[ct] **Decentralization: Issues, Lessons and Reflections**

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[begin main text]
Decentralization of forest governance has been defined and implemented in different ways in a variety of contexts around the world. It has had varying results and impacts both on forests and on different groups of stakeholders with interests in these resources. Although the details may vary, countries' experiences with decentralization include some remarkably similar patterns, particularly in the aspects that appear to contribute to the success or failure of decentralization efforts.

The International Workshop on Decentralization at Interlaken, Switzerland, in April 2004 featured and shared lessons from different countries' experience with decentralization of forest governance. This chapter distills some of the main issues and insights woven through the papers and captures important ideas highlighted during the various sessions of the workshop. It summarizes the patterns that have emerged and reviews how decentralization looks in practice, as opposed to in theory. The chapter also briefly reviews the implications of decentralization for forests and biodiversity conservation. Finally, the chapter notes common challenges and concludes with lessons and observations.

[a]Decentralization in Practice
Perhaps one of the most dramatic findings emerging from these analyses and observations is the gap between the theory and the practice of decentralization. This is clear both from the multicountry analyses (Larson, Ribot, Ferguson and Chandrasekharan) and from the individual cases (eg Indonesian Ministry of Forestry, Sasu and Malysheva at the national scale; and Hlambela and Kozanayi, and Elias and Wittman at the community level). Whereas the ideals of decentralization - increased voice for local communities, greater accountability in local governments, more appropriate policies - are heard over and over again, the reality is quite different. The same unhelpful patterns emerge again and again: inadequate resources to accomplish the goals of decentralization, unwillingness on the part of those in power to cede significant authority and resources, uneven local capacities and will, elite capture, and unclear guidelines and division of labour among governmental levels. Democratic decentralization - that form characterized by "the transfer of authority to representative and downwardly accountable actors, such as elected local governments" (Larson) - requires that representative and accountable local actors have autonomous, discretionary decisionmaking spheres with the power and resources to make significant decisions pertaining to local people's lives (Ribot, 2002). Certainly in newly decentralizing countries, such a pattern is not in evidence; democratic decentralization remains a pipedream.

Both Sasu and Nsita (Ghana and Uganda, respectively) provide graphic descriptions of the problems their countries have in transferring resources from central levels of government to lower levels. Both countries have seen their decentralization efforts hamstrung by the lack of funds and other resources at lower levels, despite policies and legal frameworks that would seem conducive to such transfers. Even more extreme are the problems transferring funds, authority and rights to local people.

But decentralization efforts are processes, and processes take time. Both citizens and government officials need time to work out the quirks in new systems, and many of the efforts described in this book are still in the formative stages. Indonesia, for instance, began its serious decentralization efforts only in 2000 (legalizing decentralization in January 2001), and it started with an unusually centralized system. Not surprisingly, then, there is a great deal of uncertainty about how to proceed at all levels of government and in communities as well. Such uncertainty is a fertile breeding ground for conflicts and adverse impacts of all kinds - among the citizenry, between citizens and government officials, and among governmental levels.

We may tend to think of adapting to decentralization as a linear process. However, the cases from Uganda and Ghana, as well as Australia and the United States, demonstrate clearly that the process can be cyclical. All of these countries have gone through decentralizing and recentralizing processes over time. Although such evidence can be discouraging for those who see decentralization as a "silver bullet" for the world's problems, in fact it simply reflects another important lesson: there is no stability in governance. Because conditions, norms and the citizenry change, governance - and thus also decentralization - is an ongoing process of negotiation and power brokering.

Several participants noted that the forest sector often lags behind other sectors that are decentralized, like health and education. In some cases, this seems to reflect the comparative unimportance of the forest sector; in other cases, such as in Ghana and Indonesia, quite the opposite applies: the forest sector is seen as too valuable for powerful people to relinquish. There is a marked tendency for central governments to decentralize management responsibility for the most degraded and least valuable forests while keeping the most valuable revenue-generating forests under central control. Thus, it is not just a coincidence that most community forestry, comanagement and other forms of participatory forestry first gained a foothold on degraded forests and areas considered unproductive wasteland by the forest bureaucracy.

Scotland (Ritchie and Haggith) and Zimbabwe (Hlambela and Kozanayi) dramatically illustrate the importance of both top-down and bottom-up forces in making decentralization work. Decentralization seems to proceed most smoothly when an action at one level meets a supportive, responsive action at the other level. When different levels work together, much can be accomplished - and accomplished more easily. CIFOR. research confirms this observation: in our work with communities using an adaptive collaborative management approach, we began at the local level but concluded that we need to work at higher levels of the government as well.

The lack of technical, institutional and other types of capacities has been consistently cited as a weakness and bottleneck in countries' efforts to decentralize. Governments and forest management bureaucracies have often used capacity deficiency at lower levels in the hierarchy as an argument against implementing decentralization and devolution. Likewise, local governments have resisted pressures for further decentralization to communities or village-level institutions, citing their lack of capacity and inability to manage forest resources effectively. The question is whether capacity building should come first, or direct experience at handling decentralization. Ribot argues persuasively that officials at intermediate levels of government cannot gain the capabilities they need until they have the opportunity to deal with the problems that decentralization poses. Others, like Ferguson and Chandrasekharan, and the Indonesian Ministry of Forestry, argue that the problems with decentralization exist precisely because people at the lower levels of government were not prepared to take on the responsibilities they were given. It is really a chicken-or-egg question, and we are unable to determine a 'right' answer. As with so many other issues in this field, the appropriate answer for any individual case depends on the context - as many have said, in this domain, one shoe *definitely* does not fit all. One issue, noted by Larson, is whether central government personnel remain available to those at lower levels when responsibilities are transferred. In some countries, central-level personnel are withdrawn, leaving lower-level officials unprepared and unsupported; in other cases, local-level officials themselves reject offers of help, thereby reducing their own effectiveness.

What are the main pitfalls and stumbling blocks for decentralization? Elite capture - that is, the ability of those with power and wealth to take advantage of new opportunities and enhance their existing power and wealth - is a recurrent problem. In many countries, corruption plagues efforts to improve governance and resource management. Weak civil society - difficulties acting collectively toward common goals - allows the powerful to continue acting in ways that do not serve the general interest. Such problems are exacerbated in societies separated by strong tribal or ethnic divisions, where institutional links among groups are rare, which in turn makes it difficult for citizens to band together to hold those in power accountable. Strengthening civil society seems to be one of the more probable entry points for making decentralization work as its proponents envision.

The problems at the village level in efforts to decentralize have already been mentioned (see particularly Part III, on community voices), but such problems are even more extreme when we consider the female half of the population. Women in most cultures have not been actively involved in political life, except at the very local (often subvillage) level. The same can be said of other marginalized groups, such as lower castes in the Indian subcontinent, hunter-gatherer groups in humid tropical forests, settlers in the Amazon, children and youth. None of the chapters in this book address such equity issues directly, but they should be borne in mind as we work towards a more equitable world.

Many practitioners and scholars concerned with decentralization see democratization as a major outcome to be expected from the process of decentralization. Given the reality of decentralization in practice, a major challenge is how to foster processes that are inclusive and sufficiently flexible to adapt to different situations and at the same time

enhance democratic and accountable governance. But this raises another important question. Many of the analyses assume that the western model of democracy is suitable and desirable for the whole world. The emphases on accountability, transparency and 'one man, one vote' are straight out of the West. Yet some reviewers of these chapters have noted that different cultures approach these political issues from different perspectives. Some have argued that accountability, transparency and voting are alien imports and may be inconsistent with local cultural norms (e.g., Wollenberg et al, 2004). This argument has also been made with regard to women and their involvement in formal political processes. Sithole (2004) has argued that rural Zimbabwean women prefer their informal, behind-the-scenes approaches to political influence (rather than the usual mute 'participation' in formal committees and local government structures). Like so many issues related to values, there is no easy answer, but this is an issue that may bedevil some decentralization efforts.

[a]Federal Systems: Patterns and Insights

Since forests and natural resources are typically managed in a decentralized manner in federal systems, the workshop focused on federal countries as a possible source of experience and insights for contemporary decentralization efforts. However, any insights have to be interpreted with a lot of caution. There is in fact a fundamental difference between decentralization in federal versus unitary systems of government. Federal systems actually represent a case of reverse devolution—rather than central authority being devolved to a lower level, separate entities come together in some sort of federation, ceding some of their power to the central authority.

In federal systems, federation members, as historically decentralized political and resource management units, have agreed through their national constitution, to confer certain responsibilities and authorities to the central government in pursuit of their common interests. Thus, instead of decentralization and devolution, Gregersen et al (Chapter 1) argue that the operative principle in federal systems is constitutional noncentralization. In federal systems, the meso and local levels of government are often well established, with long-standing political constituencies and accountability mechanisms. They tend to have real, constitutionally defined rights and authorities in contrast to meso and local levels of government in unitary, nonfederal systems. These latter are not constitutionally empowered but rather are subordinate units of the central government.

Based on their review of eight federal systems (Australia, Canada, Brazil, India, Malaysia, Russia, Nigeria and the United States), Gregersen et al observe that different federal systems have had varying degrees of success in realizing the benefits and minimizing the costs of decentralization. This is hardly surprising, given the wide contextual variation among federal systems in general, and in the specific countries examined. The countries studied vary many respects: in forest-related authority and responsibilities, in the fiscal responsibilities assigned to different levels of government, in the patterns of forest ownership (with private ownership predominating in the United States, for example, and state ownership predominating in India), in their policies and institutional structures to deal with civil society and the private sector, and in their

cultural predispositions regarding authority, freedom, equity and other core values that define political norms.

Nevertheless, one common experience among these federal systems is the apparent difficulty each has had in decentralizing to the lowest level of government. This is a familiar pattern observed in decentralization in unitary systems as well. Despite their better-articulated and better-developed meso levels of government, federal systems evidently still tend to be inadequately prepared or involved in mediating between the local and central levels. Even where there is a clear policy to decentralize to the lowest level, as in India with its Joint Forest Management program, lack of capacity of local institutions and undeveloped mechanisms to ensure competent management and accountability at different levels have tended to impede decentralization to the local level. However, in some cases, such as in Bolivia (Pacheco), despite limitations, some municipalities have been able to serve as effective interlocutors and conduits between communities and central governments. The renegotiation among entrenched vested interests at different levels, including the bureaucracy, is an important component of this dynamic and determines how much power and resources are actually shared with communities and other actors in a decentralized system. This renegotiation tends to be particularly difficult, and the downward flow of power and authority is less likely, when high value resources are involved.

Although decentralizing to the local level is clearly a challenge common to both federal and unitary systems, Gregersen et al observe that it tends to be more difficult in countries where local government capacities, revenue management and accountability mechanisms are less developed. Moreover, local governments may not have enough incentive to take on their assigned forest management responsibilities, since often they are not provided commensurate rights, authority and resources with which to perform their new roles. Many districts in the Philippines, for example, have attempted to defer the handover of forest management from the central government to the districts, citing lack of clarity in the definition of responsibilities and inadequate funding, facilities and staff as well as complexities in administrative arrangements (Ferguson and Chandrasekharan).

Tussles over jurisdiction and authority between the national and provincial or state governments are not uncommon even in federal systems. Just as in unitary systems of government, the roles, responsibilities and balance of power and authority among layers of government in federal systems are not static. They are continuously tested and renegotiated and need to be adjusted over time. Perhaps partly as a result of this on-going adjustment, Gregersen et al noted a general lack of clarity and wide discrepancies between the official and actual distribution of power in many countries.

In examining the decentralization experiences of different countries, including both federal and unitary systems, Ribot, Larson, Ferguson and Chandrasekharan, Gregersen et al, Pacheco, and other authors see the critical importance of the dynamic balance between authority, accountability mechanisms, responsibilities and revenue sharing across different levels of government. Experience from diverse countries indicates that the relationship and balance among these elements determine to a large extent the

effectiveness and efficiency of decentralized systems of forest governance. A successful framework for decentralized forest governance requires at least three things:

** appropriate and effective sharing of authority to make decisions and raise revenues, and sharing of responsibilities among levels of government according to their individual abilities and needs;

** effective enforcement and accountability at all levels of government to ensure that government agencies are acting fairly, efficiently and effectively in carrying out their mandates; and

** effective linkages with other sectors that affect or are affected by the forest sector.

Key aspects of each of these ideas are reflected to varying degrees and analysed in different papers in this volume.

Not unexpectedly, countries and institutions go through a learning curve. Long-standing federal systems tend to have developed institutionalized mechanisms to deal with the continuing disagreements among their central and subnational units, in contrast to more recent federal systems that still struggle with the complexities of the process (Gregersen et al). This suggests that countries now undergoing decentralization can learn just as these long-standing federal systems have, and their institutions can be expected to adjust and function more smoothly over time as they gain greater experience and confidence with decentralization.

Australia provides a good example of such institutional learning and adjustment in recent years. Ferguson and Chrandrasekharan recount major disputes about the granting of export licenses and environmental considerations, which pitted national stakeholders - principally the forest industry, unions, landholders and nongovernment organizations - against provincial stakeholders in the 1980s. In this case, the tussle appears to have spawned an institutional innovation in the 1990s, leading to the creation of a joint national-provincial agreement, the Regional Forest Agreement process. This is an institutional mechanism to mitigate potentially destructive differences between national and provincial governments. Similar types of forums and mechanisms exist in other countries. In Malaysia, the National Forestry Council serves as a forum for federal and state governments. In Canada, the Canadian Council of Forest Ministers is focused on making more effective and efficient linkages between federal and subnational governments and communities. A range of other mechanisms, including national forest policy statements and national forest programs and processes are also evolving in different countries to address conflicts or facilitate coordination among levels of government. Together, these can be the backbones for more effective decentralization in the future.

The learning curve of countries that are only beginning to embark on decentralization can be made easier and more efficient with the benefit of lessons and insights from countries that have a longer experience with the process. It is exactly for the purpose of facilitating

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the sharing of experiences and lessons among countries that the International Workshop on Decentralization was conceived and organized. As a major forestry institution, the United Nations Forum on Forests (UNFF) was also envisioned as a place where the distilled lessons and insights from these exchanges could be more widely publicized, disseminated and perhaps also adopted for practical followup action.

[a]Decentralization Impacts on Forests and Biodiversity

One of the common assumptions made about decentralization is that encouraging local participation and more equitable sharing of benefits from forest management at the local level will foster more sustainable use and management of forest resources. Although there are many cases of forests' being better protected or rehabilitated after handover to local control and management (Philippines, India, Nepal and Guatemala, in Sayer et al), decentralization of forest management can also lead to ecologically unsustainable outcomes. In certain cases, where there are immediate trade-offs between resource conservation and local development, decentralization and devolution of rights and management authority to local institutions may even facilitate local choices in favour of short-term development options, to the detriment of forests. In Indonesia, for instance, local institutions tend to be weak, corruption is rampant, economic returns to forest resource exploitation are high, and there is considerable uncertainty about decentralization and its longevity as a policy. In some districts, decentralization has led to increased logging and forest loss in the short term. Stakeholders' uncertainty about their continuing rights to forest resources is a major driver of such unsustainable use.

Russia, following the collapse of the Soviet Union, provides another example of adverse environmental impacts from incomplete and hasty decentralization. After 200 years of mostly highly centralized state control of the forest estate, in which local forest management units were merely executors of tasks without decisionmaking authority, Russia transferred logging responsibilities for 98 per cent of its former timber industrial complex to the private sector, and decentralized forest management responsibilities to regions and local management units. What followed is a familiar story: regional and local units, inadequately funded and ill-prepared for their new roles, increased selective logging to raise needed local revenues. They also underinvested in fire protection, replanting and overall management. Incidence of disastrous fires increased, and forest management deteriorated. Having lost management authority and control over forest revenues, the central government, which remained responsible for forest pest control and research, also lost the capacity and the incentive to continue to perform these roles. Citing similar patterns of forest destruction from two previous episodes of nationalization and local management of forests, after the 1917 October revolution and under Krushchev's reforms in 1957-66, Malysheva is not optimistic about the current decentralization. She expects that forest resources will be exhaustively exploited for foreign exchange by regional administrations and private owners and argues that centralized forest administration works much better for Russia's forest estate. Other economies in transition share the same concerns; however, they generally see decentralization as an important tool to facilitate a shift from centrally planned management to a market economy. Faced with similar dilemmas, and torn by divergent impulses to decentralize or return to centralized control, they would rather tackle forest reforms through political consensus,

cooperation and clear and equitable division of responsibilities between national and subnational authorities. They also note the importance of having financial resources and clear systems of accountability, legal frameworks that reflect emerging trends and needed reforms, and authority for forest use, protection and renewal.

Indeed, both in the papers and in discussions during the workshop, participants raised concerns about the likelihood of forest deterioration following decentralization. Yet there are also examples in which, after the initial round of resource destruction, local stakeholders and institutions have organized themselves to better manage degraded or rapidly dwindling forest resources, with numerous examples from India (Orissa, Gujarat, West Bengal, Kumaon). With the necessary social capital and institutional capacity, leadership, motivation and incentives, the initial phase of forest destruction can be, and has been, reversed through concerted local and societal action to protect remaining forests and to rehabilitate those that have been degraded.

An example is Switzerland's cycle of decentralization, forest degradation and rehabilitation during its 150 years of decentralized forest management. Deforestation increased during the first 20 years following decentralization, prompting recentralization of some management authority along with the development of needed technical and institutional capacities. The current decentralized system of Swiss forest governance has been shaped for more than a century by the process of defining an appropriate balance of shared roles, responsibilities and technical expertise between central government and cantons. In terms of biodiversity conservation, in the case of Switzerland, decentralization and community forest management have proven in the long term to be far superior to private forest management.

One of the major concerns about decentralization is its tendency to fragment management responsibility over landscapes that are better managed together. This issue is a concern particularly for protected areas and areas of high biodiversity value. In most countries, precisely because of this concern, protected areas and forest reserves have largely been exempt from decentralization and have remained under central government control. There was agreement among participants that although forests have important values for local communities that are favored under decentralized management, it is also important to ensure the maintenance of other public goods, notably biodiversity and hydrological and climate regulation functions, that benefit the national and global community. This may imply improvements in law enforcement at various levels to reduce negative impacts deriving from self-interest and resulting unsustainability.

Many protected areas and conservation reserves have tended to be focal areas of conflict between local people and forest management authorities. Based on the dominant paradigm at the time, many present-day protected areas and conservation reserves came about through gazettement or unilateral acts of colonial or postcolonial states. Many were created through the removal of important natural areas from local use and control, in effect appropriating and placing them under the 'highest competent authority' of the state (Sayer et al). This process served to disenfranchise many local, traditional and indigenous people and their systems of knowledge about forest management, and instead vested

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management authority in the state, whose system of technical knowledge and practice was affirmed as superior and legitimate. Conflicts between local people and forest agencies in and around protected areas are often rooted in the history of their establishment. In many cases, these are conflicts not only about forest resources but also about competing systems of forest knowledge and values. In many areas, people's traditional uses of areas long considered their own are defined by governments and protected area managers as encroachment, poaching and illegal logging; local people can become de facto criminals overnight (eg see Elias and Wittman). In addition to a history of animosity and mistrust, such conflicting views, in which the definitions of governments and protected area managers typically carry far more weight than do those of local people, can result in local people's refusal to cooperate in the areas' protection.

Mainstream environmental groups still advocate keeping at least 10 per cent of all forests as inviolate protected areas. However, during the past few decades, there has also been increasing support for the idea of involving local people in managing conservation programs, particularly where win-win solutions to competing agendas of conservation and development can be found. While conceding that well-conceived and well-executed decentralization has resulted in more extensive and mixed forests and has yielded real biodiversity benefits, Sayer et al are measured in their views on decentralization, noting that there is no single correct formula, and that the degree to which biodiversity conservation can be devolved or decentralized depends very much on societal choice.

Their review of selected cases provides both positive (Bolivia) and negative (Indonesia) as well as mixed (Peru) results. However, from their assessment of integrated conservation and development projects, Sayer et al find very few cases of real devolution of rights and assets to local people and few examples where the benefits exceed the opportunity costs of the protected area to local people. This assessment is consistent with the overall conclusion of other authors in this volume, notably Larson, Ribot, Ferguson and Chandrasekharan, and Elias and Wittman, about people's participation in decentralized forest management initiatives. Cases of significant employment and livelihood creation from people's involvement in nature parks also tend to be rare. Sayer et al provide several promising examples of local people's involvement in livelihoods and conservation-oriented projects in Guatemala, Nicaragua, Philippines and Eastern Africa. While there appear to be initial indications of positive biodiversity conservation results, as they point out, it is unclear if these can be sustained. Assessments of biodiversity across sites is notoriously difficult and complicates making comparative assessments of decentralization impacts across sites and governance approaches. Funding is another factor constraining the ability of local people to formulate management plans, access needed skills and sustain collaborative interactions with other stakeholders - all necessary for sustained, effective forest management and conservation (Saway and Mirasol, Hlambela and Kozanayi).

How central and local levels of government share management authority and responsibility as well as benefits from protected areas and other conservation forests must be determined on the bases of both local interests and broader public goods considerations. Equity in the sharing of benefits and burdens and respect for alternative

systems of value and knowledge will be important in reducing tensions and conflicts over these areas. Building on local knowledge and strengthening local institutions have proven to be invaluable and essential for effective conservation results and meaningful local participation (Saway and Mirasol). Monitoring and assessment processes using sound approaches and reliable technical and management information could facilitate broader learning and enhance the credibility of results and insights from decentralized conservation initiatives with local people's participation.

During the workshop, participants agreed that centralized approaches to protected areas should target sites of national importance, and that central authorities also need to determine the extent to which rights and access to high-value areas can be decentralized (Report to UNFF4, summary). At the same time, participants recognized the limitations of decentralization and noted that measures are needed to ensure that decentralization does not in fact lead to fragmented and dysfunctional landscapes. There was agreement that central institutions often need to play a role in providing a spatial context for local actions and in setting the limits within which decentralized managers operate.

Participants also agreed that to take advantage of the potential benefits from decentralization and guard against potential negative impacts, countries would be wise to observe the following principles (Report to UNFF4, p. 14):

** Whenever possible traditional communal forest management systems, which provide multiple functions, should provide the basis for decentralization. Such systems are likely to be effective in meeting local needs, better adapted to local conditions and resilient to external influences.

** Markets need to be developed for environmental services (particularly water protection, climate change and biodiversity), based on secure property rights, to provide the revenue support for the provision of those services and as a more equitable way for society to exert influence over which national and global values are delivered.

** Centralized approaches to protected areas should target sites of national importance, and any local opportunity costs of such areas should be compensated in an adequate way. Additional ecological values should be conserved at a landscape level through decentralized multifunctional management systems.

** Central institutions should use participatory approaches in establishing the limits within which decentralized systems operate. They need to provide the spatial planning context, define the permanent forest estate and otherwise support regulatory and incentive frameworks.

** Economies of scale tend to favour uniform approaches in large-scale centralized schemes for the restoration of degraded lands. With the right framework of incentives and property rights, decentralized systems can favour more biologically diverse and locally adapted approaches to restoration.

[a] Community Perspectives on Decentralization

The context for community involvement and participation in decentralized systems of forest governance has been slowly undergoing profound structural changes over the past two to three decades. As a result of previous, mostly experimental, and mostly external, donor-funded programs on social forestry, participatory forestry, integrated community based resource management and similar initiatives, the concept of local people's and community participation in resource management is now a part of mainstream consciousness. Unfortunately, policy support for this concept in many countries remains at the rhetorical level, even in countries where decentralization is official forest policy. Nevertheless, the recognition of the concept is already helping widen the space for local and indigenous peoples and communities to maneuver and project their voices, represent their interests and fight for their rights. Indeed, the increasing recognition of indigenous and other community-based rights and the devolution of some administrative responsibilities for public forestlands to communities are two of the most important trends in forest management around the world.

A study by Forest Trends of 24 countries representing 93 per cent of the world's remaining natural forests indicates that there are at least 246 million ha of forests officially owned by indigenous and other communities and at least 131 million ha of public forest officially administered by indigenous and other communities in developing countries. In total, this is equivalent to about 22 per cent of all forests in developing countries - three times as much forest as is owned by industry or individuals (White et al, 2002). This is expected to double by 2015 and to exceed the 250 million to 300 million ha of forest currently in publicly owned protected areas. At a time when external donor assistance for forestry has been declining and shrinking budgets limit the ability of states to invest in forest conservation, communities have been investing significant amounts in forest conservation. Forest Trends estimates that community investment in developing countries is equivalent to or exceeds external assistance flows to the forest sector and public expenditure by government (White et al, 2004). Communities are now demanding a more level playing field, a restructuring of fiscal incentives and disincentives and more practical regulations that do not discriminate against community forests and small forest enterprises.

At the same time that increasing opportunities are opening up for communities, for many, decentralization has also exacerbated tensions and conflicts, largely with the state but also with other stakeholders, and often within communities themselves. The authors of this book have noted tensions between externally stimulated and self-initiated community efforts; between the right of eminent domain of the state and land claims of communities; between the diversity of community preferences and approaches to forest management and conservation and the imposed uniformity of the state; between entrenched bureaucracies versus assertive communities over balance of power; between customary tenure and the formal definition and allocation of rights in the legal system. Many of these tensions are illustrated in the country case studies, particularly in the three cases included Part III - Mount Kitanglad, a protected area in the Philippines (Saway and Mirasol); Chizvirizvi, a resettlement area adjoining a wildlife reserve in Zimbabwe (Hlambela and Kozanayi); and in the Western Highlands of Guatemala (Elias and Wittman).

The three cases also share other common features. As in all other cases in this volume, there is a gap between the rhetoric and the practice of decentralization. The nature and extent of power devolved to local communities have been largely defined and assigned by external actors, notably the local government and bureaucracy, and these have invariably tried to retain for themselves as much meaningful power as possible. All three cases argue for further decentralization of authority from districts or municipality to community-level organizations and citizens. In the case of Guatemala, and in other parts of Latin America, decentralization is seen as 'municipalization'. The dominance of elite groups with a vested interest in consolidating their influence and hold on power has largely prevented further decentralization to the village level. Sharing of revenues from forests is a particularly contentious issue, since in all cases, little is retained or reinvested in communities that were the source. And in all three, communities were not given access to high-value resources, although in the case of Mount Kitanglad, the community is represented in the management board for the protected area.

Decentralization is only one of many simultaneous processes which interlink and affect communities. What may be interpreted as community responses to decentralization is often adaptation to this confluence of processes, some dating back to colonial history. Agrarian reform and agrarian conflicts tend to be a subtext to decentralization not only for local communities but for governments as well. In all cases, but especially for Guatemala and Zimbabwe, community perceptions and responses to decentralization are enmeshed in their continuing struggle for access and tenure rights to forest and arable land. For the state governments as well, there is a tendency to converge decentralization and land reform as a way of settling tensions and competition over land.

In communities' struggle for land tenure, recognition and rights to forests and wildlife and recognition, external actors play a critical role and can have considerable influence. The success of communities' efforts requires the support, cooperation and legitimacy provided by these actors, including those whose interests may at times be at odds with those of the community, such as the Rural District Council in Zimbabwe.

The ability of communities and their leaders to gain access to and interact with higher authority and other stakeholders, and build alliances, is critical. In the case of Zimbabwe, the community leader's personal contacts not only facilitated funding for their land-use planning initiative, but also apparently strengthened his legitimacy in the eyes of his community. When conflict arises among factions within a community, external allies and donors tend to play the role of arbiters, and through their support for one or the other, can legitimize one among competing factions. In the Philippine case, the discord between a relatively well-educated aspirant and a less-educated traditional leader and their supporters is ostensibly an issue about legitimate leadership of a traditional institution that has been revitalized and inserted into a new multistakeholder institution created to oversee the management of the protected area. But it is also an issue about how traditional communities and institutions ought to relate with newly created, deliberately designed institutions for multistakeholder interactions, often involving more powerful external actors. And it is an issue of how a community chooses to represent itself to the

outside world and gain access to external resources, and what sort of skills they and their leaders ought to have to effectively protect and promote their interests.

In some instances, as in the case of Zimbabwe, communities are able to shift the balance of power in their favour and demand greater accountability and greater service value from the local authority for their tax payment. In other cases, such as in Bolivia (Pacheco), the ability of communities to make demands is linked to their success in acquiring political power through elections. In the Philippines, decentralization has helped people obtain property rights to indigenous and ancestral territories and community forests. However, the processes for titling and formalization of these property rights have generally been bureaucratic and slow.

Cases in which communities successfully assert and claim their rights are still few and far between. With the proliferation of external forest stakeholders and the creation or extension into communities of myriad institutions related to the process of decentralization, communities that are not well-prepared and organized risk of being mobilized and coopted only to serve external agendas at the expense of their own interests. Elias and Wittman describe such a case. In Guatemala's Western Highlands, the superimposition of rules and institutions over preexisting local institutions for land and forest management has weakened these local institutions and eroded their control over their communal forest resources. In Zimbabwe, the superimposition of political party structures and the politicization of their community institutions have created conflicts and divisions that threaten their land-use management institution.

In all three cases, communities see the need for capacity building and development of technical skills as critically important. The state and civil society must enable communities to effectively manage their resources, as a necessary component of effective decentralization. Capacity needs to be developed at different levels, but especially at the local level. The process of building capacity has to be sensitive to local culture. And it has to allow for enough time and resources to enable communities to ably and confidently assume their new roles and responsibilities and to effectively represent their interests and advocate on their own behalf.

[a] Conclusion
Over the past two decades, responding to a host of factors and driving forces, a significant number of countries undertook to decentralize governance of their forest sector. The manner and characteristics of their decentralization efforts have yielded a range of results and impacts, both positive and negative. Decentralization was initially thought to result in improved participation, accountability and overall democratization in forest governance, as well as promote sustainable forest management. In reality, however, the conditions necessary for decentralization to deliver on these expectations have rarely, if ever, been provided. Decentralization is clearly not a panacea, nor is it necessarily efficient and equitable. Rather, it has often been accompanied by conflict, particularly during the initial stages as legal, administrative and other uncertainties exacerbate preexisting tensions among competing stakeholders and interest groups.

Under certain conditions, however, decentralization can yield positive results and, while not itself sufficient, can contribute to poverty alleviation and more sustainable forest use and help foster conditions for improving governance in general. One size does not fit all, and no single brand of decentralization works in all cases. However, relatively successful decentralization experiences share some common features. Successful decentralization has been linked to secure tenure as well as secure fiscal, revenue and taxation powers; equitable access to forest resources; control over decisionmaking, commercial rights and market access; sensitivity to cultural traditions and local knowledge and, where appropriate, recognition of ancestral rights for local communities (Report to UNFF, summary). For decentralization to be effective, both bottom-up and top-down forces are critical. It requires clear enabling legal and policy frameworks, basic institutional capacities, including the capacity for resolving conflicts and negotiating among different stakeholders with competing interests and unequal power. Effective decentralization also requires timely and widely available information, as well as resources and mechanisms for upward and downward accountability.

Decentralization requires balance, particularly with respect to the roles and responsibilities of the central and lower levels of government, and across sectors and agencies relevant for forest management. This balance, however, has to be dynamic; it needs to be renegotiated and adjusted periodically as conditions change. In some contexts, decentralization has been undertaken with a strong central governmental role, while in others, the central government has had a less active role. A crucial lesson from this workshop has been the ongoing tension, no matter how well established a country's decentralization, among governmental levels in determining legitimate rights, responsibilities and resources. The important influence exerted by powerful stakeholders, including the forestry bureaucracy, needs to be recognized, and care needs to be exercised to avoid elite capture of benefits and authority.

Decentralization takes time and thus is better implemented gradually, allowing for institutions and stakeholder groups to learn and to adapt. It requires building consensus through an open, transparent and inclusive process; participatory decisionmaking; institutional, technical and human capacity building; provision of adequate financial resources and incentives for investment; tailoring objectives to local contexts and developing the flexibility to adapt to different situations and changing circumstances. National forest programs can be important opportunities and mechanisms to develop and strengthen multistakeholder processes and to incorporate broad-based inputs into the planning, implementation and monitoring of decentralization. Priority must be accorded to empowerment and capacity building of local communities to effectively manage their natural resources. Finally, decentralization costs money: adequate financial resources need to be allocated to support the process. Incentives should be appropriately structured to promote investment and reinvestment in the forest sector. Effective and beneficial decentralization should not simply transfer the burden of management, as so often happens now, but must provide net positive benefits to local communities.

Recognizing that 'decentralization takes place in very different contexts', workshop participants wrote in their report to the Fourth UN Forum on Forests (Report to UNFF4, p. 9), it is possible to formulate principles or guidelines as a reference for its implementation, 'which must be adapted by each country based on its own national reality'. Participants then listed those principles:

** Establishment of a clear legal and policy framework with a clear allocation of roles, responsibilities and resources, as well as clarity and consistency regarding strategy and implementation.

** Decentralization of powers and responsibilities to districts and municipalities should not proceed arbitrarily but according to a clear set of rules and conditions.

** Decentralization requires accountability at all levels and corresponding multiple accountability mechanisms; elections alone are insufficient.

** Decentralization should recognize, work with and strengthen representative, democratic institutions at all levels.

** Decentralization in the forest sector should not be implemented in isolation from a general national forestry strategy such as national forest programs.

** Decentralized forest management should be based not only on controls but also incentives; rules that cannot be enforced should not be made.

** Decentralization and the implementation of national forest programs should include monitoring and evaluation with clear, specific variables and indicators.

** Rights and responsibilities must be accompanied by adequate resources and capacity building.

** Decentralization should be based on transparent horizontal and vertical information flows and dialogue, including across sectors.

** Decentralization should both benefit from as well as enhance social capital, increasing coordination and trust among different levels and sectors.

** Local peoples must have a voice, and decentralization should take into account livelihoods, ways of life and improving the economic well-being of these peoples, as well as address inequities such as those relating to gender. Efforts must be made to raise and include the voices of special groups such as women, youth and indigenous peoples.

Below we provide our own somewhat more general lessons for effective decentralization, based on the findings reported in this book:

** Decentralization occurs within a particular historical, cultural, economic, and political context, a context that uniquely shapes the process.

** Governance systems are characterized by an oscillation or balancing act between centralizing and decentralizing tendencies; it is a never-ending tension, and the balance differs in different contexts.

** Decentralization takes time, sometimes a long time, and requires attention to capacity building, people's participation in decisionmaking and flexibility to adapt to changing circumstances and different situations.

** The decentralization process works best when there are reinforcing societal pressures from both the 'top' and the 'bottom'.

** Effective decentralization requires both upward and downward accountability. Serious efforts are needed to avoid elite capture of benefits and rights.

** Successful decentralization has been linked to secure tenure and access to forest resources, financial means and authority at lower levels, commercial rights and market access, and sensitivity to cultural traditions and local knowledge.

** Decentralization in the forestry sector is intimately linked to such processes in other sectors.

We hope that those suggestions are helpful in striking the right balance between decentralization and centralization; and that the great potential that exists for strengthened democratization, greater equity, and more effective governance will be increasingly met in the years to come.

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