

Globalisation and Emerging Livelihood Issues in Mountain Areas

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This article has been prepared to help make mountain communities and policymakers aware of livelihood issues associated with globalisation as they have been emerging in several parts of the greater Himalayan area, and their possible implications on the mountain poor.

Livelihood systems represent a complex set of diversified and interlinked activities rooted in a community's biophysical resources base and their usage systems, their technological and trade possibilities, and the institutional arrangements which determine people's access to these resources. In mountain areas, livelihood options are often linked to a range of economic activities, products, and productivity (for example diversified cropping, and farming and forestry links), the natural assets of mountains (such as their diverse landscape, extent, and productivity), as well as economic and human assets including physical assets (such as terraced land, and water harvesting systems). They are linked as well to social or institutional capital including collective arrangements such as common property resources and other support systems, collective risk-sharing arrangements and public transfers, and secondary and tertiary level activities such as processing and marketing. Today, these practices and arrangements that have served to secure some form of livelihood for mountain peoples are undergoing transition and change as a result of globalisation.

The globalisation process

Simply put, globalisation implies primacy to and adoption of market-friendly economic policies and programmes as dictated by the pressures and incentives generated by global economic forces and their legal and institutional instruments (including the WTO). The changes are according primacy to global perspectives and external concerns while trying to deal with local problems, in the process relegating local concerns, perceptions, and practices to the primacy of global goals. The mechanisms through which these are happening include commodity trade and associated resource use as well as production patterns, restructuring of property rights and access to resources, dismantling of existing regulatory provisions and their enforcement measures, curtailment of welfare and promotional support to the needy, promotion of market-preferred technologies and support systems through a range of investment, tax, and price incentives.

Unlike the gradual process of integration of world economies through trade, investment, and migration in the past, present day globalisation is not only happening rapidly, it also departs radically from past trade prac-

tices. Because of its goals and governance systems in particular, and their driving forces, operational norms, and associated compulsions and incentives, globalisation is forecast by economic observers to have markedly different consequences for strong and weak participants. Mountain areas and their communities represent the weaker participants in an uneven global playing field, where they are nevertheless being integrated into the global system regardless of their capacity or preparation, and under terms that have been determined without their involvement or consultation.

Implications for livelihood options

Viewed through emerging scenarios, the process of globalisation has tended to create circumstances over which mountain communities have little control or say. The process is happening fast and so overpoweringly that the affected communities have neither sufficient lead-time nor the required capacities to adapt to the changes taking place. As a final result globalisation may accentuate the exclusion of local communities from new opportunities and may marginalise the well-adapted production and consumption options and practices which in the past have helped maintain environmental sustainability and secure some form of livelihood in mountain areas. The dynamics of the process and their causes and consequences are outlined below.

- (i) Visible incompatibilities emerging between the driving forces of globalisation and the imperatives and specificities of the mountain environment. Examples of these incompatibilities include market-driven intensification in resource use, which completely goes against the imperatives of protecting the fragility of the mountain environment; intense resource extraction and highly specialised production; and even international division of labour in production that counters environmentally-friendly and risk-reducing diversification of resource use and cropping systems being suggested for mountain development.
- (ii) Probability of globalisation accentuating the negative impacts of past interventions. Examples include pushing environmentally and socioeconomically inappropriate and damaging interventions, and completely bypassing the imperatives of the mountain perspective, thus increasing rather than

addressing environmental and socioeconomic vulnerabilities.

- (iii) Erosion of practices and provisions (including welfare programmes) that provide resilience and protection to mountain peoples (such as diversified, interlinked, land-based activities that help promote both livelihood and environmental security) from 'systemic disintegration' of farming systems, where selected enterprises are picked up by the markets with a backlash and without mitigation efforts on displaced sectors;
- (iv) Loss of niches and access to opportunities due to external demand-driven overextraction of niche resources and products, ignoring the negative side effects;
- (v) Conflict between market-led values and attitudes and traditional collective or communal concerns and stakes, marginalising the important source of collective risk-sharing and resilience in rural poor sectors;
- (vi) Little attention to indicative approaches or possible ways to influence and adapt to the globalisation process in mountain areas, especially through public policy and programmes.

Emerging scenarios

Juxtaposed against mechanisms and processes of trade liberalisation as a result of globalisation, key livelihood options in the mountain areas have reflected the following emerging trends, as shown by the results of a micro-level exploratory study by ICIMOD covering selected mountain areas in India, Nepal, China, and Pakistan.

Improved trade in mountain organic products, environmental services, tourism, and ancillary services as part of the global supplier chain promises new opportunities for the mountain poor. But a key constraint is lack of knowledge in mountain areas about these opportunities.

Agricultural systems

- (i) Agriculture remains the primary source of income flows in mountain areas. Diversification and interlinkages provide safety nets against vulnerabilities and risks for mountain communities. The globalisation processes that favour intense and indiscriminate extraction and use of selective resources have reduced the extent of diversification in most of the HKH region. The focus on externally marketable profitable products has pushed staple crops to higher, fragile, less productive slopes, for example, contributing to seasonal food scarcity in mountain areas.
- (ii) The gains from high value export crops such as horticultural and herbal products, flowers and special seeds, have not been fully accessible to producers, given their limited involvement and capacity to become involved in the global marketing system.
- (iii) Moreover, trade liberalisation policies, such as the WTO norms dictated by globalisation, have

exposed high pay-off products to global competition without sufficient preparation and local capacity building. The same applies to locally produced and consumed crops.

Assets and support systems

- (i) Private lands, community lands, forests, rangelands, local water bodies, tourist spots, and others, as major physical assets that have traditionally helped sustain mountain communities are increasingly becoming inaccessible to even the local communities, following policy reforms that have disregarded them. Large extents of these assets have been given instead to large private concessionaire companies including in India, China, and Pakistan.
- (ii) Commerce-driven changes have led to disintegration of collective stakes in natural and social assets, further marginalising vulnerable mountain communities.
- (iii) Finally, state-run support systems helping mountain communities through relief and development subsidies have weakened, if not completely disappeared. The marginalisation of state and communities vis-à-vis market forces has further eroded the traditional livelihood systems in mountain areas.

Adaptation approaches

On the other hand, the globalisation process affecting the livelihood systems in mountain areas also carries with it new opportunities and the potential to evolve safety nets and measures to cope and adapt or counter their negative impacts. Despite widespread criticism against economic globalisation, the process is acknowl-

edged to have also opened promising opportunities which may be harnessed. These include opportunities for improved trade in mountain products, especially organic food, herbs, and others; services such as mountain tourism, which are predicted to grow faster in the years to come; the possibilities of mountain communities providing ancillary services to lowland market agencies as part of the supplier chain to meet the increased and new demands of the world markets; evolving market norms that favour payment of environmental services provided by mountain communities to lowland society. Stories of success in these new arenas are emerging in the HKH region.

A key constraint to realising these new potentials, however, is the lack of knowledge about these opportunities as well as the limited prevailing capacities and skills to harness them. Mountain development planners, governments, and concerned stakeholders could focus on iden-

tifying those options that will minimise the negative effects of globalisation while harnessing the positive opportunities it creates. These options could form part of a regionally differentiated integrated coping strategy to globalisa-

tion for mountain areas. Focused research in different mountain areas is a first step to begin to build such a strategy. Guided by this concern ICIMOD has begun the groundwork for applied research on the subject.