



EXTRATERRITORIAL ACTORS AND RURAL DEVELOPMENT

Key Aspects of Territorial Development Series



This document is an overview of the research, capacity-building and policy-dialogue activities carried out as part of the Rural Territorial Dynamics Program (*Programa Dinámicas Territoriales Rurales*, or DTR, in Spanish). The program's objective is to contribute to the design and implementation of public policies that encourage and support virtuous circles of economic growth, social inclusion and environmental sustainability in non-metropolitan areas of Latin America. It was coordinated by RIMISP and implemented in collaboration with 52 partner organizations in 11 Latin American countries. This initiative has received financial support from the International Development Research Center (IDRC, Canada), the International Fund for Agricultural Development (IFAD) and the New Zealand Aid Programme.



Rimisp-Latin American Center for Rural Development is a non-profit organization founded in 1986. Its mission is to achieve rural development in the continent. Development is understood as strengthening the capabilities of rural social groups and expanding the liberties of people in the region's rural societies. Rimisp's contribution of knowledge supports institutional change, innovation and the strengthening of social actors, to revitalize and transform Latin American rural societies so they become more just and equitable.

Pablo Ospina has a Master's degree in anthropology from the Iberoamerican University in Mexico City and a bachelor's degree in history from the Pontifical Catholic University of Ecuador in Quito. He also has an advanced diploma in Amazonian studies from the Latin American School of Social Sciences (FLACSO) in Quito, Ecuador. He is currently a professor and researcher at Simon Bolivar Andean University in Ecuador.

Eduardo Ramirez is a Ph.D. candidate at the University of Nijmegen in the Netherlands. He holds a Master's degree in economics from the Catholic University of Chile and a bachelor's degree in agricultural engineering from Chile's Austral University. He has served as executive secretary of the Grupo Chorlavi and has been part of Rimisp's Rural Territorial Dynamics Program since January 2008.

Anthony Bebbington is Higgins professor of environment and society and director of the Graduate School of Geography at Clark University in the United States. He is also a research associate at the Peruvian Center for Social Studies (Centro Peruano de Estudios Sociales, CESIP) and a professorial research fellow at the University of Manchester in England. He is a member of the US National Academy of Sciences.

Patric Hollenstein has a bachelor's degree in political science from the University of St. Gallen in Switzerland and a Master's degree in political studies from the Latin American School of Social Sciences (FLACSO) in Ecuador. He currently works as a research assistant at Simon Bolivar Andean University in Ecuador on issues related to economic sociology.

Ilana Nussbaum earned a bachelor's degree in sociology from the Pontifical Catholic University of Chile and a diploma in religious sciences from the University of Chile. She has studied issues related to the management, improvement and evaluation of Chile's educational system, and carried out both theoretical and applied research in rural issues and sustainable development at various educational institutions. She currently works as a research assistant at Rimisp in Santiago.

Partial or total reproduction and the circulation of this document are authorized as long as it is used for non-profit purposes and sources are cited.

Citation: Ospina, Pablo; Anthony Bebbington; Eduardo Ramirez; Ilana Nussbaum and Patric Hollenstein. (2012). *Actores extraterritoriales y desarrollo rural. Serie: Claves para el desarrollo territorial*. Santiago, Chile: Rimisp-Centro Latinoamericano para el Desarrollo Rural.

Key Messages

In many parts of Latin America, extraterritorial actors have become decisive factors in recent territorial dynamics. (Pages. 2 - 3)

“Extraterritorial actors” are present in many rural territories in Latin America. These actors generally have access to economic, social and cultural resources that local stakeholders lack. Their presence introduces new, and sometimes large, power asymmetries in the territories where they operate.

The main environmental institutions in the territories, born of the need to permit and regulate extraterritorial actors’ access to key natural resources, result from decisions made by the dominant coalition. (Pages. 4 -5)

Territorial dynamics characterized by the presence of powerful extraterritorial actors generally arose from the creation of environmental institutions that gave those actors access to key natural resources. The institutions have not regulated, or have ineffectively regulated, the exploitation of those resources, relying instead on to “free will” or “self-regulation.” Such early environmental institutions have often resulted from agreements between powerful extraterritorial actors (private businesses) and the state in each territory, without the participation of local stakeholders, who sometimes were not even notified of the new rules.

One way to change key environmental institutions is for an unwanted but unavoidable crisis to force actors to change. (Pages. 6 - 8)

When rules for access to and exploitation of natural resources are conducive to depletion of a resource that is crucial for the continuation of an economic dynamic, actors, including powerful ones, can destroy even the natural resources that form the foundation of their own activities. In the medium to long term, it is not in their best interest to exhaust a resource. And although they often are aware of the problem, the resource is still depleted and structural mechanisms lead to crisis. Dominant actors are unwilling to change the rules that gave rise to certain dynamics, because that would imply substantial changes in power relationships in the territory, as well as in the distribution of profits and losses from the economic dynamic.

Another way to change existing environmental institutions involves collective action, inside and outside the dominant coalition. This creates the need to consider a broader set of social interests or other aspects of the territory’s natural capital. (Pages. 9 - 11)

Sometimes actors decide to act before or in the absence of an environmental crisis. For collective action to have an impact on the main environmental institutions in the territory it must have a decisive influence over stakeholders in the dominant coalition, whether they are private or state actors. Stakeholders who decide to take action must therefore establish social alliances and have enough political and symbolic resources, including articulate and credible arguments, to change the behavior of the dominant coalition. In general, these actors have (or think they have) less economic or political advantage in territorial economic dynamics, and are victims (or believe they are victims) of greater prejudice. There are also local and extraterritorial actors whose main goal is to protect the environment.

To avoid irreparable and costly environmental disasters, a sustainable environmental public policy must include the social interests and environmental perceptions of the greatest possible number of territorial actors. (Pages. 12 - 13)

The state often acts as a close ally of extraterritorial actors and is part of the dominant coalition, because it considers itself a beneficiary and partner in the territorial economic dynamic. The state’s actions must represent both the voice and the collective action of those who suffer social or environmental harm because of the territorial dynamic. If more actors depend on more elements of the territory’s natural resource wealth, more will have a broader, comprehensive regard for the environment. And if preventive collective action is the main alternative to environmental crises, then public policy must encourage and support it.

In many parts of Latin America, extraterritorial actors have become decisive factors in recent territorial dynamics.

In Chile, territorial development in central Chiloe has revolved around the salmon farming coalition since the 1990s. Its presence has meant a radical change in traditional territorial activities previously characterized by a subsistence economy centered on agriculture and small-scale fishing. The dominant coalition consists of salmon farming cluster companies (244), national government institutions and political authorities.

In Bolivia, with the discovery of new gas fields in the late 1990s and as a result of an aggressive policy of exploitation driven by a new public-private model for promoting foreign investment, known as “capitalization,” gas became the most dynamic sector in the country’s economy. In 2000, 15 percent of natural gas production occurred in the department of Tarija; that figure had risen to 60 percent by 2005 and 70 percent by 2011. The dominant coalition consists of the energy company REPSOL and the central government, which encourages the company’s investment.



Salmon Farming in Chiloe - Chile

- In the rural territories of Latin America studied for this project, which have combined economic growth with reduction of poverty and inequality, there are always “extraterritorial actors” that support, facilitate or create viable territorial economic dynamics that make it possible to achieve those positive results.
- The role played by extraterritorial actors in the economic dynamics of rural territories in Latin America varies greatly. In some cases, they have direct access to certain resources that local actors would be unable to exploit without external participation; they thus start the “motor” of the territory’s economic dynamic. In other cases, external actors are decisive in the creation of basic conditions or assets for the development of the dynamic. For example, they might build highway infrastructure connecting the territory with specific markets, widen the range of training services that allow local actors to take advantage of related economic opportunities, support key commercial connections, etc.
- We will focus on cases in which extraterritorial actors control the “motor” or the key activity or activities crucial to the territory’s economic growth.
- In rural Latin America today, extraterritorial actors are promoted as a public policy objective. Examples include

Extraterritorial actors are groups, companies or organizations that are not endogenous to the geographic space in which they operate. In other words, they do not emerge within the territory, nor is their identity based on it. They may have different levels of influence (national, international or global), profiles (private, public, civic) and methods for inserting themselves into the territory's dynamics.

promotion of agribusiness, extractive industries, investment in infrastructure, ties with dynamic markets, or activities that strengthen the state's presence and legitimacy in historically marginalized areas.

- Not only does the state encourage the presence of extraterritorial actors, but the way in which many of these actors operate creates the need to connect with new territories. For example, mining and oil companies seek new frontiers for extraction and production. Soybean and sugar cane growers want to expand their crops. Conglomerates supplying goods to large-scale and niche markets in metropolitan areas search for new supply sources. Energy companies look for new places to install hydroelectric plants.



Soy beans - Santa Cruz Bolivia

In the coastal areas of the state of Santa Catarina in southern Brazil, local actors that influence the territory's economic development belong to a society of fishermen-farmers controlled by large landowners and a bourgeois group of European immigrants. In the mid-20th Century, the territory's economy moved away from subsistence activities to a combination of agriculture and commercial fishing. The 1970s brought significant natural resource exploitation, the formation of networks of local and extraterritorial stakeholders, and economic diversification, with the addition of tourism. In the 1990s, there was significant private investment from external actors, especially large-scale tourism investors.

Until the early 1990s, the communities of Litueche, Marchigue, Pumanque and La Estrella, in the dry, inland O'Higgins region of Chile, were some of the poorest in the country. During that time, public-private investment in infrastructure for the use of groundwater, facilitated by the National Irrigation Commission (CNR in Spanish), and the assignment of water rights by the General Water Office (DGA in Spanish), turned dryland agriculture into irrigated agriculture. This encouraged large-scale investment in olive production and winemaking, especially by extraterritorial actors, as well as the participation of a more limited group of small farmers cultivating strawberries and blueberries. Agricultural investors who have arrived in the territory more recently, especially since 2000, revitalized the local market and introduced new models of corporate agriculture that involve strong vertical integration of primary production, agriculture and commercialization, and also operate in various sectors, including hog farms, vineyards and wineries, fruit production and forestry.

The main environmental institutions in the territories, born of the need to permit and regulate extraterritorial actors' access to key natural resources, result from decisions made by the dominant coalition.

In the coastal drylands of O'Higgins, Chile, change usually resulted from public-private investment in groundwater exploitation. Combined with road paving, this allowed access to new markets and services, innovation and employment alternatives. Access to water has been crucial for the economy. Nevertheless, economic dynamics have called into question the sustainability of water management and, therefore, the sustainability of key activities.

Access to water in Chile is regulated by a water code designating it a national asset for public use. It is also regulated by the way the water rights are implemented, legally establishing the beneficiary's right to use a specific amount of water, as well as the free use and transferability of water rights. Self-regulation was accepted as the legal norm, so the first actor with enough money to exploit groundwater or coastal areas and lakes would be given rights over it (access rule).

- The **initial environmental regulatory system**, the system that allowed the territorial economic dynamic to begin, was usually created to agree on rules for access to a new resource. This is confirmed by the analysis of 19 case studies as part of the Rural Territorial Dynamics Program, because most of the economic activities analyzed are built on natural assets. Where there is a strong presence of extraterritorial actors that control the driver of the dynamic, those regulations (which include not only rules for access, but also the informal institutions created by local actors) stem from agreements

between powerful extraterritorial actors and the national government.

- The **rules for managing** environmental resources (including the types of technologies used to exploit them) resulted from another agreement: corporate self-regulation was accepted and some tax rules were established that were either unenforced or unenforceable ("institutions made to fail"). In practice, the first environmental regulatory systems were originally developed to further non-environmental goals, particularly economic growth.



Drylands of O'Higgins - Chile



- “Institutions” are understood as a set of rules and norms, both formal and informal, which organize social interaction.

- **Formal institutions** are rules codified in constitutions, laws or contracts. They generally involve an explicit written agreement that regulates community life and behavior. They also involve external mechanisms for enforcement, supervision and sanctions.

- **Informal institutions** are norms for social behavior that are recognized by the community through traditions, customs or codes of conduct for interaction that are not necessarily written. These institutions usually do not involve external sanctions, but rely on endogenous, self-imposed regulations. Examples include consumer demands, rules for use of coastal areas by fishing communities, bans on hunting or logging or the use of certain areas for religious reasons or because of community customs.

- Environmental institutions involve two forms of regulation of natural capital in a territory:

- Institutions that **regulate access** to natural resources or the opportunity to make use of something, such as rules governing ownership of land, forest, water, etc.

- Institutions that **regulate management** of natural resources or the ability to define the way in which something is used, such as technology, means of oversight, environmental perceptions and values, extraction schedules and replenishment of used resources.

The Bolivian state follows an extractive model with norms that regulate and facilitate gas and mining projects, because they translate into royalty revenues and special taxes. Oil production is governed by Law 3058, which took effect in 2005, and other regulations. Oil and gas exploration and production are considered to be of “public interest and use” and are protected by the state as a strategic activity.

In Bolivia, there is a mostly informal understanding that the government cannot or does not want to effectively monitor companies’ management of their environmental impact. The government lacks the resources to gather environmental impact information and cannot effectively control the technology or means of operation used by extractive companies in the territory.

In Chile, the main institutional model historically in effect for fishing and aquaculture was reactive, based on the self-regulation of productive sectors. This model has been characterized by the late implementation of norms for various activities. In aquaculture, for example, the health and environmental regulations currently in effect were implemented ten years after enactment of the Fishing and Aquaculture Act of 1991.

One way to change key environmental institutions is for an unwanted but unavoidable crisis to force actors to change.



Vineyard, O'Higgins - Chile

In O'Higgins, overuse of groundwater is so evident that environmental authorities have stopped issuing water use permits. Without water for irrigation, intensive export agriculture is impossible.

In Tarija, Bolivia, structural pressures play a more indirect role in environmental crises. The key interest lies in extracting gas and transporting it to consumer areas at the lowest possible cost. Aboveground natural capital is not important in the business model. This way of bringing about institutional change therefore plays no role in the area.

- Institutional change comes from “structural pressures” that “force” institutional change to occur, even against the will or despite the inaction of the stakeholders involved.

- For environmental institutions in a territory, change begins with an environmental “crisis” that jeopardizes the continuity of an economic activity driving the territorial dynamic. Companies manage their activities in a way that depletes the very natural resources that make those activities possible. In Chiloe, a health crisis destroyed salmon farming, while in O'Higgins, farmers are exhausting groundwater deposits. Stakeholders do not seek to destroy natural resources, nor is it in their best interest to do so; nevertheless, they do it.

- “Structural factors” lead to changes in environmental institutions because they are marginal to the actors’ intentions or awareness. For example, there can be an increase in awareness about

environmental issues, as in the case of water scarcity in O'Higgins, but that awareness alone is insufficient to bring about changes in rules for access to and management of the natural resources being depleted.

- In cases analyzed for this project, institutional changes occurred only after an environmental crisis. The crisis leading to institutional change is the manifestation of a deeper contradiction, outside the actors’ intentions, which forces change.

- A crisis is the result of cumulative action by agents who destroy the natural resources on which their economic activity is based. To understand these seemingly “irrational” actions, it is helpful to consider theories of structural change. In some theories, accumulation of profits and free-market competition drive actors to exhaust a resource because if they do not do so, another actor will. Conversely, if they increase their costs to reduce the

destruction of a resource, they will be squeezed out of the market by those who keep costs down. This translates into a structural contradiction between the techno-economic free-market model and the ecosystems that support it. In other theories, this is the classic “prisoner’s dilemma” or “tragedy of the commons.” In these models, individual decisions made under certain circumstances, with certain preferences and availability of information, have an undesired effect: individual maximization of special interests leads to an environmental disaster that jeopardizes the natural resource used for the productive activity in question.

- Once a crisis has occurred, the dominant coalition, oblivious to pressure from collective actors’ demands, does everything in its power to solve the specific problem affecting the continuation of its own activities, but does not necessarily address the problem of territorial management or view it from the standpoint of ecosystems. If the crisis is due to externalities that do not affect its conditions for production, the tendency is to leave others who are affected to deal with the problem themselves, or, in some cases, to provide some “compensation.”

- When institutional changes related to environmental regulation emerge in response to an environmental crisis that cannot be ignored (because it threatens the very motor of the territorial dynamic), extraterritorial companies will seek changes in resource management rules that do not question or limit access to those resources, since those rules allowed them to do business in the first place. This tends to occur even when other stakeholders attribute the environmental crisis to those rules. Rules for access to a territory’s resources often

According to authors Mahoney and Thelen, there are several patterns of institutional change. Change can occur through “displacement,” the elimination of old rules and the introduction of new ones; through “layering” or superimposing of new rules, which coexist with old ones; through “drift,” in which changes in the environment have an impact on existing rules; or by “conversion,” a strategic reorganization of norms. Institutional change in Chiloe happened mostly by “drift,” while the change in Tarija has occurred mainly through “layering.”

have the most significant impact, in terms of both how equitable the dynamic is and some of its more negative environmental effects.

- Refusal to consider substantive changes to rules for access to a territory’s natural resources stems from the fact that the dominant coalition’s response is mainly motivated by interest in solving the economic problem caused by exhaustion of a key resource, rather than by broader environmental concerns. Consideration of those environmental concerns would imply changes to institutions that regulate access to natural resources, and those changes would tend to limit immediate economic growth. This contradiction between rapid economic growth and conservation of the territory’s natural wealth is another way of framing the “structural” problem that often leads to environmental crises.

In Chiloe, the highly intensive model of salmon production led to a health crisis in the fisheries that caused the loss of most of the productive infrastructure and a drastic reduction in exports during a three-year period. A new regulatory framework approved after the crisis sought to restore the industry’s productive capacity and resulted in some questioning of corporate “self-regulation.” There is controversy over whether the new measures are really sufficient to avoid another crisis in the future.

Despite dry conditions, the water issue in O’Higgins is not a long-standing concern, but originated in the early 2000s, when demand for water rights increased sharply, mainly because of an influx of vintners to the region. Before that, concern was so low that the General Water Office (DGA in Spanish) conducted no studies of groundwater availability and approved all requests for water rights. In 2003, when demand for water rights became problematic, studies were conducted to measure the availability of groundwater in the area. Based on the findings, the final number of permits was established, followed by the closing of all aquifers in the territory.



Tarija region in Bolivia: Tarija's economy is based on hydrocarbon extraction, mainly by transnational corporations (including Spain's REPSOL). The territory has one of the country's largest reserves, and the Ititka Guasu Territory of Origin Community (TCO in Spanish), a Guarani community, is located within its boundaries. Some groups of ranchers also operate in the area, occasionally working for extraterritorial companies. With regard to environmental sustainability, the government has played a mostly passive role in regulation and enforcement. Guarani people have organized to pressure extractive companies to comply with new rules for operating.



Chiloe-Chile: The economy of the Chiloe archipelago is currently based on marine industries, especially salmon farming and, to a lesser extent, the ribbed and baby mussel industries. Those industries have displaced traditional economic activities, such as small-scale agriculture and sheep herding, which generate lower incomes and can be more unstable. New industrial production was accompanied by an environmental and health crisis, the "ISA virus crisis," which occurred in 2008, with repercussions that are still felt today.



O'Higgins region of Chile The economy in the interior drylands of O'Higgins used to be based mainly on wheat farming. Land use changed over time, and the area is now home to large agricultural industries, particularly poultry and hog farming, along with more recent cultivation of grapes for wine and olives for oil. This shift brought water scarcity and dried up wells and groundwater, causing problems not only for the industry, but also for residents affected by water shortages. Although leading economic players have plants in the territory, they are external. This creates little sympathy among local residents, who have sometimes mobilized to protest water scarcity or the construction of a new agricultural production plant. This could be considered an incipient civic movement.

Another way to change existing environmental institutions involves collective action, inside and outside the dominant coalition. This creates the need to consider a broader set of social interests or other aspects of the territory's natural capital.

- In this case, stakeholders decide to act before or even in the absence of an environmental crisis. Collective action can emerge among actors belonging to the dominant coalition (such as the state and large extraterritorial corporations, as seen in cases analyzed as part of this project) or because of pressure on the coalition by outside actors.

- For collective action to emerge, opportunities must exist within the context in which the stakeholders operate. Those stakeholders must have enough networks to coordinate their actions. A basic common symbolic framework must also exist. This framework will allow collective actors to identify and define shared grievances. The symbolic framework is even more powerful if it contributes to a common identity for the mobilizing group.

- For collective action to influence the dominant coalition and lead to institutional change, mobilizing actors must have enough power, either through social and political force or by establishing broader alliances, to act at several levels and apply pressure in different settings. "Non-dominant coalitions" may be formed by social groups acting at the local, national and, eventually, global levels. It is difficult for weak and isolated groups, even those trying to implement significant collective actions, to modify existing institutional structures.



- For stakeholders involved in collective action to set goals for changing rules about access to and use of natural resources, they must feel that existing institutions do them more harm than good. They are more likely to include environmental goals in their demands when existing rules affect their own access to key natural resources in the territory to which they have access or seek rights to access. The more diversified the mobilized stakeholders' uses of and interaction with the territory's natural resources, the greater the likelihood that they will include more aspects of those resources in their demands for environmental safeguards.

In the case studies, we found little evidence of proactive collective action.

In O'Higgins, although local actors recognize the issue and feel they are at a disadvantage in competing with extraterritorial investors for access to water access, they generally lack the material or social resources to launch either individual or collective action. This could be the reason why their demands and hopes are channeled to the General Water Office (DGA), with the expectation that the government will solve the problem. Extraterritorial investors, meanwhile, have the greatest capacity for actions that lead to changes in water use, even if they are motivated only by the risks affecting their economic activities. Nevertheless, proactive collective action -- whether initiated by local or extraterritorial actors -- is almost always absent.


The Guarani case suggests that conflicts and collective action may arise more easily when new rules for access to natural resources question or threaten the access rules to which local actors are accustomed.

The mobilization of Guarani organizations in Tarija and international pressure on REPSOL in Europe by environmental and consumer organizations are the most significant examples of collective action bringing about change in environmental institutions in the territory. REPSOL received gas concessions in a territory the Guarani people claimed and fought for years to legalize. Their land is also located in the area most at risk from future accidents. The Guarani are settled far from the places that have the greatest public investment by local government, which is financed by taxes on gas companies. The Guarani had an international support network that could be mobilized in Madrid, Spain, to pressure REPSOL to sign an environmental agreement.



- Given the conditions that must exist for collective action to occur and to have an impact on dominant coalitions in the territory, so their demands focus on changes in institutions that regulate access to and use of natural resources, it is easy to understand why it is so difficult to find examples of collective action taken before an environmental crisis occurs. There are few such examples among the case studies carried out as part of this research. In “cluster” or “enclave” structures that include mechanisms for local redistribution of revenues (such as a mining canon, royalties or the creation of local development funds, people tend to undervalue environmental impacts or subordinate their control to the outcome of struggles for revenue distribution. This affects most local stakeholders, from farmers and local governments to the national government.

- Even when growth leads to greater inequality and environmental risk, it will not result in collective action focused on the environment as long as it creates some degree of access to economic opportunities. This is because territorial stakeholders who receive benefits from economic growth through opportunities (jobs, subcontracting or other fiscal or corporate responsibility transfers) are less likely to act collectively to demand greater environmental regulation (and, probably, sustainability). When actors feel excluded, however, and especially when their guarantees of access to the territory’s natural assets are threatened, they are more likely to mobilize to demand a response to their environmental concerns.



The Guarani case suggests that when new rules of access to environmental assets question or threaten local actors' access to those resources, conflicts and collective action arise more easily. If a group's cultural and historical identity is associated with the territory and its ecosystems, it is also more likely to include environmental elements in its demands than a group whose relationship with the territory is purely economic. Those two conditions may help explain the greater tendency toward collective action among indigenous groups in several conflicts related to increasing environmental regulation for extraterritorial corporations in Latin America.

Cases analyzed for this project suggest that women living in territories affected by extraterritorial actors' activities are "benefited" and "harmed" to a similar extent as men. This suggests that there are no gender-based differences in action on environmental regulation of extraterritorial companies. Both men and women acted according to the potential benefits of the dominant economic activity.

To avoid irreparable and costly environmental disasters, a sustainable environmental public policy must include the social interests and environmental perceptions of the greatest possible number of territorial actors.



- Rich natural assets do not always result in growth that is socially inclusive and environmentally sustainable. Stricter environmental institutions are likely to lead to more moderate economic growth, but result in wider and more equitable distribution of its benefits. This occurs because controlling the use of and limiting access to natural assets constrains economic management in the short term, while many of the benefits are realized and valued over the medium to long term. This is something that traditional economics and many stakeholders tend to underestimate. In most cases, both local and extraterritorial actors have shown that they can sacrifice long-range environmental demands for

immediate economic benefits. Although it is no guarantee, the best strategy is to consider the demands and views of as many stakeholders as possible and try to balance power relationships among them.

- In the case studies, the national government reflects the relationships of power and inequality that exist at both the territorial and national levels. We have found evidence of states acting as just another member of the dominant coalition; their actions demonstrate very little autonomy, and they show the same lack of interest in environmental issues as other dominant actors. This attitude on the part of the national government reflects the social and ideological hegemony that is dominant at both the territorial and national levels.

- As with collective action, the state's position and behavior depend heavily on how it benefits from a dynamic's economic outcome. Although local and extraterritorial actors and the state are highly dependent on various environmental functions and ecosystem services, this does not guarantee environmentally focused collective action. Nevertheless, collective action is crucial for the development of forms of regulation that include various aspects of the environment, not just those necessary for the dominant economic activity. This explains the need for public policies that will strengthen and protect a wide range of forms of collective action in the territory.

- Although neither the presence of local actors nor the involvement of extraterritorial actors who depend on various natural assets guarantees wider concern for ecosystem integrity, the presence of a diversity of actors with a variety of territorial plans and visions expands the possibility of conserving more elements of the environment. The likelihood of this happening increases when alliances are established between local and global actors from the third sector (NGOs), academia and international cooperation agencies, whose insistence on greater environmental protection is expressed both inside and outside the territory and can influence the dominant coalition. Several state institutions, sometimes agencies responsible for protecting the environmental or civil rights and

sometimes local governments, can create alliances with local groups and environmental organizations to support basic institutional changes in the territory. This shows that the state, although it often belongs to the dominant coalition, is internally heterogeneous and can contribute to broader consideration of environmental safeguards for the territory.

- Consistent, systematic public policies that take into account and help strengthen and integrate more stakeholders and a wider range of environmental and distributive concerns, can be decisive in order avoiding environmental crises and creating opportunities for preventive collective action that will transform environmental institutions in the territory.

Additional Readings

Cerdan, Claire; Pablo Freire Vieira; Mariana Policarpo; Melissa Vivacqua; Adinor Capellesso; Helio Castro Rodrigues; Benjamin Martinel; Eduardo Cordeiro; Anais Lesage; Francisca Meynard; Aglair Pedrosa; Juliana Adriano; Maiara Leonel and Maria Aparecida Ferreira. (2011). *Desenvolvimento territorial sustentável na zona costeira do Estado de Santa Catarina Brasil*. Working Paper No. 87. Rural Territorial Dynamics Program. Santiago, Chile: Rimisp.

Hinojosa, Leonith; Juan Pablo Chumacero; Guido Cortez and Anthony Bebbington. (2011). *Dinámicas territoriales y formación de territorios en contextos de expansión de industrias extractivas. Tarija, Bolivia*. Working Paper No. 89. Rural Territorial Dynamics Program. Santiago, Chile: Rimisp.

Hinojosa, Leonith and Karl Hennermann. (2011). *Dinámicas territoriales rurales y servicios eco sistémicos en contextos de expansión de industrias extractivas*. Working Paper No. 64. Rural Territorial Dynamics Program. Santiago, Chile: Rimisp.

Mahoney, James and Kathleen Thelen. (2010). *Explaining Institutional Change. Ambiguity, Agency and Power*. Cambridge: Cambridge University Press.

Ramirez, Eduardo; Felix Modrego; Julie Claire Mace and Rodrigo Yanez. (2009). *Caracterización de los actores de Chiloé Central*. Working Paper No. 55. Rural Territorial Dynamics Program. Santiago, Chile: Rimisp.

Photo Credits.

Cover: Google Earth, Neil Palmer/CIAT, Cesar Angel Zaragoza, Luis Marques, Columbus GV Team.

Page 1: Luis Marques

Pages 2, 4, 6, 8, 12: Rimisp

Page 3: Neil Palmer/CIAT

Page 5: Cesar Angel Zaragoza

Pages 8, 9 y 11: Columbus GV Team

Page 10: Sergio De, Lightripper

The Territorial Development, Environment and Extraterritorial Coalitions Project was implemented in Ecuador (Simón Bolívar Andean University, Ecuador), Brazil (Federal University of Santa Catarina-UFSC, in association with CIRAD France), Bolivia (Regional Studies Center of Tarija-CERDET) and Chile (Rimisp).

**Rimisp-Centro Latinoamericano para el Desarrollo Rural
Programa Dinámicas Territoriales Rurales
Casilla 228-22. Santiago, Chile
Tel + (56-2) 236 45 57 Fax + (56-2) 236 45 58
rimisp@rimisp.org**

**For additional information:
www.rimisp.org/dtr**
