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DECENTRALISING NATURAL RESOURCE MANAGEMENT: LESSONS FROM LOCAL GOVERNMENT REFORM IN INDIA

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Drawing on a two-year study of decentralisation processes at State, district and village levels in Andhra Pradesh, Madhya Pradesh and Karnataka, this paper considers the influence of political economy factors on decentralised natural resource management in India. The paper assesses the constraints and potentials for decentralisation that are posed by the current political economy It argues that centralising political forces constrain both the political and ecological scope of the decentralisation agenda. The suggested way forward is a more strategic approach in concept and practice, as well as a reconsideration of the ultimate objectives of decentralised natural resource management.

Policy conclusions

- Decentralised natural resource management has not significantly increased access by the rural poor to natural resources.
- The decentralisation agenda has not challenged the basic distribution of rights and access to natural resources established in the colonial period and reinforced in the immediate post-independence period.
- Decentralised natural resource management programmes are mainly valued for wage labour by the rural poor, and, by rural élites, for the opportunity to invest in private property and dispense patronage.
- Decentralisation programmes have however created a space for political negotiation at the district level, thus allowing more strategic local political mobilisation.
- In order to exploit these opportunities, decentralised natural resource management programmes should be more aware of their political and ecological limitations, and more strategic in resolving these.

The agenda for decentralised natural resource management

Public policy in India has for long appreciated that access to shared or 'common' natural resources (NR) is crucial to local livelihood strategies. Many of the rural poor depend directly on shared NR, yet they often live in ecologically marginal areas and have limited and insecure rights to NR. A recurrent question in the rural development debate has been: how are poverty and access to NR linked and what are the policy implications of these linkages? A principal conclusion has been that decentralised NR management regimes will enhance both sustainability and equitable access to NR by the poor.

Policy has focused principally on institutional frameworks conferring rights, responsibilities and roles in decentralised NR management (DNRM). In India, two formal institutional systems have been identified as having the legitimacy and potential to enhance rural livelihoods:

Partnership models. In the last decade there have been significant moves towards formal NR management partnerships between the public administration and local user groups. The two most institutionally evolved examples, for which Guidelines have been promulgated, are Joint Forest Management (JFM) and Watershed Management (WM).

Local government reform. A Constitutional Amendment passed in 1993 aimed to strengthen local government, collectively called *Panchayati Raj Institutions,* at District, Block and Village levels. Some of the seats at these levels are reserved for marginal and vulnerable community members and for women. Village level *Panchayats* have become responsible for preparing plans for the management of NR within their boundaries.

The support for decentralisation is based less on any proven success than on ideological convictions related to the importance of local involvement and self-determination in the development process. There is however a growing realism about the strong centralising forces within the polity and bureaucracy that inhibit meaningful transfer of access and control over NR. Equally, earlier optimism regarding collective action has been tempered by failed participatory resource management projects and the reality of rigid and inequitable local social structures. The trend in both theory and practice is therefore towards an understanding of what type of institutional linkages and interventions will enable DNRM to fulfill its potential.

The political settlement over NR[1]

Policies that aim to change the structure of rights and control over NR are essentially political. Property rights are claims and assets that have been politically negotiated and defended. These rights are not only tangible claims over the resources themselves, but also over the institutional structure for NR management. The distribution of rights over NR in India and the institutional structure for NR management were politically negotiated in the following main periods:

- Colonial (1790 to 1930): the proprietary, management and revenue-raising rights over most valuable NR are vested in the state. Community access to NR for subsistence purposes is permitted.
- Post-Independence (1947 to 1956): the state maintains colonial property rights and administrative structures intact. Centralised control is justified as necessary to direct a programme of development on behalf of the nation. The 'line department' approach to NR management is developed during this period.

These periods of political contestation over NR rights and management resulted in centralisation that rejected local claims and demands. Current decentralisation policies have not actually changed the structure of rights or the distribution of benefit streams from the NR themselves. The basic political settlement over NR remains unchallenged despite the apparent momentum of the agenda for decentralisation. The right to manage valuable resources and raise revenue from these, an issue that was politically contested during the colonial period, remains with the state. The NR currently being considered in programmes for decentralisation are mainly degraded common land and forest resources that have since colonial times been earmarked for community subsistence purposes. One of the main findings of our study, as we will discuss further below, is that these degraded

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common resources are not considered worth collective action.

The decentralisation agenda has however led to changes in the institutional arrangements for managing shared NR. Through partnership models, and indirectly through *Panchayati Raj*, communities have been given some autonomy in deciding priorities for NR management, funds to develop NR assets and guidelines to promote community mobilisation. These decentralisation initiatives represent major achievements in challenging the previous dominance of line department control over all aspects of NR management. The objective of sustainable, equitable and efficient DNRM is however far from being realised, as our examination of the source of political demand for decentralisation and the content of the programmes and projects themselves revealed (Ramakrishnan et al, 2002; Baumann et al, forthcoming).

Political contestation and collective action over natural resources

The premise for DNRM has rested on the notion that access to NR is vital for rural livelihoods (Box 1). However, current policies for decentralisation are not a response to grassroots pressure and NR access was neither a priority nor a politically contested issue in any of our study villages. Given the alleged importance of NR to the livelihoods of the rural poor this was a somewhat unexpected finding; even accounting for the slow development of political voice. A consideration of the broader political settlement over NR and conversations with local people led to two related explanations.

The first is that decentralisation programmes have not substantially increased the NR available to the rural poor. The fact that the basic structure of rights and access over NR is not open for political renegotiation has important practical implications. The actual benefits of DNRM, in terms of increasing resource flows, have been too limited and/or individualised to be of collective interest. Most direct investment has been around private arable land and related water management. The productivity and scope for sustainable management of common resources has not increased significantly. The local benefits of programmes for DNRM also depend heavily on the existing resource endowments of different households. The élites appreciated that watershed programmes would bring benefits to their private land but felt that work on common land (whether through watershed management, joint forest management or the local *Panchayat*) was not worth their effort. These aspects of DNRM were basically considered to be an employment programme for the rural poor, which the élite which could dispense as patronage, sometimes in pursuit of totally unrelated political goals. The rural poor also saw partnership programmes as basically a source of wage employment, since any substantive investment would take place either on private land or land owned by the Forest Department. To the rural poor these short-term benefits were far more important than the potential worth of the NR themselves.

Box 1 Policy perceptions of the link between 'community' and NR management

Development policy is based on a positive view of this link: many of the poor are thought to depend to a high degree on NR for their livelihoods, and so to improve NR management will inevitably lead to poverty reduction. However, this view is somewhat naïve: first, NR have become increasingly degraded over recent decades, so that many of the poor cannot imagine that their share of any increased benefit would make it worth all the effort of organising for joint NR management and in any case, their capacity for joint action is very weak. Further, longstanding rifts in many communities make the élite capture of any rehabilitated resource a very real prospect.

The second explanation for the low interest in collective action around NR is the increasing diversification of local livelihood strategies. NR are one part of increasingly diversified livelihood portfolios. There has therefore been an overall decline in local stakes in NR management as well as local capacity to invest in sustainable patterns of resource use. There were many NR-dependent groups in the study villages (fuelwood and NTFP marketing were the most common examples) but in no instance was there evidence of an active management of these resources through either 'modern' or customary use patterns. Political mobilisation centered on private resources such as arable land or irrigation, but far less on shared NR.

Studies of local collective action around NR and the outcomes of programmes for decentralisation have placed much emphasis on linkages between the local social structure and the resource base itself. However, the actual condition and size of the NR base and dynamics in the local social structure were not deciding factors in the villages we studied. Rather, the main reason for the limited political mobilisation and collective action around NR was that valuable NR are not open to political contestation and the resources that come under the purview of decentralisation programmes are not considered worth the trouble of either collective action and/or political contestation.

Political contestation over institutional arrangements for DNRM

Whilst political contestation over the NR themselves has been limited, there has in fact been significant political mobilisation and contestation over access to institutions for NR management. What then of the rural poor and their empowerment through institutions for DNRM? We explored the political economy dimensions of this question in the three States and came to the following conclusions.

First, decentralisation was not a response to grassroots demands from the rural poor. In part, moves towards decentralisation can be explained as the experience-induced outcome of five decades of failed centralised management over NR and evidence of worsening poverty-environment linkages. Some observers also point to the changing nature of state-society relations in the 1970s and 1980s and the emergence of non-party social and ecological movements that advocated local rights to NR. However an equally powerful explanation, and one that is supported by our evidence, is that decentralisation was a response to demands from ascendant agrarian groups from intermediate castes and has provided an instrument for them to secure benefits from the state from which they had been excluded.

Second, decentralisation programmes have resulted in an enormous flow of centrally allocated funds for NR management to the local level in the form of funds for employment generation and public works projects. In all of the States we studied, control over the final destination of

Box 2 Development as an issue in village-level politics in Andhra Pradesh

In several of the study villages, the incumbent's party was defeated as s(he) had not implemented any 'development' work in the village. In one case a *Sarpanch* and her party became unpopular as she had not been able to provide any electricity to the hamlets in her jurisdiction. In another, the *Sarpanch* was changed because he had installed a bore-well close to his home and another was voted in who installed the borewell in the centre of the village. In both Visakhapatnam and Mahbubnagar districts, respondents attributed wholesale changes in ward members to dissatisfaction with their performance in providing approach roads and drinking water.
Source: AP Primary Survey (2002), see www.panchayats.org

the projects was heavily influenced by political negotiation at the district level. Public officials and politicians at the district level continue to exert strong centralising forces and are reluctant to decentralise autonomy and control; however they have had to concede some power due to the political capital that is represented by ascendant local groups.

Third, although this political negotiation has brought new actors into NR management, this does not generally include the rural poor, whose direct participation remains limited. There was evidence in all of the study villages that people vote increasingly strategically and have a clear understanding that their vote is a way of exercising choice over different options. In most cases the strategic choice was to vote for a candidate able to bring development projects that provided tangible benefits in local investment and wage employment (Box 2). Whether or not these projects are for NR development seemed to make remarkably little difference to local people. Votes increasingly go to leaders having the capacity to bring schemes to the village and to achieve some justice in the distribution of their benefits. In short, despite the enormous investment in DNRM, institutions remain dominated by the élite and the focus of mobilisation and collective action is mainly directed upwards to pull down centrally allocated resources, rather than downwards to the development and management of the NR base.

Is DNRM still important?

Despite this bleak picture, the fieldwork findings support the consensus that DNRM is an important development strategy. The lack of access to productive NR was clearly one of the main determinants of poverty in all the villages. Whilst agricultural yields were often static or declining and NR were rarely a primary source of livelihoods, ecological services continued to provide a vital safety net and a semblance of rural stability. The capacity of the state to manage these NR on behalf of local communities remains discredited; (re)centralisation does not therefore appear to offer a viable alternative.

Second, people *have* mobilised around NR across India. The fieldwork deliberately chose 'average' villages and focused mainly on collective NR management through customary use-patterns and the formal institutional systems, i.e. the partnership models and *Panchayati Raj*. Although the picture outlined may represent the norm; there are examples of WM and JFM where an increase in the productivity of NR contributes towards a general improvement of local livelihoods. But much of the mobilisation around NR occurs outside the formal context through non-political movements and small-scale daily resistance to the formal rules of resource management. The existing political settlement – in particular state rights to exclude local people from protected and reserved forests (Box 3) – is challenged in these ways.

Third, although NR may not be an important subject of political contestation at the village level, local user groups and *Panchayati Raj* have opened up the political landscape and presented an opportunity for new groups to express their demands and vote strategically. Given the all-encompassing structures of traditional authority in most villages, this is not an insignificant achievement. There is also evidence of new pressures at district level which new leaders have become more aggressive in seeking schemes to benefit their (potential) supporters rather than accepting the usual 'solutions' from established power brokers. Whilst DNRM may not be a response to grassroots pressure, and mobilisation may be focused on centrally allocated funds, there are signs that, in the need to take account of local opinion, decentralisation has been at least partly successful.

Finally, there is a broad forum of civil society support for DNRM consisting of NGOs, private development intermediaries, advocacy groups, academics and political activists. These work mainly on partnership-based community projects and policies; that is *within* the existing political settlement. However many groups also challenge the political settlement and seek new agreements between the state and local communities on resource management. These civil society groups are heterogenous in their views and the involvement of many in DNRM has a commercial basis; however they also constitute an effective lobby group and support structure for DNRM (see Box 4 and www.panchayats.org).

What are the implications?

What are the ways forward, given these mixed results? On the one hand, partnership programmes operate at the ecological margins, are often weakly-implemented, and have brought few sustainable NR benefits to the poor. However, despite some diversification of livelihoods, NR remain important for the rural poor, and they frequently oppose the existing political settlement. Decentralised institutions have provided a means for ascendant agrarian classes to access centrally allocated resources and contributed towards more strategic voting patterns; however this mobilisation has little connection to NR-related demands. The way forward, given these divergent trends, requires a more strategic consideration of the political and ecological constraints of decentralisation, as well as a rethinking of the objectives of the agenda itself.

Rethinking the specific objectives of programmes such as watershed management and JFM, as well as the overall rural development context of which they are part, is perhaps the most important step to creating a more locally relevant policy. Both programmes aim for NR enhancement, building local institutional capacity, poverty alleviation (in the case of watershed management) and generally 'sustainable

Box 3 The other face of JFM in Madhya Pradesh

'Operation Clean' in Dewas, in which the Forest Department has been in conflict with 16 villages in an attempt to exclude local tribals from using forests, was explained by a District Forest Officer as necessary to 'to create fear amongst the people and establish the might of the state'. It led to widespread public protest but no action was taken against the officers in question. The apparent immunity of the Dewas officials led to a public hearing on forest issues organised by the Shramik Adivasi Sanghtan (SAS) in Harda and attended by some 400 villagers. During this hearing the villagers re-asserted their rights to forests and claimed that JFM programmes had not only been ineffective, but also had helped to divert funds meant for local development. *Source*: discussions on www.panchayats.org

Box 4 Civil society support for DNRM in Madhya Pradesh

The Chhattisgarh Mukti Morcha initiated a movement to acquire rights to land, water and forests, to challenge corruption in the forest and revenue administration and to remove illegal encroachments. A 1998 declaration by the Chhattisgarh Mahila Jagriti Sangathan's (a women's group) demanded that every farming family should be given 5-10 ha of irrigated land. The Kisan Adivasi Sangathan has conducted struggles over land alienation, forests rights and the displacement of people by the Tawa Dam. The Adivasi Vikas Parishad and the Satpura Kisam Evam Mazdoor Kalyan Samiti in Betul have agitated for the rehabilitation of people displaced by coalmines and against the eviction of tribals from land claimed by the Forest Department. In the Malwa region, the Khedut Mazdoor Chetna Sangathan has been leading struggles by tribals for rights to common grazing lands. These are only a few of the instances of civil society groups, most of them with a grassroots origin, that have mobilised around NR.

livelihoods through equitable and productive NR management'. These objectives have however been formulated without a vision of development for there are no answers to simple questions such as: has decentralisation succeeded if it contributes towards local empowerment but at the same time to local out-migration? Should local people derive all or only part of their subsistence needs from NR in or near the village? What proportion of subsistence needs should be met locally by what proportion of people to satisfy the criteria of sustainable *local* livelihoods?

The role that NR play in local livelihoods is complex but in few of the villages studied could the resources decentralised have provided the basis for 'sustainable livelihoods'. In many contexts, and for many of the rural poor, wage labour in NR management programmes will be part of a stepping-stone to other perhaps non-local activities. In some contexts there may be some scope for NR surplus enhancement that could contribute towards local livelihoods. In either case the programmes need to develop a more explicit focus on how to fit into the diversified rural development strategies of the poor. This would represent the beginnings of a locally-driven agenda for DNRM.

A second area of strategic importance for DNRM is to exploit the political space that is opening up in district level politics and the nascent grassroots political mobilisation. Clearly there is a grassroots demand for centrally allocated resources, which even if it is not related to NR management can be used to improve the effectiveness of service delivery to decentralised units. This objective has two related aspects which are nevertheless important to distinguish; one is more narrowly institutional and the other more political. Institutionally, the enormous transaction costs of the decentralisation agenda remain a major explanatory factor for slow progress; much work remains to be done in building human resource capacity for decentralised management as well as the physical infrastructure of equipment, material and communication. Rapid change and complexity in the rules and regulations for decentralisation hamper the creation of local institutional capacity. But these rules and regulations are often being politically manipulated, which suggests the second aspect of a strategic approach, i.e. identifying these political bottle-necks and taking informed decisions on whether they can be resolved. One of the observations of the study was that DNRM lobby groups have helped to identify these bottlenecks and overcome service delivery shortcomings.

The above approaches all work within the political settlement. A fundamental change in the distribution of rights and access to the NR themselves is probably not a politically feasible objective. However a strategic decentralisation agenda would seek to identify when and how this settlement could be challenged at the margins. The movements described above that challenge the terms of state control over forests are one instance of such a challenge. But power relations at the village level are still based on economic dominance rooted in control over land and water and reinforced by caste-based social traditions. Challenging this political settlement will therefore be a slow process.

Action: is there a window of opportunity?

Partnership programmes and *Panchayati Raj* have opened up a window of opportunity for decentralisation, that did not previously exist and would be difficult to roll back. Despite the poor progress of decentralisation an opportunity exists to make these institutions and programmes more relevant in their content, more effective, efficient and transparent in service delivery and more demand-driven in their operation. This opportunity requires both a reconsideration of programme content and a strategic separation of obstacles to DNRM that are narrowly institutional and those that are political. Table 1 provides some ideas on mechanisms and levers that may contribute towards this objective.

Table 1 Objectives and mechanisms for decentralisation

Objectives in DNRM agenda	*Enabling mechanisms, instruments and action*
Programme content made more relevant	Linking programmes to wider policy context of rural development. Linking research on NR management with research on diversification. Supporting market linkages and producer groups. Developing mix of area/beneficiary targeting in programmes. More attention to the role of shared NR in local livelihood strategies.
Institutional capacity-building made more relevant	Clarify relationship between PRI and DNRM programmes. Support moves towards further fiscal deconcentration. Logistical support for institution-building of PRI and local user groups.
Support for political capacity-building	Support for the empowerment of village assemblies. Doing away with ex-officio membership of PRI. Identification of district-level bottlenecks in programme delivery. Closer attention to the content of local NR-related demands and support for their political expression.
Existing political settlement challenged	Support for non-state agents and alliances such as networked people's movements, federations and listservers to engender contest at various levels. Judicial remedies such as public interest litigation. Advocacy and awareness raising of local rights. Supporting explicit negotiation over NR management.

[1] The concept of a political settlement is adapted from Roy (1994).

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