

COMMONS FORUM RESPONSE

Challenges for Collective Action in Community Forestry Enterprises

By Naya Sharma Paudel

Political Ecologist, ForestAction Kathmandu,

Nepal

David's argument in favor of primacy of cooperative behavior against self-interested rational choices in the context of community forestry enterprises sets an important scene for advancing the debate about commons. His observation of the community enterprises in Mexican community forests clearly supports the claim that community institutions are strong enough to compete in the global market. His conclusion provides a strong optimistic message to many of the rural poor in forested areas in developing countries who have set their future on the realization commercial value of their forests.

My response to David's argument is based on my analysis of the evolution of community institutions under the community forestry in Nepal, particularly the emerging challenges related to increased commons-market interface. Nepal's community forestry is a well-known example of a modern community institution that has successfully reversed the deforestation in the Himalayan region and turned barren hills into forested areas. Apart from enhancing ecosystem health, these institutions are serving as a vehicle for rural development including providing services on health, education and local infrastructure. Moreover, these institutions are regarded as the most conflict resilient since they were the least affected and were functioning fairly well during Maoist led armed conflict.

Following David's point, the local community's role in protecting and rehabilitating degraded hill forests can largely be attributed to the historical harmony, cooperation, mutual trust and care. After handing over the management responsibility, the local communities put strong sanctions and surveillance for any offences that discouraged any egoistic activities. They see their shared prospects in improving the forest condition and take caution against any short term vested interests. Even the powerful local elites had little opportunity to subvert the community enthusiasm. In fact, as argued by David, these well defined and time-tested rules have proved to be more effective than the government's formal legal system that adopted the fine and fence approach to protect forests. The local communities as the great reservoir of tolerance, peace, mutual respect and care are able to develop resilience against the political unrest and violent conflict that raged the country for over a decade.

In recent years, particularly after the adoption of liberal economic policy by the Nepalese government, community forestry management is increasingly coming at the interface with market. Community based enterprises have become the dominant discourse so that local communities are shifting their priorities towards exploiting commercial value of forest resources. Many have established community enterprises on collecting, processing and trading timber and NTFP (non-timber forest products) products. There are however, little encouraging examples. Although it might be too early to conclude it as many of these enterprises are in their early stage, the nature of challenges for these enterprises are quite visible. From the present state of community forestry enterprises it can be fairly concluded that community forestry institutions are less equipped to handle the governance complexities in the enterprising mode though institutions have successfully managed the forests for subsistence purposes. The complexities associated with the enterprises are new set of technologies, a large number of actors along the value chain, critical attention required to ensure quality products and the system for fair distribution of costs and benefits among the members. As a result, it has not been able to exploit the full commercial potential of the forest products and services. Despite well recognized successful story of over 27 years, community forestry in Nepal has appeared weak in the face of market intervention.

What could be the plausible explanation of the contrasting experience between the successful community forestry management in a subsistence mode and the failure stories of community enterprises? One of the arguments could be that communities need entirely new sets of institutional arrangements and expertise to deal with the complex situation in the global market. An enterprise oriented management must embrace competition and profit as the fundamental principles which are at odd with principles of harmony, cooperation and mutual care that are at the core of community forestry. As they have to deal with customers and other market agents based on the market principles it is likely that those principles get reproduced within their internal relations. Unfortunately these issues are not adequately addressed in David's paper.

Secondly, in contrast to the Mexican case, the weak community tenure, particularly the regulatory restriction on trade and enterprises of forest products in Nepal, may have inhibited these initiatives. Many of the reviews have highlighted negative impacts of constraining government provisions in limiting market transactions. If this is the case then we can argue that these state impositions undermine community autonomy that ultimately encroaches to the unique characteristics of the commons. A complementary argument is that there is huge gap in access to information, entrepreneurial culture, and supportive environment for rural communities. They are too weak in front of the national and global market networks.

The increasing commons-market interface, particularly community forestry enterprise is an emerging issue in forested areas of developing countries. New innovations are required to find solutions on how communities can run viable forest based enterprises. The discussion above leads to the conclusion that though rural communities function as a rich reservoir of rules, norms and practices to manage the commons for subsistence use, there are critical gaps in their capacity to run enterprises. Strong tenure security over resources, relaxed regulatory mechanism and supportive macro environment may create conducive environment for community enterprises. However, in the context of global market, communities cannot successfully run forestry enterprises without major changes in the existing institutional arrangement, particularly the repressive state institutions, exclusionary community processes, and ineffective service delivery systems, etc. In other words, there is a need for redefining relationships between local communities and the structured state, market and civil society. This will also include redefining many of the characteristics of success in traditional communities that we have acknowledged and appreciated for long in the new context of market economy.

nspaudel@gmail.com