

Mountain commons and the social economy in Romania

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Abstract

The subject of forest and pasture commons in Romania (named “obști” or “composesorate”) has been scarcely studied, with only a few scholars engaging in the research of these associations in a structured manner (Vasile, 2006; Vasile and Mantescu, 2009). Moreover, their work was mainly centered on the study of the various processes of the commons, such as post-communism recreation, operations, members’ management and governance or the relation with the local community, but has not addressed the commons’ place or role in the wider sector of social economy in Romania. The subject of social economy (or the third sector) organizations in the country faced a significant growth in interest in the recent years, with both academics and public policy makers being interested in a better understanding and regulation of this sphere, but losing sight of particular forms of association. Thus, this paper comes to fill a gap in knowledge regarding both the forest and pasture commons in Romania and their rightful place in the sphere of social economy. Specifically, there will be analyzed over 40 forest and pasture commons in Covasna County, Romania. They own large amounts of land (on average around 700 ha each) and function as fully-fledged village-based institutions. Their characteristics, processes, management and governance practices will be explored, in order to show differences and similarities with more typical social economy organizations, such as cooperatives. The main argument is that forest and pasture commons in Romania are an important part in the structure of the third sector. They have a significant role in the development of the local communities where they function and should be taken into account with all their specificities in the creation of the policies and funding schemes of social economy. In conclusion, by closely examining the forest and pasture commons in Covasna County, Romania, this paper aims to bring to the forefront the characteristics of a rich associative sector emerging in Eastern Europe, with an important role to play in the social economy.

Keywords: *commons, social economy, cooperatives, property, governance, participation*

Acknowledgment: *The data presented in this paper was gathered through an ample research project on the forest and pastures commons in Romania, whose final results and findings will be made available in the second half of 2017. The project named „Associative Environmentality: the Revival of Forest Commons in the Carpathians” is based at the Institute of Sociology, Romanian Academy and is supported by a grant of the Romanian National Authority for Scientific Research and Innovation, CNCS-UEFISCDI. Project number: PN-II- RU-TE- 2014-4-2865. More information is available at this link: <http://romaniacommons.wixsite.com/project>.*

Introduction

The subject of social economy (or the third sector) organizations, as well as the one of the organizations and groups that manage common goods, faced a significant growth in interest in the recent years, with both academics and public policy makers being interested in a better understanding and regulation of these spheres, but, in the case of social economy, losing sight of particular forms of association. Only a few scholars published works aimed at connecting the commons world and the social economy sector and the two bodies of extensive literature on the subject. For example, Greig de Pueter and Nick Dyer-Witthford (2010) argue in their paper that the history of the workers cooperatives can be seen as a very good example of a “communing practice”, “a practical demonstration of the art of collective association”, where the common good is an abstract one, the work-force of the members. In almost the same manner, Amanda Huron (2012) uses grounded theory to argue that housing co-ops can be theorized as manifestations of the commons and analyses in her thesis ten limited-equity housing cooperatives, collectively owned and managed by their members, using the concept of “urban commons”. In a recent published article, Marthe Nyssens and Francesca Petrella (2015) compare Elinor Ostrom’s theory on common pool resources and the social and solidarity economy organizations on three levels: ownership systems, the collective nature of the goods and services provided and the collective production of norms, identifying similarities and differences between the two.

Even if no official account is given for this fact, estimates¹ show that forest and pasture commons in Romania, named *obște* or *composesorat*, manage around 14% of the total forest surface of the country. According to the *Atlas of Social Economy - Romania 2014*, based on data

¹ According to the preliminary data gathered in the framework of the project „Associative Environmentality: the Revival of Forest Commons in the Carpathians”.

from the National Institute of Statistics, in 2012 there were 921 such organizations active² in Romania, managing assets of approximately 200 million euros and having incomes of almost 6 million euros (Barna, 2014, pp. 62–63). Despite this, little information is published about these organizations, including here several NGO research reports emphasizing their appurtenance to the field of social economy (Cotoi & Mateescu, 2013; Petrescu, 2013b) and a number of academic scholars (Vasile, 2006, 2007, 2008; Vasile & Mantescu, 2009; Chiburte, 2008; Sutcliffe, Paulini, Jones, Marggraf, & Page, 2013) that gave mostly anthropological accounts. The authors researching this topic focused their analysis either on outlining the dimension of the sector from an socio-economical point of view (the above mentioned NGO reports) or on the description of momentous aspects of their re-formation after the fall of communism – the weighty restitution process after more than 50 years of state-ownership, the preservation of their main inherited characteristics (e.g.: distribution of shares and rights), the functional processes that they implement – using mainly case-studies of particular regions.

A rich literature on the study of the commons worldwide had Elinor Ostrom (1990) as a pioneer. Building on criticizing Garrett Hardin’s concept “the tragedy of the commons” (Hardin, 1968), Ostrom’s work was the starting point of a wealth of studies and papers regarding common-pool resources all around the world, which include all kinds of resources from forests and pastures to wildlife, irrigation systems, agriculture, fisheries etc. Bromley (1992, p. 11) gives a general definition of the commons, based on their main characteristics, using as an example a collectively-owned irrigation system: „there is a well-defined group whose membership is restricted; an asset to be managed (the physical distribution system); an annual stream of benefits (the water that constitutes a valuable agricultural input); and a need for group management of

² The authors of the Atlas considered “active” those organizations that hand in yearly accounting balance sheets. During the data-gathering phase of the above mentioned project, the team discovered that, in 2016, the actual number of commons might be around 1200 organizations.

both the capital stock and the annual flow (necessary maintenance of the system and a process for allocating the water among members of the group of irrigators), to make sure that the system continues to yield benefits to the group”. Forest and pastures commons of Romania, either *obște* or *composesorat* fit this definition well.

In a somehow parallel dimension, there are the generically named “social economy organizations” that offer a wide range of services and goods, keeping as main objective of their activities the fulfilment of a social aim, meeting the needs and desires of their members and/or the community, and giving little interest to obtaining profits for investors or other shareholders. The social economy sector includes a variety of legal forms, such as associations, foundations, cooperative, social enterprises or mutual, all sharing in a higher or lesser extend the same functioning principles, but having as a core principle the primacy of the people and social objective over capital. In Europe, there are over 2 million social economy organisations, making 10% of the businesses and employing over 11 million individuals, 6% of EU employees³. According to the *Atlas of Social Economy, Romania 2014* (Barna, 2014, p. 14), in the year 2012 in Romania there were 39.347 active social economy organisations, having assets of over 3 billion Euro, incomes of almost the same value (1.9% of the total national income) and employing over 130.000 individuals (1.9% of the total engageable population).

Since 2015 Romania has its first law of social economy (L219/2015), which regulates the social economy sector in the country and allows organizations to get a certificate of social enterprise, but foresees no fiscal or other benefits for these entities. The law follows the European definition of the social economy (see for example Defourny, Develtere, & Fonteneau, 1999), stating that: “Art. 2 (1) The social economy is the set of activities organized

³ According to the web page of the European Commission, https://ec.europa.eu/growth/sectors/social-economy_en, accessed on 10.06.2017.

independently of the public sector, whose purpose is to serve the general interest, the interests of a non-patrimonial community and / or personal interests, by increasing the employment of the vulnerable group and / or the production and supply of goods, services and / or execution of works. (2) Social economy is based on private, voluntary and solidarity initiative, with a high degree of autonomy and responsibility, as well as limited distribution of profits to associates.” Forest and pastures commons of Romania, either *obște* or *composesorat* can be with no doubts included in this sector.

One of the most prominent types of social economy organizations are the cooperatives, that function today in the whole world, in the most diverse economic sectors - agricultural, savings, credit, consumer, insurance, marketing, worker, housing, social and other types of co-operatives (Defourny & Develtere, 1999, p. 12). The International Cooperative Alliance (ICA) defines a cooperative as “an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.” (ICA, 2017; Zeuli & Cropp, 2004, p. 1). Moreover, the functional processes of a cooperative must and are always guided by values such as self-help, self-responsibility, democracy, equality, equity and solidarity, supported by the ethical values of their members - honesty, openness, social responsibility and caring for others (*idem*).

The essence of the cooperative sector is summarized in the seven co-operative principles that form the framework in which each cooperative functions and by which it is guided in its activities. The seven cooperative principles are: 1) voluntary and open membership, 2) democratic member control, 3) member economic participation, 4) autonomy and independence, 5) education, training and information, 6) co-operation among co-operatives and 7) concern for community (ICA, 2017; Zeuli & Cropp, 2004). A detailed account of these principles will not be

given at this point, since they will be addressed in particular in the analysis of the forest and pasture commons from Covasna County, Romania.

This paper comes to fill a gap in knowledge regarding both the forest and pasture commons in Romania and their rightful place in the sphere of social economy, by analyzing over 40 forest and pasture commons in Covasna County, Romania. They own large amounts of land (on average around 700 ha each) and function as fully-fledged village-based institutions. In the following sections of the paper I will start with a few methodological choices, in order to clarify the main perspectives of my research endeavor. Then I will present a short historical background of the forest and pasture commons in Romania and their main characteristics, in order to shed some light on the position that these organizations had and still have in the associative sector in Romania, followed by a few general information about the forest and pasture commons from Covasna county. Three major themes will constitute the framework of the findings of this paper, to show differences and similarities with more typical social economy organizations, such as cooperatives: 1) membership and property rights 2) members' benefits and community involvement and 3) governance and decision-making. Conclusions of this paper will present my arguments on the fact that forest and pasture commons in Romania are an important part in the structure of the third sector. They have a significant role in the development of the local communities where they function and should be taken into account with all their specificities in the creation of the policies and funding schemes of social economy.

Methodology

The findings of this paper are based on 49 semi-structured interviews with presidents and councilors of forest and pasture commons in Covasna County, Romania, obtained in the framework of an ample research project named „Associative Environmentality: the Revival of

Forest Commons in the Carpathians”, based at the Institute of Sociology, Romanian Academy and supported by a grant of the Romanian National Authority for Scientific Research and Innovation, CNCS-UEFISCDI, where I am currently involved as a research assistant. The project’s main outcome will be the publishing of the “Atlas of Commons in Romania” (*Atlasul Obștilor și Composesoratelor din România*) in the autumn of 2017. The interviews also had a strong quantitative component, in which it was gathered factual information regarding the commons (hectares owned, number of members, assets, incomes etc.).

The interviews were taken in the summer of 2016, by myself together with one very close collaborator of the project. In general, the respondents were willing to give details about their activities, and the interviews lasted between 1 and 2 hours, covering themes such as assets, number and type of members, membership practice, division of property rights, relationship with authority / the state, regulations, attitudes towards the common resource, the decision making processes, the participation of members in the organization's management, members' benefits, involvement in community, attitudes towards the governing process.

Some ethical aspects of the methodological choices are worth explaining here.

Throughout the paper the name of the commons studied and their communities’ was not changed, as the facts presented do not make the subject of sensitive information or one that is not openly available⁴. However, even if not confidential information⁵, the initials of the respondents will not be included, since the respondents often present collective decisions. These findings reflect a one-sided perspective, the one of the presidents or other members of the Board, but lack the view of the “regular” members, “the people”.

⁴ Following the logic presented by Monica Vasile in one of her papers regarding the *obște* in Vrancea Mountains (2006, p. 112).

⁵ Anyone potentially interested in finding out who exactly are the people that form the Board of Directors of any association registered in Romania can do so by accessing the public National Registry of NGOs hosted by the Ministry of Justice at this link: <http://www.just.ro/registrul-national-ong/>.

History and background

As suggested in the beginning of the paper, two terms are mostly used in Romanian language for forest and pastures commons: *obște* and *composesorat*, depending on the historical region where they functioned and were re-established. Vasile and Mantescu (2009, p. 97) and other scholars (see for example Sutcliffe et al., 2013, p. 62) pictured in a very condensed but rigorous form the assignment of the commons' joint-property regime, summarized in the following. In the historical regions of Romania, commons have been legally recognized in the late modern period (around 1890⁶) in relatively different ways, with specific particularities even in the same region. The villagers of the communities in Transylvania became collective owners and members of *composesorat* either by receiving the forests as a compensation for their guarding of the borders, or by purchasing properties from the state as joint-owners, or as a part of their entitlement to make a livelihood as free peasants, after the liberation from serfdom (1848). The latter is also the case in other regions, such as Wallachia and Moldavia where some communities of free peasants, grouped in *obște* bought the lands or had access to common property and managed it in a collective democratic manner.

In June 1948 a law was passed in Romania that would transfer in state's property all the resources above and under the ground, including forests, pastures, agricultural fields, private or associative enterprises etc. In the next 50 years, individuals and communities were widowed of their right to own, manage and make decisions for their lands. For the forest and pasture commons, 11 years had passed after fall of communist regime until a series of laws allowed the restitution of the surfaces formerly owned by juridical bodies or by communities. Shortly presented, the first wave of restitution began with the law 1/2000 (the Lupu law) when juridical

⁶ According to the preliminary data gathered in the framework of the project „Associative Environmentalty: the Revival of Forest Commons in the Carpathians”.

entities were allowed to request their former surfaces, but only the ones for which they had support documents, inheritance papers from successors of old members. A second law, 247/2005 opened restitution for the whole surfaces collectively owned, based on property titles from before 1948 or other documents that certified the right of property. Several authors (see for example Bouriaud, 2008; Cotoi & Mateescu, 2013; Vasile & Mantescu, 2009) documented in detail this process that was in no way easy or avoided by conflicts, misunderstandings or faults.

The two different denominations (*composesorat* and *obște*) basically express the same form of community-based organization for collective forest and pasture management, but some similarities and differences have to be highlighted. The *composesorat* is mostly present inside the Carpathian circle in the counties Harghita, Covasna, Hunedoara, Arad, Brasov, Salaj, Maramures etc., while the *obște* functions in the outside circle, in the counties Valcea, Gorj, Vrancea, Arges etc. (Vasile & Mantescu, 2009, p. 101). A similarity of these organizations is that the property title is on the association's name, as a legal form and the members, although proprietors, cannot specify where exactly is the surface of forest or pasture that they own, only that they own a certain amount which has attached a quantity of benefits (in kind or in cash) and the right to vote in the general assembly (Vasile, 2007a, p. 115, 2008a, p. 58; Vasile & Mantescu, 2009, p. 101). Moreover, in both forms, the property cannot be divided between members, nor sold in any way to individuals or enterprises outside the association⁷ (Vasile & Mantescu, 2009, p. 100).

An important difference is to be made regarding the distribution of and access to property rights and shares. Thus, the *obște* has two major forms: equalitarian and non-equalitarian. The first case can be found in the most parts of Vrancea region - every individual over 18, resident of the village has an equal right to the products of the associations (a share of wood or a sum of money) and an equal right to vote in the general assembly (Vasile, 2008a, p. 59; Vasile &

⁷ Recent research lead us to discover that this non-alienation rule has been changed in some communities.

Mantescu, 2009, p. 101). The non-equalitarian *obște* and the *composesorat* base their access to rights and shares on inheritance from their parents or elders, sometimes based on the amount that the ancestors had (Chiburte, 2008; Vasile, 2008a, p. 59, 2008b, p. 79; Vasile & Mantescu, 2009, p. 101). In this case, someone becomes a member only after his/her mother or father pass away and the rights and shares are divided between siblings.

In nowadays Romania, commons were re-established and function legally in the form of associations of members, preserving their inherited management mechanisms and processes, with clear rules and procedures. Today, as before nationalization, the General Assembly of the members is the main decisional body of the organization, which elects and delegates management duties to a Board of Directors among the members.

The commons in Covasna County – general aspects

Covasna County is situated in the center of Romania, inside the Carpathian circle, being one of the two country's counties that has the majority of the population (73%) of Hungarian ethnicity. In 2015, the territory of Covasna had over 169.000 hectares of forest and 61.000 hectares of pastures⁸. 116 forest and pasture commons function in the whole county, summing up 32% of the total forested area (54.000 hectares) and more than half of the forested areas privately owned⁹. The majority of the commons in this county were reestablished around the year 2000, as soon as the first law that allowed the restitution of lands formerly owned by juridical persons was promulgated.

Even if not at the same level as in other areas of the country, the restitution process in Covasna was aggravated by a series of administrative problems and processes and, in a lesser extent, conflicts with the authorities or other owners. Some of these included: disputes on the

⁸ National Institute of Statistics, TEMPO Online Database, <http://statistici.insse.ro/shop/>, accessed in April 2017

⁹ According to the data obtained from the Territorial Inspectorate for Forestry and Hunting Brasov in October 2016.

forest and pasture areas not restituted on the old sites, litigation with the public authorities for the complete reconstruction of the property right and, last but not least, delays in issuing the property title for the requested and restituted areas. All these problems led to a relative anxiety of the interviewed representatives on Romania's legislative stability, which emerged in almost all the discussion we had.

Compared to the dimension of the commons in other parts of the country, the commons in Covasna own medium sized forests and pasture lands, smaller than the ones in the South or East, but much higher than the ones in the West. According to the data obtained from the Territorial Inspectorate for Forestry and Hunting Brasov (for the forested surfaces) and from the Agency of Payment and Intervention in Agriculture (APIA) Covasna¹⁰ (for the pastures), the commons in Covasna manage an average of 464ha of forest and 167ha of pasture, to which there can be added an average of 51ha of forested pastures. Only 15% of them own more than 1000ha of forest and only 20% own more than 500ha of pasture. Even so, in most of the communities we analyzed, the commons are the ones that own higher surfaces of lands than the municipalities or the private owners, having thus the means to control most of the natural resources and the benefits that come from them.

Current forestry legislation in Romania foresees that the wood harvesting can only be achieved within the limits and conditions imposed by the forestry arrangement of each area and with careful supervision of the Forestry Office to which each composer is assigned. The commons in Covasna are distinguished by a rational approach to annual exploitation rates, without major variations from one year to the next. The rational approach to exploitation is also

¹⁰ The pasture surfaces provided by the Agency of Payment and Intervention in Agriculture represent only those surfaces for which the commons requested funding in 2016. The pasture surfaces rented to third parties were not included in the data communicated by APIA. We consider that the actual pasture surface is much higher, but we are not able to give a realistic estimation.

reflected in the plantings, having an average of 2 hectares of reforestation (with small variations) each year, not being put in the situation to repel very large areas that have been completely cut. The volume of timber effectively harvested added up to 108.000cm, with an average of 2000cm per common, 1/5 of the total amount of timber harvested in the whole county¹¹. Most of the timber is destined to commercialization, only a quarter being given to the use of the members.

The Forestry District (*Ocol Silvic*) is one of the most important actors in the wood harvesting processes: it approves the annual wood quota for each forested surface, manages the public selling auctions and it's responsible of the good administration of the forests it has in its administration. A Forestry District can be either state-owned or privately-owned and the latter can be established independently by an association of owners if some conditions are met, which I will not detail here. Having this legal opportunity, most of the commons in Covasna established Associations of Commons in most parts of the county, associations that in their turn established privately owned Forestry Districts - 45 of the commons studied are members of a Private Forestry District and 34 of them are members of one of the commons' association. The main advantage of the association, and the subsequent establishment and management of a Private Forestry District is that of the decision-making power of the commons on the quality and cost of the forest management services they receive.

Beyond the forest and pasture plots owned, the commons in Covasna are also well-equipped with other assets such as: off-road vehicles (23 cases), forestry machinery (23 cases), buildings and headquarters (20 cases) and a range of utility constructions (stables, savannas, sheepfolds or forest huts). In most cases, the commons own all the items presented above.

¹¹ National Institute of Statistics, TEMPO Online Database, <http://statistici.insse.ro/shop/>, accessed in April 2017

Box no. 1 The assets of the comsos in Covasna County

- 20% own logging enterprises and / or logging teams
- 41% have a headquarter in their property
- 47% own at least one off-road vehicle
- 47% own forestry and/or agricultural machinery

Membership and the distribution of property rights

Approximately 20% of the county's population¹² is a member in one of the commons in Covasna, which cumulate around 41.500 members¹³. The recognition of the property rights of individuals was the second level of the restitution process of collectively owned properties after the fall of the communist regime. In this case, the existence of Land Registries where each co-proprietor was mentioned before the nationalization eased the restitution process and the successors could claim their right in the commons if they wanted to. Usually, the membership tables were updated with all the hires that claimed their right once the common was re-established and very few surfaces (less than 10ha on average) remained unclaimed. As the president of the Olves Composesorat from Zăbala (56 years old, farmer) put it: "You can find an orphan monkey, but never an orphan wealth..."

Even if in the past the shares of each member had customary denominations, nowadays most of the commons in Covasna decided to simplify their expression for an easier understanding. Thus, in 30 cases, the shares are simply named hectares and in 14 cases the shares are named rights, while only few of the commons use denominations such as parts, quotas or others¹⁴. The number of members in each common varies greatly, from 16 individuals to 1400, and each member can have in average from 0.2 hectares up to 8.1 hectares, with an overall

¹² According to an estimation based on our findings and the data of the 2011 national census.

¹³ Our estimation based on the data collected.

¹⁴ Since the hectare is the unit of measure used nowadays for most land measurements, we decided to also use this expressio of the members rights for comparability reasons.

average of 3.2 hectares and a median value of 2.9 hectares. Since the commons in Covasna are non-egalitarian and in some cases one individual can be a member in more than one common, we recommend treating cautiously the numbers presented above.

Moreover, the members number increases relatively constantly, as some members die and their heirs become members. The over-division of rights, a consequence of this system of inheritance, tends to become a problem for the analysed commons. At present, 33 of the commons have less than 30% of the members owning only very small parts, 12 commons have 30% to 50% of the members in this situation, and 4 of the commons have most of the members with very small shares. The chairman of the Alsocsernatoni Szekely Kozbirtokossag Composesorat (Cernat commune) considers that a possible solution could be that of the common as a juridical body buying the very small rights. Another solution is the one encountered in the Forest and Pasture Composesorat Batanii Mari (Batani commune), where in order to avoid the division of the surfaces into smaller parts, it was decided that the rights smaller than 1 ha should not be divided, and the heirs are urged to reach a consensus on the benefits.

The number of members and their rights may also be influenced by sales, allowed by statute exclusively within the common, between the members of each common. A member can buy the rights of another member, but in most cases the frequency of these transactions is relatively low. The purchase of rights can be done only by respecting a maximum ceiling set by each common in its statute, which can be 5%, 10% or 20% of the total property area, in order to avoid situations of monopoly over the decisions.

All the statutes of the commons analysed in Covasna foresee this ceiling on the number of rights that may be held by a member, indicating coherence at the level of the area with regard to the equitable sharing of rights and benefits. We have encountered rare cases where the ceiling

set has been increased to reflect emerging situations, such as the Turia de Jos Composesorat (Turia commune), where the 5% ceiling was raised to 30%, because the land obtained with the law 247/2005 increased the rights of certain members. Another case is that of the Tălișoara Village Composesorat (Brăduț commune), where one of the members who remained the sole heir of several former members, exceeded the ceiling set at 5%, and the General Assembly issued a decision to accept the exception. Currently, this area is to be shared with its heirs.

As mentioned before, by statute, the sale of rights is only allowed between members of the common, but there is no lack of external pressures for their sale. 7 of the commons studied have received purchase offers, either integral or partial, from companies or individuals. In this respect, the opinions of the representatives of the commons that we have discussed with are very strongly oriented towards a vehement refusal to sell the property, with various motivations. First of all, the forests and pastures of the common are an inheritance from the ancestors who fought for their integrity, and their preservation becomes an obligation, both in respect for their predecessors and their descendants, as summed up by the president of the Torjahago Utjan Tul Composesorat from Turia (76 years old, farmer): "Do you know that proverb? The forest is not mine, I have borrowed it from my grandchildren ... It is not for selling!"

Secondly, the full sale of the property of the common entails the loss of the benefits resulting from its exploitation for members as well as for the community as a whole, the *composesorat* being in many cases a particularly valuable support structure. Some excerpts from the interviews illustrate these views: "They are coming to buy it, those who has more money from abroad... and then we die of hunger or without fire." (58 years old, engineer - president of the Turia de Jos Composesorat, Turia commune); "It's not good, because they come with thier

big wallet and buy it. The common solves many social problems in the village. "(53 years old, farmer - president of the Forest and Pasture Composesorat Herculian, Batani commune).

Members' benefits and community involvement

The commons provide benefits both for their members and for the community as a whole in the form of different investments or sponsorships. Members usually receive a number of benefits, in cash or in kind (a share of wood), in a value proportionate to their rights. In Covasna county, most of the commons (47%, 23 cases) only offer a sum of money, as dividends and 13 of the studied commons (27%) offer members the choice between receiving a share of wood or its value in cash, in which case most members prefer to receive the wood quota. Only 5 of the commons offer exclusively wood, usually firewood, and in the case of another 5, members get both cash and a share of wood.

The share of firewood allocated to members varies from 0.7mc / hectare (calculated according to the equivalence of rights / hectare) to 5mc / ha, with an average of 1.5mc / ha and a median of 1.4mc / ha. Members receive the wood free of charge, with operating costs being covered by the common from its incomes in over 90% of the cases. The amount of wood does not necessarily depend on the forest area administered by the common, but it is influenced to a large extent by factors such as: the characteristics of the forest fund (the annual cutting rate allowed by arrangement, the age of the trees, etc.), the number of members reported on its surface or the decision of the Council and the General Assembly to commercialize the wood and to spend the income in other ways. These allocations, however, must be seen in the broader ensemble of the commons' budget, investment decisions or other sources of income. Also, another factor influencing the allocation of firewood by the common is the proportion of the

members' private property, from which they can obtain the necessary firewood for the household, without resorting to the common's property.

Box no. 2 The benefits offered to the members of the commons in Covasna county

- 10% offer exclusively firewood
- 47% offer exclusively cash
- 27% offer aids for members in difficult situations (death, sickness, losses, conflagration)
- Firewood quota for members (average/member): 1.5mc/ hectare
- Dividends value (average/member): 252 RON (50 Euro)/ hectare

Most members of the commons in Covasna use the wood they receive as a right for their households needs, and only in rare cases they choose to sell it to the woodworking or wood cutting units. The fear of speculation, the sale of wood to third parties, is one of the reasons why the boards of directors, supported by the members in the General Assembly, decided that the benefit received it's better to be a sum of money rather than a share of wood. Other reasons underlying this choice include: the difficult process of distributing wood to members' households; the types of trees from the forest fund that are suitable for different uses (firewood, construction wood, etc.) and which becomes difficult to divide; negligible quantities to be delivered to those members that have very low shares; great distance of the village towards the property or the large number of members who are no longer permanent residents of the locality.

The amounts of money distributed to members as dividends range from 40 lei / hectare to 700 lei / hectare, with an average of 252 lei / ha and a median value of 150 lei / hectare. In most cases, financial resources come from harvesting the forest fund, selling the timber at auction, and in very few cases from taxes or sums received as rent for pastures or a combination of these two sources. As with the wood quota, the amounts do not depend solely on the forest or pasture land exploited but vary depending on certain factors mentioned above, to which we add the ratio of

the total pasture eligible for APIA funding, members option to receive sums of money at the expense of the wood quota or vice versa and the administrative capacity of each common, in the sense of efficient resource management.

The benefits of members are not limited to fixed amounts of money or fixed amounts of wood, but in many cases the commons represent a support structure for unforeseen situations. 27% of the commons studied offer help in case of death or illness or construction wood in case of fire or other major damage and if members need extra quantities of firewood or construction, the commons facilitate their purchase at lower prices than those practiced by the market. In addition, in most cases, members have the right to use the pasture free of charge, either exclusively (22 cases) or together with a tenant (11 cases).

As stated before, the support provided by the commons in Covasna is in no way limited to their members, but often extends to the community as a whole, either occasionally as sponsorships (33 cases) or as large-scale investments (26 cases)¹⁵. The sponsorships offered are in most cases addressed to the local churches, disregarding their confession, usually by offering them some money or a share of construction or firewood. Certain forms of sponsorship are also granted to community members, even if they are not a commoner, and include: funeral aid or in case of a disease (5 cases), Christmas gifts for pupils (8 cases), financial support of various artistic groups from the locality (fanfare, orchestra, ensemble of folk dance - 5 cases) and support of local football teams (5 cases).

With regard to larger investments, the commons allocate between 1% and 20% of the profit for the needs of the community in which they operate. In this case, the church also benefits from investments made by most of the commons (35% of the total), investments that require

¹⁵ Most of the commons are involved in their community in several forms, thus we recommend to interpret this data from a broader perspective.

either large scale repairs, for which they offer higher amounts of money or the necessary quantities of construction timber or the restoration or renovation of the worship place. Commons also get involved financially with high amounts of money (13 cases) and in works on road repairs or construction, sometimes in partnership with other neighboring commons or the local authorities. Other investments are related to the construction or renovation of the festivities halls in the cultural house of the village (5 cases) or the construction of mortuary chapels (4 cases), to which there can be added isolated purchases of agricultural machinery for community use, the renovation of the local dispensary, the purchase of bulls or rams of races, and the construction of fountains or wells.

In addition to the direct support to their community, the commons in Covasna also prefer to keep most of their businesses at local level. The best example in this case is the commons' preference for local wood harvesting companies that provide the timber extraction services needed by each of the commons. In most of the localities studied, at least 1-2 woodworking companies operate and at least 1-2 wood cutting units (usually sawmills). The Ghelinta commune is noted in this respect, having about 30 forest enterprises, which represent the most important source of local income, and which offer exploitation services throughout the territory of Covasna County and beyond.

Governance and decision-making

Everywhere around Romania, commons were re-established and function legally in the form of associations of members, where the General Assembly of the members is the main decisional body of the organization, which elects and delegates management duties to a Board of Directors elected among the members. The decision-making process in Covasna County's commons, as in the other regions of the country, is generally related to the distribution of rights

among members. Thus, for 33 of the commons included in the sample, the number of votes of each member in the General Assembly is proportional to the number of rights/shares/hectares held by the member. In this situation, members with a large number of rights have a greater power of decision without having encountered monopoly situations. In order to ensure a fair trial, in most cases members holding less than 1 hectare or 1 hectare are entitled to participate in decision-making with 1 vote, and in very few cases they participate in the assembly without the right to vote. In 16 of the commons analysed (33% of the total sample) the voting system is equal, each member having the right to vote equally, regardless of the share he owns.

Box no. 3 Members' participation in the decision making process of the commons in Covasna county

- 33% - equal vote
- 66% - voting proportional to the amount of rights
- 20% - secret vote for the Council;
- 27% - two valid General Assemblies annually
- 50% - the quorum is not met at the first annual General Assembly, a second call is necessary

In most cases, the presence of a member in the General Assembly can also be assured by empowerment. Thus, a member may be represented by another member of the association, usually by notary proxy or written authorization in the presence of one or two witnesses, or by his or her spouse or his / her children. In order to avoid voting monopoly situations, most of the commons studied limit the number of mandates that may be granted to a member either at 1 (in 8 cases) or on an area that does not exceed the maximum allowed per member by statute (18 cases).

The General Assembly is convened once a year by the majority of the commons (32 cases), and in 13 cases it is summoned twice a year, without taking into account the eventual reconvenions caused by the absence of the members at the meeting. The organization of two

annual meetings in 27% of cases indicates a stable participatory decision-making process, since in most other areas it is called only once, with great difficulty. However, about half of the commons are often unable to hold the General Assembly's proceedings at the first convening due to lack of quorum, needing the participation of a number of members totaling at least half the number of rights. In this case, the General Assembly is usually reconvened over 7 days and can be held regardless of the number of members present, on average 30% of the total. A relatively large number of commons have no difficulty in conducting these meetings, having present between 60% and 80% of the members.

The meetings are taking place in a balanced climate, with very few exceptions, in which members express their views and discuss them with others. The majority of the commoners in the county show an increased interest in the activities of their commons and understand their organization and functioning, even if, according to the representatives we discussed with, they usually have an old mentality, being slightly reluctant to certain bold ideas of reform and development. Although rare, cases where members are rather disinterested in the work of the commons are those in whom the benefits received are relatively small.

The commons and the cooperatives – concluding remarks

Following the initial path of the paper, the comparison of the commons with one type of social economy organizations – the cooperatives, one might notice the similitudes, but also some divergences that cannot be overseen. One of the first resemblances between the commons and the cooperatives is their autonomy and independence from the state, being fully controlled by their members for their members and entering agreements with third parties only as long as these principles are to be observed. Commons, as the cooperatives, are democratically controlled by their members, who are empowered and encouraged to get involved in setting up the functional

and operational policies of their organizations and to participate in the decision-making processes. Commoners and co-operators can candidate and be elected as councillors, regardless their gender or status, and if elected they become accountable to the other members for their actions and decisions about the future of their organization.

Even though not to the same extent as in the case of cooperatives, who benefit of the services of local, regional or national federations or unions¹⁶ and even of an International Cooperative Alliance (ICA)¹⁷, in the last couple of years, commons began cooperating with one another and realized the importance of such an endeavour. Using the example of Covasna from this paper, which is not an isolated case, the setting up of private Forestry Districts at local level, led the commons to a better management and control of their main productive asset – the forest. Moreover, commons also reportedly collaborate for the greater benefit of their communities (for the construction or restoration of connecting roads, to use another example from Covasna).

The involvement in community's life is maybe one of the most prominent points of resemblance between the commons and the cooperatives. Both of these organizations, with the approval of their members, devote their attention to the community's welfare and its sustainable development. Commons all over Romania, exemplified here with the case of Covasna, are mostly concentrated on extensive investments in their communities, while cooperatives concentrate their efforts towards the economic wellbeing of their members that trigger the communities' development.

One of the most important principles of the cooperative movement is that of the voluntary and open membership, a point in which the commons and the cooperatives differ greatly. A

¹⁶ For example, in Romania, there are specially designed unions for most of the major cooperative branches: the National Union of Crafts Cooperatives, the National Union of Consume Cooperatives, the Central Cooperative Bank (for credit cooperatives), the Pro-Agro Federation (for farmers' cooperatives) etc.

¹⁷ <https://ica.coop/>

cooperative is designed, with very few exceptions¹⁸, to function as an association of people open to all those that could make use of its services and adapt to the membership requirements, disregarding any possible types of discrimination, on any basis. On the other side, the commons all around Romania, as historical institutions with very strict rules and regulations on membership, can be seen as almost completely closed associations, where members get to become members based on their legacy and have little to no options for exiting the joint-property without lowering his or her wealth.

Furthermore, in a cooperative, members contribute in an equitable manner to the capital of their organizations and receive limited compensations, while their benefits come only in proportion to the amount of product they transact through the cooperative. In a common, members can be regarded as contributing with their share, but unlike in a cooperative, they obtain benefits proportional to their contribution and can never decide to withdraw from the association and extract their shares from the total.

One last difference between the two types of organizations is reflected when it comes to activities of education, training and information. Cooperatives face a constant need of educating the general public - the young people, opinion leaders and even governmental organisms – on the benefits and advantages of cooperation. In the case of the commons, the need of promoting the benefits of joint-ownership is not that present, since being a commoner is an inherited position that needs no convincing or persuasion in any way.

Forest and pasture commons in Covasna and all over Romania, in their re-established organizational form of association, share much of the basic values and principles of the broader sector of social economy, being faithful in their organizational practices to such virtues as self-

¹⁸ One popular exception is the Chios Mastiha Growers Association founded in 1938 in Greece, a compulsory agricultural cooperative in which all owners of a Mastiha tree automatically become members.

help, self-responsibility, democracy, equality, equity and solidarity. Commons can be regarded as an important part in the structure of the third sector, but are often overseen by the policy makers and other relevant actors of the sector. Moreover, as seen in the example given in this paper, commons have a significant role in the development of the local communities where they function, affect in a good way the lives of their members and not only, and thus would use the attention of the policy makers and funding schemes of social economy.

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