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Traditional and Non-Traditional Indigenous
Informal Institutions in Forest Management

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Abstract

'Indigenous' institutions are usually associated with traditional communities that have long histories, and where rule structure is believed to have developed gradually over time. However, some communities without a long shared past, do tend to craft their own institutions indigenously by consciously evolving their rule structure on commonly acceptable norms of benefit sharing and sustainability. Such institutions can evolve in shorter time periods and among non-traditional heterogeneous communities as well. The two case studies presented here, one of a traditional and another of a non-traditional community, provide useful insight into locally relevant methods that communities adopt to revive old institutions or build new ones.

Key words: institutions, indigenous, traditional, India

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TRADITIONAL AND NON-TRADITIONAL INDIGENOUS INFORMAL INSTITUTIONS IN FOREST MANAGEMENT

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INTRODUCTION

'Indigenous' institutions are usually associated with traditional communities that have long histories, and where rule structure is believed to have developed gradually over time. 'Traditional' institutions supposedly incorporate customary rules based on conventional knowledge and practices, and are usually informal. There are also non-traditional communities that do not have a long shared past, yet tend to craft their own institutions indigenously by consciously evolving rule-structure on commonly acceptable norms of benefit sharing and sustainability. These could be formal registered bodies or could exist informally within communities, and be indigenous. Contrary to traditional institutions, non-traditional institutions are more likely to evolve in socially and culturally heterogeneous communities. In this paper, 'indigenous' means 'local', specific to that area, where do's and don'ts have been developed by a specific community and, in that sense is unique to it. Borrowing from Watson (2003: 289-90), "indigenous institutions can be taken to be those institutions that have emerged in a particular situation or that are practiced or constituted by people who have had a degree of continuity of living in, and using resource of an area". From this point of view, indigenous institutions can be traditional and non-traditional or modern, formal, and informal.

The importance of institutions has increased with the various studies establishing their determining role in structure and direction of development. Institutions are considered as regularized patterns of behavior between individuals and groups in society (Mears, 1995: 103 as quoted in Leach et al., 1999) or segments of society (Ayres, 1962) and not as community-level organizations. It is now being recognized that institutions have material, social, religious and political aspects. For understanding human behavior it is essential to expand the range of relevant variables in any analysis. More than five decades ago, Lewis (1955) - while linking economic development with the study of institutional arrangements - raised questions such as: how do beliefs and institutions change? Why do they change in ways favorable, or hostile, to growth? Which kinds of institutions are favorable to growth? He was also interested to know if institutions are inimical to efforts, to innovations, or to investment; and to know the realm of beliefs, valuations, and ideas of the right way to live within an institutional structure. As is rightly pointed out by Adams (1993: 248), "development economics has from its infancy embraced the study of institutions and its validity of fields rests on the proposition that institutions matter". In all countries, i.e., First as well as Second and Third World, renewed attention is being given to institutional arrangements as an important medium of economic growth because it is now firmly believed that institutions are humanly devised constraints that structure

political, economic, and social interaction (North, 1991). Institutions as a “set of rules actually used” (Ostrom, 1992: 19) or “rules of the game in society” (North, 1990: 3) are accepted for achieving a common purpose as they are important transaction cost-minimizing arrangements. They change and evolve with changes in the nature and sources of transaction costs with the objective of minimizing the transaction cost. Therefore, institutions resulting from collective action can have effects on the economy that may constitute an important first link between collective action and development (Nabli and Nugent, 1989).

The convergence of this institutional approach with the interest in indigenous knowledge, practices, and organizations has generated new expectations in development agencies. It is believed that if indigenous natural resource management (NRM) institutions can be identified and harnessed, NRM will be strengthened and it will have the ‘added value’ of drawing on local expertise by making it participatory (Watson, 2003). It has been increasingly recognized that the erosion of traditional organizations is often a major factor contributing to the decline of the strength of village-level organizations for common-property resource (CPR) management and allocation. In villages where traditional social sanctions and institutions are still respected, the decline in CPR areas is found to be less (Baland and Pleatuea, 1996). Because social norms and conventions that often seem to govern CPR, have saved forests from degradation (Uphoff and Langholz, 1998).

In the Indian context, old gazetteers from the early British era have ample references to community control and ownership of forests. The strong community stake in the natural resources was mainly due to the community’s total dependence on them. Their physical proximity to the resource greatly enhanced functional knowledge for using the resource, and relative isolation from mainstream society restricted commercial exploitation, thereby reducing the chances of degradation. The empowerment of the communities in the past was accompanied by autonomy and social sanctions, on which they could build upon, protect and strengthen collective stakes in natural resources (Jodha and Bhatia, 1998). During the British era, the resource was systematically exploited beyond its capacity through centralization of authority. By the time of independence, more than five decades ago, the natural resource was degraded, as were the local institutions. Realizing the fact that they themselves are the primary sufferers of forest degradation, in recent times many communities in India have taken on the job of protecting forests that are within their village boundaries by restricting use within the community. As rightly pointed out by Ostrom (1990), when individuals live in such situations for substantial periods of time, they tend to develop shared norms and patterns of reciprocity. With the social capital thus obtained, they can build institutional arrangements for resolving CPR dilemmas. In India, some such attempts have been informal and based on mutual understanding alone, while others have been much more explicit with a formulated rule structure regarding inclusion or exclusion of participants, obligations of participants, appropriation strategies, monitoring and sanctions, and conflict-resolving mechanisms. Such experimental local initiatives in the 1980s so increased biological regeneration and income flows that the government issued new policies of joint and participatory management in 1990 (Pretty and Ward, 2001). Although the pre-British autonomy meant

much more than the currently emphasized involvement of the people for protection of resources and sharing of some benefits (Jodha and Bhatia, 1998), the introduction of Joint Forest Management (JFM) is nevertheless a welcome step towards decentralization.

In this paper two experimental local initiatives are presented as case studies. While one (Mendha community) is an attempt to revive old traditional practices by the community members themselves, the other (Saigata community) is an example of indigenous initiative in building a totally new institution (for location see Maps). Although the two communities joined the state-sponsored JFM program after 1995, in both cases the institution-building had taken shape long before the program was introduced and they have retained their earlier institutional structure even after joining JFM. The term 'community' has been used synonymously as 'villagers' belonging to one village because the households in the villages have lived together for generations and share a common past. Both of the case study communities are located in central India. The information used in this paper has been gathered during the author's numerous visits to the villages since 1995. After discussing 'institutions' briefly, the case studies are presented. An analysis of the case studies as examples of successful institution-building experiments is followed by concluding remarks.

INSTITUTIONS DO MATTER

Institutions have assumed an important role in the last five decades, although initially the critics of development economics were not ready to accept that institutions were of crucial significance, and there happened to be few studies to prove them wrong. Research has come a long way since then. Many empirical studies using sophisticated techniques including the one by Adelman and Moriss (1967), have successfully established the importance of institutions in development. Institutions as basically rule structures regulating the behavior of communities and as values and culture of the people have been extensively studied in the context of natural resources, especially after Olson's (1965) 'zero contribution thesis' and Hardin's (1968) 'tragedy of the commons'. Field research today has established that though temptations to free ride is a universal problem, self-organized resource governance too has survived in multiple generations (Ostrom, 1990). It is also found that when the users of a CPR organize themselves to devise and enforce some of their own basic rules, they tend to manage local resources more suitably than when rules are externally imposed on them (Tang, 1992; Baland and Platteau, 1996; Wade, 1994).

A society's institution moulds its economy, and as each society is different, so is each economy (Adams, 1993). Therefore, to understand how a community conducts itself, it is necessary to break it down into components or arrays of behavior. Many times institutions can be partial, intermittent, and often invisible, being located in the daily interactions of ordinary lives (Cleaver, 2000). While formal institutions may be thought of as rules that require exogenous enforcement by third-party organizations, informal institutions are mainly endogenously enforced, upheld by mutual agreements among social actors involved or by relations of power and authority between them (Leach et al., 1999). Institutions can be simply commonly understood rules and norms framed by the

people, helping them in deciding what actions are required, permitted, or forbidden in society. This shared understanding may be developed by people seeking to regulate their own interactions or originated with external actors, e.g., government, religious organizations, aid agencies (Poteete and Ostrom, Forthcoming). McCay (2001) assumes a broader conception of institutions that includes patterned behavior as well as rules that locate institutions as major features of the cultural, cognitive, and ecological realms within which acting and decision-making individuals and social groups are embedded.

'Demand' side of institutions, thus well established, social science research in existing institutions, as well as in their changing structure, helps in understanding the 'supply' side of institutional change. It helps in better understanding of self-initiating groups, their rule structure, incentives and the process of institutionalizing natural resource use and their logical justification in bringing institutional change. In what kind of circumstances do people come together (incentives)? What is the process – is there a need for someone to lead? How does a community understand in which circumstances benefits of collective action would be higher than the cost? How does the institutional structure evolve (process)? Who makes the rules, who monitors, who sanctions, how are the benefits shared (structure)? Answers to such questions enrich the body of literature on institutional studies. This paper attempts to answer some of these with the help of the two case studies. Studying these communities is worthwhile because in both cases the anarchistic solutions were available, yet these communities preferred to sacrifice immediate benefits in order to preserve the resource for the future. In situations where population pressure is continuously growing, the demographic impact is mostly viewed as a threat to the resource assuming that it would only lead to degradation. That human beings can also design suitable institutions for not only protecting but also enhancing a resource is seldom an assumption. Contrary to the belief that collective action is possible neither in highly degraded forest areas nor in well-stocked forests (because in both such situations the incentive would be weak), this paper shows that Saigata (having highly degraded forest) and Mendha (a well-stocked forest) could successfully structure the institutions, though with varying incentives.

CASE STUDIES

To illustrate the arguments in this paper I draw on two case studies of indigenous institutions, one traditional and one non-traditional or modern, which have consciously and rationally crafted forest-management institutions over the past two decades.

Non-traditional institution in Saigata

Saigata is eight kilometers away from the Bramhapuri sub-district in Chandrapur district of Maharashtra state in India. It is an old village that came into existence around three hundred years ago, but with a frequently migrating population of cultivators coming to the area looking for cultivable land and leaving it for better options, it became settled in its present form only six decades ago. Initially, a majority of the people in the community were of *Gurav* caste (village priests), but now Saigata is a heterogeneous community,

constituting 88 households with 432 members who mainly belong to the *Mahar* caste (earlier considered as untouchables) and *Gowari* and *Gond* tribes. Saigata once had 280 hectares of lush green forest with rich floral as well as faunal biodiversity. This was not very long ago, as many people living today narrate their encounters with wildlife, including tigers. The forest in the village boundary at that time not only provided sufficient fuelwood, fodder, and timber for household use, but also generated an excess – a source of income for the locals.

Incentive

However, due to the unsustainable use by the community, the revenue-maximizing approach of the Forest Department, and the growing number of settlements in the neighborhood, the forest was nearly wiped out by the mid-1970s. To begin with, Saigata community was not a cohesive group with a long shared past and mutual trust. Also, the formal structure of governance changed when ownership of forests was transferred to the Revenue Department where the community's usufruct rights, known as '*Nistar*' rights, were curtailed in the mid-1950s. Two decades later, the ownership of forests changed once again, as the Forest Department took over, further restricting forest use by locals. Growing population pressure, small size of land holdings, and meager incomes of the landless, resulted in unsustainable use of the resource, including encroachment on forest land. Forest are surrounding the villages being 'public property', meaning *de facto* open access land, the communities living at subsistence level looked at it as a source of cash income. The upcoming township in Bramhapuri was only five kilometers away from Saigata. This fact accentuated the speed of forest degradation in the area. A lot of felling took place in Saigata Forest for supplying timber for constructions in Bramhapuri. An increasing number of houses and households meant increasing demand for construction timber, cooking fuel, bamboo, and timber for furniture. The sole objective of 'profit maximization' prevailed over the unscrupulous 'suppliers' of forest produce in the wake of growing 'demand'.

One resident of Saigata was always uncomfortable with the continuous degradation of the forest. He was disturbed by the fact that a part of the forest, which was once known as '*Andhari*' (meaning darkness only because it had such thick tree cover that even sunrays did not reach the earth below), was now totally devoid of big trees. Yet, he was also aware of the fact that it would be difficult to dissuade fellow villagers from giving up their income-generating pursuits without offering them an alternate source of income. To begin with, he formed a group of like-minded people to set up a '*Krishak Charcha Mandal*' (Farmers' Discussion Forums) in Saigata. This group earned an award for improved farming techniques for two consecutive years in 1974 and 1975. It proved to be a great morale booster for the villagers as their very first experiment in collective action had brought them some recognition. The economic benefits that followed this successful experiment, together with recognition of collective effort in the form of the award helped the community to get together for reasons beyond farming (for details see Ghate, 2004).

Process

This very group decided to take up the cause of restoring 300 hectares of degraded forest within the vicinity of their village. Three types of activities were identified that were seriously degrading the forests. The first category consisted of community members who were collecting fuelwood for sale in Bramhapuri. The second category consisted of charcoal makers. The third category consisted of all the households of Saigata who were indiscriminately exploiting forest products for self-consumption, not caring for the sustainability of the resource. With the core argument of non-sustainability of all the three types of activities, and with the help of multiple methods including informal discussion in groups, local folk art, and persuasion, the enlightened group under the leadership of one person gradually became successful in dissuading fellow-villagers from the unsustainable forest harvesting. They were also enlightened on the other ill effects of forest degradation. Everyone was experiencing the lowering of water levels in the wells and in the village lake. Pests on crops had increased, severely affecting agricultural production and income. Women had to spend more time and energy in collecting fuelwood and fodder. Bamboo and other useful timber had vanished from the forest, forcing people to buy it from the market. Thus, the community had to convince only itself for imposing restrictions on self-consumption.

By this time the revenue boundaries of villages were not clearly demarcated. As a result, movements of people from nearby villages into other community forests were a common occurrence. Especially forests being *de facto* an open access resource, restricting neighboring villagers from illicit extraction was unheard of, as well as unacceptable. Despite lots of pressure on community members, Saigata continued to protect its forest by keeping vigilance during the day and night. The entire community shared the responsibility of watching the forest, taking turns in patrolling the forest area.

Instead of merely protecting the forest, the community wanted to move towards improving the quality of their forest. Rules and restrictions on the harvesting of forest products were already established. But due to the paucity of funds, few maintenance activities could be taken up. More emphasis was placed on regulated use and strict guarding of the forest from outsiders. As a result, the forest growth until then was due only to natural regeneration. Now, the community began to think about managing the forest in addition to protecting it. After several brainstorming meetings, it was decided that different patches of forest, traditionally known by different names, were to be treated as management zones. Ever since the decision, each management zone is closed for harvesting for a certain period in order to allow the natural regeneration to take place without any disturbance. Since then *Gawatache Beed* (the forest of grass) has been kept separately for the fodder and thatching needs of the community. Similarly, *Andhari Van* (dark forest) is completely prohibited for any fresh wood cutting-activity. Only dead, dried wood is allowed to be collected for the purpose of fuelwood. In *Kotwal Raan* ('Kotwal' is the lowest government official in the Revenue Department), only restricted felling is allowed. *Mothya devache van* (the forest of the main deity) and *Kosran* (indicating a short distance from the settlement) are used alternately by the community for extraction of forest products. *Tiwas Van* (part of forest dominated by *Tiwas* –

ougeinia oojeinensis trees) is kept aside for *in situ* plantation for converting it into a mixed forest.

Structure

All these factors, combined together led the people to protect the forest by setting up a 'Van Sanrakshan Samiti' (VSS), meaning 'forest protection committee' in 1979. The common feeling was 'if we do nothing to protect our own forests, who will?' The general body of the committee consisted of all the adults in the village as members, and through consensus an executive body was formed to regulate day-to-day functioning. Ever since then, the *gramsabha*, i.e., the general body, makes all the rules regarding use of the forest products. All the members participate in rule making and decision-making activity. Every decision is taken unanimously and therefore, is binding on everyone. Initially, VSS started supervising and controlling various activities of its own community members inside the forest. There were only a few infractions. However, it was increasingly realized that without stopping the entry of outsiders inside the forest, it would not be possible to protect the resource in the true sense. With this began a long period of struggle for the people of Saigata.

In 1992, the Forest Department asked its divisions all over the state to select two villages each for implementing a Joint Forest Management (JFM) program. Seeing the good work done by the people of Saigata, the Bramhapuri Division of the Forest Department approached them to register under JFM. But the people did not accept the invitation immediately as they did not trust the department's officials. Long discussions took place on questions such as: why has the department suddenly changed its stance? What is the guarantee that the revenue will be shared by the department 20 years from now? What is the need for getting into the agreement since the community was already enjoying *de facto* usufruct rights? There was initial hesitation to cooperate with the Forest Department but finally, on 27th June 1993 this group formally organized itself as the 'Forest Protection Committee' under JFM.

Despite joining JFM, the Saigata community continues to have its own institutional structure for all practical purposes. At present, the forest association has an executive committee, consisting of three female and six male members. The members of the association hold elections regularly to elect members of the executive committee. The executive committee members meet at least once a month. Since the inception of the association under JFM, three different individuals have led this forest association. Those who have held positions in the executive committee have also been forest users. The committee has always chosen its leader unanimously. The members alone hold the right to remove any member of the executive committee, and no external or higher-level authorities have the power to do so. All the members of the committee have been working on a voluntary basis since the inception of the association, and no one receives any remuneration either in the form of money or in kind.

Decisions regarding plantation, maintenance, distribution of forest products, determining time and quantity to be harvested, monitoring, and sanctioning infractions are taken by

the association in its general body meetings. For doing so, the forest association continuously frames and modifies the rules and regulations for using forest products on the basis of suggestions given by the community members. The community has devised the structure of contribution, keeping in mind the economic condition of each member. The contribution is Rupees 10 per month from the landless, 20 from those who own less than five hectare of land and 30 from those who have land more than 5 hectare¹.

The penalty structure is such that it progressively increases with each repetition of infraction. When a harvesting rule is broken for the first time, a fine, which is greater than one day's work but no more than one week's work, is imposed. If an offender breaks the rule a second time, the fine is greater than a week's work. If the rule is broken for the third time, the offender is made to apologize publicly and the case is reported to the Forest Department. Most of the users in Saigata comply with the penalties when imposed on them, in that the community has never approached the Forest Department.

To initiate and maintain collective action in a socially heterogeneous society that has not shared a common past and does not have a tradition of collective decision making is a challenging task. This was achieved in Saigata, where people were slowly brought together to trust each other in order to achieve a common goal, i.e., the revival of the forest. Regular interaction through meetings to thrash out problems and internal conflicts, encouraging everyone to participate and giving opportunity to all to make decisions for the benefit of the community, thus invoking a sense of responsibility and shared understanding, helped in building social capital that did not exist in the community before 1979.

Reviving traditional institution in Mendha

Mendha is a small, quiet village with 100 percent tribal population belonging to the *Gond* tribe. The village is situated 5 kms from Dhanora sub-district of Gadchiroli district of Maharashtra. It has a large forest area (1809 hectares) and a small population of 375.

Incentive

It all started when the community of Mendha came in touch with a tribal movement for consolidation and restoration of tribal rights on forests. The indigenous tribal tradition had received a severe set back ever since the forests were declared public property, a status that continued even after the country's independence in 1947. Under these circumstances, contractors were given authority to fell trees according to the Forest Department's working plans, on which local communities had no control. Departmental supervision was often meager, resulting in felling of unmarked trees as well. The Mendha villagers, as well as many others, were mute witnesses to this degradation, believing that 'you don't protect what you don't own'. Their experience in community management had become redundant as they were brought under a state-regulated 'representative democracy', replacing their village authority. But they were also experiencing the fact

¹ According to the current exchange rate 1 USD = approximately 44 INR. The average labor wage rate in Saigata is 45 INR per day; according to the Minimum Wage Act of Maharashtra state, it is 68 INR per day.

that the centralized forest management had failed both to protect the resources and to deliver the promised development. This was aggravating local communities into re-establishing their 'community ownership' by defying the national laws. Another movement known as '*Jangal Bachao, Manav Bachao Abhiyan*' (save forests, save human beings movement) during the second half of the 1970s, led by Dr. B.D. Sharma (a former tribal Commissioner of Madhya Pradesh), reached Gadchiroli in the 1980s. Under this movement, the villages that believed in the philosophy of self-rule, were becoming proactive. Some active non-government organizations (NGOs) and spirited politicians, working hard to restore the long-forgotten traditions of community life, were encouraged by this movement that had swept the whole of the tribal community in central India. The Mendha community kept the fire of these two movements even after the movements died down. In the early 1980 Mendha community started working together for a common cause of re-establishing its tribal identity and reclaiming its customary rights on forests. An NGI (non-governmental individual) played a major role in institution-building in the case of Mendha. Dependence on forests for Mendha households is very high. All households not only collect fuelwood, fodder, and building/maintenance materials from the forest, they also depend on forestry-related employment generated by the Forest Department and sale proceeds from non-timber forest products (NTFP).

Process

One person from within the Mendha community, who took the lead, was convinced as all others, of the fact that the tribal community as a whole would end up being losers by giving up some of the traditional practices. He decided to revive some of these consciously. The first and foremost decision was to informally assemble the community every day and to discuss various matters. It was then that he asked the elderly in the village to talk about the past, the culture, and traditions of *Gond*, the then state of forest, ownership patterns, etc. During these assemblies, the community decided to continue with some traditional practices that were sustainable and relevant to current needs.

In many tribal communities it is customary to build houses out of grass and bamboo; teak (valuable specie) is specifically not used. Similarly, grass is not cut for fodder until the seeds fall off, so that they can germinate in the next season. The water holes used by wild animals are not used for fishing. Using poison for fishing is prohibited. Instead, leaves of a particular tree are used, which make the fish unconscious and hence facilitate catching. This method doesn't harm the water quality or other insects. Such ancient rules point to the fact that, traditionally, tribals have used their wisdom for sustaining the forest and the diverse species dependent upon it. Usually, members of all households go to the forest together for collection of NTFP. In earlier days before hunting was banned, the villagers hunted together and the catch was distributed equitably amongst all. Pregnant women got double their share, and members who could not join the effort also got their due share. In the days when wildlife was abundant, hunting was restricted to customary celebrations only, and was not a routine. Most of these rules have been revived in Mendha in past fifteen years.

Discontent against the Forest Department was growing in the Mendha community over the issue of 'ownership of forests'. Whenever contractors sent by the Forest Department came to the Mendha forest to harvest timber or to collect *Tendu* leaves (in which country cigarettes are rolled), people in the community protested and drove them away. Gradually the community decided to rejuvenate its traditional *panchayat* for taking all the decisions pertaining to the collective interest of the community. After a major tussle with the Forest Department over the construction of the Gotul (for further details refer to Ghate, 2004), the Mendha community formed a forest association called the *Van Sanrakshan Samiti* in 1989 to deal specifically with forest-related issues. Since then the tradition of informal meetings has been replaced by more formal meetings wherein decisions regarding forest use are being made after considerable deliberation. Monday is the day fixed for village meetings, when everyone gets together to discuss and solve the problems of the village in general and the forest in particular. Every issue is discussed until a solution is found to satisfy all. Usually the verdict given by the senior members of the *panchayat* is considered just and acceptable.

Structure

The Forest Protection Committee in Mendha represents the whole village, as two members from each household - a man and a woman - are members of the committee. At the time of its formation, the association had no legal status. Its present structure and process has remained almost the same since its inception, except that it has signed a Memorandum of Understanding with the Forest Department under the Joint Forest Management in 1996. The executive body of the forest association of Mendha has 11 elected members, out of which three are female. Only the members of the general body have the power to remove the members of the executive committee, and no external or higher-level authority has a say in it. Women are involved in every activity, and they share responsibilities in decision making as well as in the implementation of those decisions, including guarding forests at night.

The first decision taken by the forest committee was to stop all neighboring villagers from harvesting from their forest. The VSS presently regulates harvesting, distribution of forest products, sale of excess forest products, determines timing of harvesting, fixes the quantity of forest products to be harvested by each household, and is responsible for monitoring and sanctioning. In order to carry out these activities, work is distributed between the members of the executive body, six employees of the association, and volunteers from each household. Each household takes turns in sending a member as a forest watchman. The association has also taken up plantation of some valuable species with the help of the Forest Department to change the specie mix, mainly to improve the density and quality of the forest. Although no instances of infraction(s) have been reported regarding forest-product harvesting and related issues, tough penalties have been decided in case of need. In keeping with traditional systems, an offender is reprimanded verbally for a first violation, and only on repeating the violation will s/he be put to extra labor as a payback to society. These social sanctions have proved effective, and the community reportedly has never had to force monetary penalties for forestry-related offenses.

The rules and regulations of VSS are clear and easy to understand, and are found to be fair and legitimate by the community. These rules have been made flexible enough to deal with emergencies as well as for genuine needs. The use of forest produce for household consumption has been given top priority, and regulated access to the resource has provided assurance to all economic groups. Strict vigilance has successfully kept any illicit felling by outsiders to a bare minimum. The community has developed a conflict-resolving mechanism, through its daily informal get-togethers and commonly shared norms, which is acceptable to all and is considered the least expensive option.

DIFFERENCES IN THE TWO COMMUNITIES

The two case studies clearly show the difference in the circumstances in which the two have successfully formulated rules-in-use. While in the case of Mendha it was reviving and reinstating shared understandings regarding forest use, for Saigata the understanding had to be developed on the basis of long-term mutual benefit. Literature on CPR and collective action considers that some factors are conducive to initiation and sustainability of collective action. The broad differences between the two communities based on some such factors, are presented below in tabular form:

Indicators	Mendha	Saigata
Dependence on forest	High and direct dependence	Comparatively low and indirect
Proximity from market	No	Yes
Population mix	Homogeneous	Heterogeneous
Condition of forest to begin with	Very good, well stocked	Highly degraded
Per capita forest area	4.84 hectares	0.65 hectares
Existence of social capital in the beginning of collective action (reasonable period of co-existence)	Yes (dormant)	No
Dominant occupation	Agriculture supplemented with collection of NTFP	Agriculture
External support	Yes (NGI)	No
Incentive	Cultural and social	Economic
Nature of economic gains from collective action	Short-term gains in the form of harvesting of forest products	No short-term gains
Diversity in forest product use within community	Little	High
Efforts and time required for building of institution	Comparatively less effort and time	More time and effort

As has been discussed earlier, the Saigata community was not a cohesive group to begin with. There was no shared understanding between various sections of the community, the dependence on the forest was varied (the landholders' interest was in bigger trees because their major requirement from the forest was to make agricultural implements, while the landless wanted to fell trees to make charcoal or to sell fuelwood at market), and the resource was degraded to such an extent that the incentive for its revival was not at all strong. The initiative for collective action came from the group of land owners who had alternate sources of income but could foresee the bleak future of the resource in absence of preventive measures. This group, especially the local leader, had to use various means and tactics to convince fellow members of the need to protect their forest. Lengthy discussions, folk art, and providing agriculture labor opportunities on priority to the landless members of the community, were the methods used to convince fellow members of the need to protect the forest and to dissuade unsustainable harvesting. The structure of the institution was, and still is, kept simple. All households are members of the association, and all the major decisions are taken in general body meeting. The process of institution building in Saigata took a long time and huge efforts, for it to become a community-level collective action. Acceptance of leadership of a person belonging to a lower caste is not a common thing in India. It took tremendous effort and ingenious ways to convince the unwilling members of the community to sacrifice some income in the future for better opportunities in future. The highly degraded state of the forest was another discouraging factor. And, there was no external support from either the governmental or non-governmental agencies. Yet, the community was able to build the institution.

Re-establishing tribal identity and traditional tribal rights on forests, and reviving the customs of forest use to ensure sustainability as well as equitable benefits distribution, were the incentives for collective action in Mendha. To do so, it chose the process of consensus building through informal but continuous communication amongst members. Traditional practices were revived not blindly, but very consciously. Not all of the customary practices were re-established, and not all of the values were accepted without modification. And purposively the rule structure is still kept flexible. At the outset, Mendha did not have an immediate threat of scarcity due to large areas of well-stocked forest under its jurisdiction. Yet, it developed a rule structure for regulating its own consumption as well as for restricting poaching by outsiders. It kept the flexibility in rule not only for its own community members but also in case of restricting use by the neighboring community of Lekha. Recently Mendha transferred 200 hectares of its forest for the exclusive use of the Lekha community (see Ghate, 2004 for details). The homogeneity of population from social, economic, and cultural points of view; the existence of social capital although dormant; and support of an NGI played a major role in institution building in the case of Mendha. Nevertheless, Mendha is an indigenous institution with traditional roots.

Despite the above-mentioned differences, the two communities were able to initiate collective action mainly because of the indigenosity of the rule structure. It is the flexibility in the rule structure, due to which rules can be (and are) modified with

experience and according to changing needs, that has played an important role in the success of these two indigenous communities.

SIMILARITIES

Despite major differences in the condition of two indigenous institutions, there are some similarities in their working. Both have kept the rule structures simple, easy to understand, and acceptable to all members. Consensus building as a necessary step for making any decision, though a costly endeavor, has been adopted by both communities. Probably the communities found 'consensus' as essential, in the absence of autonomy, tenure rights, and legal acceptance of their collective effort. It is pertinent to note that the practice of unanimous decision making has been retained by both, even after joining the JFM arrangement, which is a quasi-legal arrangement. Similarly, both communities have ensured strict adherence to the rules, thereby ensuring justice for one and all. After the JFM program was introduced, both communities accepted formalization of the informal efforts, after a lot of deliberation amongst themselves. Once it was decided to join the program, both used the incentive money received under JFM to attempt quality improvement in their respective forests by persuading the Forest Department to undertake *in situ* plantation. Leadership has played an important role in both communities.

CRAFTING OF INSTITUTIONS

It is clear that in both of the cases studied here, institutions have been crafted (rejuvenated in case of Mendha) consciously and have not evolved automatically but gradually over time. Recent literature on collective action has stressed that informal institutions under the right circumstances can successfully avoid resource degradation predicted by the 'tragedy of commons'. Although empirical and theoretical arguments suggest that cooperative behavior may be only partially successful in keeping self-interest behavior in check, informal incentives might sometimes be preferred because local communities have often evolved sophisticated, informal methods for managing CPRs (Seabright, 1993). To quote Ostrom (1992: 52), "many of the shared conceptions and norms of behavior that are collectively referred to as 'culture' have evolved as a form of social capital to counteract opportunist behavior". The following aspects help in understanding that the two institutions have indeed been crafted:

1. There is clarity of objectives in institutionalizing collective behavior.
2. Both communities have a clear conception of boundaries wherein to operate.
3. Rules are formulated both for access by the community members and for restricting consumption by members as well as outsiders.
4. The process of formulating rules is based on collective choice and is always done, after lengthy deliberations, through consensus.
5. Monitoring and sanctioning are systematized for enforcement of rules; there is no ambiguity.

6. Intra-community and inter-community conflict-resolving mechanisms are put in place.
7. A broad rule of benefit-sharing mechanism is present. In Mendha, careful harvesting of forest products, only for self-consumption, is given priority. Only after meeting that requirement, excess amount is made available for sale collectively. In Saigata, harvesting for bare-minimum consumption is allowed. There is no excess and, therefore, no commercial use.
8. Maintenance of the resource, as well as improving the quality of the resource, was attempted as soon as the communities had access to funds.
9. By joining the JFM program of the Forest Department and the 'JFM network' established by NGOs in the region, the communities have accepted to some extent, the nesting of institutions.

CONCLUSIONS

Communities understand the importance of institutions and can craft or revive dormant institutions skillfully and successfully. The belief that communities can build institutions is rooted in the wisdom that local communities not only understand the problem but also have solutions. The crafting of institutions is not a one-shot attempt but an ongoing process, just like the building of social capital. It is important to understand that spontaneous efforts of collective action may not last long unless there is a rational and conscious effort to institutionalize them. Saigata is a clear example of 'rational and conscious' crafting of institution. It had the background of collective action when few members in the village came together and experimented in their agricultural fields. But, agriculture fields being an individually owned, private property, there was no compulsive need for mutual understanding and trust, or formulation of rules. But for protection of the forest, which is a *de facto* common property (and *de jure* government property), all of the members in the village had to cooperate to avoid the losses resulting from rent-seeking behavior. The quantitative as well as qualitative difference in dependence on forests for the landowners and the landless made it imperative for the leadership to institutionalize it. The intention of this paper is not to show that reviving traditional indigenous institutions is easier than building new ones. The purpose is only to show that communities are capable of crafting indigenous institutions in both situations: where there is past experience of traditional collective action and where there is none. Both types of institutions have stood the 'test of time' pointing to the legitimacy of the argument that institutions can indeed be built indigenously.

Governments in many developing countries are well aware of the variety of studies of rural development that have shown that when people are well organized in groups, and their knowledge is sought, incorporated, and built upon during planning and implementation, they are more likely to sustain activities even after project completion (Pretty et al., 2001). JFM is an attempt towards partnership between the Forest Department and local people. Initially, it was adopted because JFM was considered a 'transaction cost reducing' arrangement for the state in which protection responsibility was transferred to the communities. But, gradually, it is being accepted as a policy with a wider purpose and is being extended to more and more communities. However, it would

be naïve to assume that new formal organizations will automatically replicate the successful indigenous systems, or enhance community involvement effectively (Moose, 1997). To use local knowledge to make devolution efforts (as in JFM) more relevant and effective to rehabilitate and sustainably use forests, it is important to recognize the advantages inherent in the differently organized participatory strategies and to build on their strengths (Sekhar, 2001) rather than imposing pre-structured ready-made models. There is a need to consciously incorporate or maintain the indigeneness of the local institutions whenever a participatory program is introduced by the government, because when rule structure is imposed by a top-down authority, the very casualty is that of 'flexibility'. Flexibility in rule structure based on collective decision making is an important characteristic of successful indigenous institutions. The rigidity often makes a local institution redundant. All traditional institutions may not necessarily be flexible, but communities can be encouraged to be so. Mendha tried to incorporate this feature when it accepted a modern value of equal participation by women in decision making, which was not present in its traditional form. Both Saigata and Mendha are examples of 'live' institutions, as the rules in both communities are constantly modified through learning and understanding (Leach et al., 1999). Both are dynamic, and are adopting new practices through experimentation and with changing demand from the institution. The Mendha community, which had invested almost ten years in building the FPC, felt threatened by the JFM program designed by the Forest Department for 'community's benefit', as it brought the concept of 'revenue sharing' and looked at trees as future 'sources of money'. For the community, the 'forest' was always of more than monetary importance. But the Mendha community modified the procedure and the structure of VSS to incorporate the required changes, indicating the willingness of the community to adopt modern concepts and modern values.

It is true that not all '*Gond*' or tribal-dominant villages in the vicinity of Mendha have done what Mendha has. Nor has Saigata proved a role model for its neighboring communities. Does this mean that the communities of Mendha and Saigata are exceptional, just good accidents, and there are no lessons to be learnt? It is important to note that there are several such community-initiatives, with varying degrees of success, being reported from different parts of the world. Incentives and processes for different communities could be different. Structures, too, could be unique to each community. But institutions have high acceptability if they are indigenous because they carry a sense of ownership and pride. The responsibility for all participants, which comes with ownership, results in reduction of infractions. Therefore, for any government-sponsored partnership program it is important to maintain the indigenous nature of institutions whenever they are present/existing. Similarly, leadership seems to have played an important role in the case of both communities. But not all communities get good leaders. There is need to identify, promote, and encourage leadership wherever it is present, and build its capacity. Where it is not, the state needs to provide it to bring the community together to work for a common cause (Sekhar, 2001; Ghate, 2000). The two cases presented here show that collective action was initiated by a group of people, which gradually attracted the other members of the community to join in the collective effort. Why some communities take it upon themselves to do so and others do not, is a question that needs to be probed independently.

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