environmental services, the direct drivers of such changes, and the actors and institutions most directly responsible for those processes. Expert organizations will be engaged for this purpose.

A synthesis of this work across territories will be prepared and published, dealing with question 9 and setting the stage for question 8.

Questions 4 to 8, all involving the issue of asset endowment, distribution and use, are the subject of the last part of stage 2. As we have seen, the previous work will already have produced a number of entry points.

We will make use of the ‘theory of access’ framework of Ribot and Peluso (2003). The authors propose a framework to analyze access to resources, understood as the ability (rather than the right) to derive benefits from resources. The authors recognize several types of mechanisms of access: rights-based, structural, and relational access. Rights-based access derives from law, custom or convention, and requires the existence of institutions to establish and to enforce

the claim. Structural and relational access is mediated by institutions derived from political, economic and cultural contexts. Specific mechanisms of structural and relational access are access to technology, to capital, to markets, to labor, to knowledge, to authority or to social identity (i.e., membership in a group or community).

In addition, we will rely in asset-based approaches that have been used to gain a more dynamic understanding of poverty (Carter and Barrett, 2006). Pender et al. (2006) and Jansen et al. (2006) have used an asset-based approach within a sustainable livelihoods framework. The challenge for the program will be to explore ways of including into the asset endowments of individuals, households or firms, their positions in social networks (e.g., from descriptors of Social Network Analysis) and in institutional environments (e.g., from the position of the individual, household or firm vis-à-vis the different “mechanisms” of access a la Ribot and Peluso).

### ***3.3. Stage 3 – Synthesis***

The program needs to go beyond the results in the individual research projects in specific territories. It must synthesize at the regional level and seek to obtain general results and recommendations. There are two complementary approaches that can be used.

First, we can follow a more inductive and qualitative approach, using the results and conclusions of the work in the 20 territories to detect patterns and regularities. This is common in research programs made up by a number of individual case studies.

Second, in theory we can design -from the very start- a data set that must be compiled in each one of the 20 projects. The data set would contain information (variables) on social actors, institutions, distribution and use of assets, and outcomes at the level of the territory (economic growth, social inclusion, and environmental changes).

Given the likely variability across the case studies, the second approach is a very difficult undertaking. However, it has been done before with issues of similar complexity, for example by the International Forestry and Institutions Research Network established by Elinor Ostrom. The value of a data base containing information from numerous territories would grow over time and could eventually be the basis of a new generation of policy-relevant theoretical development and analysis. The first set of projects starting in January 2008, will experiment with the building of this minimum data set across territories and countries.

A very important characteristics of this program is that the research projects will be deployed in three different moments across the ten countries. This is a strategy designed to allow a cumulative, rolling process of defining and refining the research questions, generating new data and new insights, improving the synthesis, and going back to asking complementary and improved questions.

To maximize the comparability of the projects in the different territories, the team leaders of the and selected invited experts will maintain a constant dialogue and will meet in workshops at least five times during the research process (see table 3). Inter-project visits and short internships will be encouraged and supported. The program coordinators will also play an active role in communicating results and problems between projects, and in supervising research designs and implementation to encourage methodological and conceptual convergence.

## **5. Scout, regular and synthesis projects**

We intend to conduct this program following “adaptive management” principles. That is, we will proceed as follows (table 3):

- Defining questions, hypotheses, and methods. The Cocoyoc workshop was a key first step.
- Testing them in three “scout” projects in Peru, Chile and Nicaragua.
- Revising the questions, hypotheses, and methods according to the results of the scouts, and producing a first synthesis of results.
- Starting a second wave of “regular projects”, 12 in total, covering the ten countries.

- Again, as new results come in, revising the questions, hypotheses, and methods, and advancing a better developed synthesis.
- Starting a third wave of about 10 “synthesis projects”, designed to dig in depth in issues of higher importance derived from the results and synthesis of the regular projects.
- The first semester of 2012 will be dedicated to producing the final synthesis of the program and a whole range of final publications and other communication products and processes.

Table 3. *Deployment over time of research projects* allows periodic revision and improvement of research framework and rolling or cumulative approach to synthesizing research results. Dashed lines indicate partial synthesis and revision of framework.

Year	Quarter	Groups of Projects		
		Scouts (3)	Regular (12)	Synthesis (10)
2008	1			
	2			
	3			
	4			
2009	1			
	2			
	3			
	4			
2010	1			
	2			
	3			
	4			
2011	1			
	2			
	3			
	4			
2012	1	Overall synthesis		
	2	Overall synthesis		

## 6. Links between research and public action

It must be emphasized that active participation of relevant stakeholders in the research process is a non-negotiable condition in this program. These projects are not academic endeavors, but must make a concrete and measurable contribution to the development of the territories in which they are taking place.

The program intends to achieve this outcome in three ways. First, in each country our leading partners will set up a ‘reference group’ of relevant stakeholders. This group must be an active participant in all major decisions concerning the research project, starting from stage 1 and from the decision about which territories to recommend to the program for further work. The reference group should also be kept well informed and should participate in the discussion and interpretation of the research results. The contracts with the leading partners explicitly stipulate that the work will be discontinued if the participation of the local stakeholders in the research process is found to be unsatisfactory.

In addition, the bulk of the activities of component 2 of the program (capacity development) will be concentrated in the same territories where the research activities are taking place. The objective there is to carry out a process of developing the capacities of innovative social coalitions at the territorial level.

Finally, the communications component of the program will use its considerable resources to support the establishment of very effective dialogue platforms in each country and in the region, where different types of stakeholders can regularly meet to discuss and to enrich the on-going results.

## 7. Other activities

The research component will include other activities besides the projects in the territories. These include:

1. Cross-cutting activities designed to deepen specific issues arising from the partial research results.
2. Partial support to PhD students doing their work in Latin America on research problems that are directly related to one or more of the research questions. This support will include access to local research teams and to specific territories, as well as funding to cover in part the living expenses and some of the operational costs during the field work. We would like to have at least one PhD student from a leading university working in each of the research territories.

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