

Devolution in the Context of Poor Governance: Some Learning from Community Forestry in Nepal

Ganga Ram Dahal The University of Reading, UK Email: grdahal@hotmail.com

Abstract

Despite continued emphasis on devolving forest management authorities and responsibilities to local communities in many countries, in practice genuine devolution of authority and power over the forest has occurred only to a limited extent. Taking evidences from Nepal's community forestry, this paper argues that the limited implementation of devolution policy is primarily because of the poor governance and weak institutions. Building on this conclusion, it draws some strategies to enhance effectiveness of the system of forest governance and institutional structure to facilitate better implementation of policy in forestry sector.

Key words: devolution policy, governance, institutional structure, community forestry, authority, power, forest user group.

INTRODUCTION

In most of the developing countries, national governments are reconsidering forest policy through devolving certain authority and responsibilities of forest management to local institutions. It is based on the assumption that, devolution policy is a progressive attempt to generate people's participation in development process. As explained by Burns et al (1994), the rationale behind such approach is to transfer centrally exercised power, resources and administrative functions to local people so as to strengthen democratic process, accountability, political skills and national integrity.

However, studies done so far indicate that, devolution has taken place to a limited extent and the target beneficiaries do not access the benefits of devolution. It is believed that, devolved power has been captured by certain elite groups of people, which often makes situation even more vulnerable (Schackleton et al 2002).

In Nepal, community forestry has been taken as an innovative approach towards devolution of power and responsibilities of forest management from national government to the local communities. Despite rhetoric of devolution, the actual implementation of Nepal's community forestry policy is principally constrained by the problem of governance and institutional structure in public sector institutions. This necessitates a better understanding of how devolution policy is affected by the governance and institutional context in which community forestry policy is implemented. There are number of serious concerns and setbacks have been experienced on the way which are likely to hinder the effectiveness of devolution policy in forest management. These include:

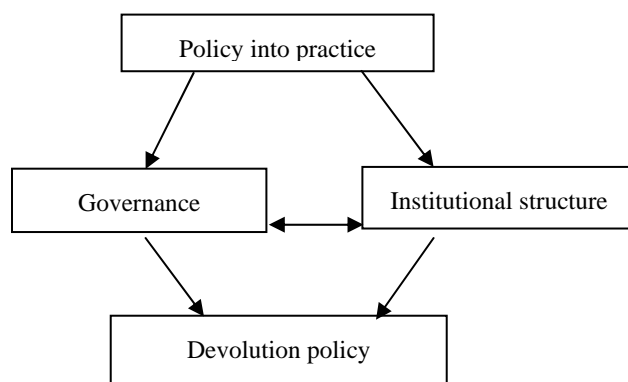
- Devolved power is captured and mis-used by local elites
- The concerns of poor and marginalized user are ignored
- The forest product needs of rural people and their livelihood is considered less important than national interest to protect biodiversity and increase revenue
- Government is reluctant to transfer valuable Terai forest to the local communities rather they focus only to handover degraded forest land along the mid hills
- The autonomy of forest user group is not ensured; instead, government is trying to limit their independent decision making authority through periodical amendments of forest act and regulation in favour of government
- Often top down planning process bypass the participation of important stakeholders
- The capacity building of forest user group is almost ignored
- Lack of accountability and transparency in policy making, planning and implementation
- Continuation of hierarchical bureaucratic structure of government organizations hinders the process of transferring power to the local communities

This paper presents a conceptual framework to analyze devolution policy, in the light of these two crucial factors and then analyzes the case of Nepal's community forestry to identify avenues for improvement in governance and institutional processes so that more effective implementation of community forestry can be achieved.

TRIANGULAR INTERACTIONS OF GOVERNANCE, INSTITUTIONAL STRUCTURE AND DEVOLUTION POLICY

There is a triangular interaction of governance, institutional structure, and devolution policy, which determines the ways devolution policies are put into practice (see figure-1).

Figure: 1 Interaction of devolution policy, governance and institutional structure



Governance

Governance is taken as an exercise of authority through formal and informal institutions for the common goods of a society. It includes the rule of law, control of corruption, government effectiveness, citizen voice, accountability, legitimacy, transparency, political stability and peace (WDR 1997). Good governance is a process of executing coherent governing plan for the nation based on the interest and priorities of the people. It focuses on the principles of inclusiveness, liberty, equality and cooperation (Dahal et al 2001).

Recently, there is an increasing concern of governance, particularly in relation to the ways in which the power is exercised in the management of country's resources and the relationship between the state and its citizen, civil society, and the private sector (Brown et al 2002). So the management of natural resource is of great concern in the case of public sector and there is a strong interrelationship between good governance and sound environmental management. In general, people's participation, accountability, transparency and pro-poor policy change are considered as crucial dimensions of governance in forest resource management.

Institutions

While governance relates to exercise of power and the quality of the institutions in terms of various attributes (such as above), 'institutions' are basically the rules, including behavioral norms, by which agents interact and organizations implement the rules and code of conduct to achieve desired outcome. They also include rules enforcement mechanisms (WDR 2002). Institutional structure affects behavior of individuals and groups through incentives or disincentives that are integral to the rules.

Devolution

Devolution is taken as an extreme form of decentralization, where creation and strengthening of independent levels of governing units takes place. Some administrative theorists argue that devolution is the concept of arrangement quite separate from decentralization as it implies the divestment of functions by the central government and creation of new units of governance outside the control of central authority (Rondinelli 1981).

Decentralization is taken as a useful tool to improve governance system of developing countries, where the problem of institutional failure is prominent due to corruption, lack of legitimacy, credibility and accountability (Bardhan 1997). In these circumstances, decentralization is considered as a way to correct such failures, caused by inefficient functioning of centralized government system. Likewise, Rondinelli (1981) explained a number of reasons why the government transferred responsibilities from central to lower level of administration. Some of the important reasons behind decentralization are as follows:

- Decentralization provides an opportunity to the government officials at regional and local levels to work closely with people and reflect their real need in the development plan, which helps to overcome the limitation of centrally controlled national planning, which is considered too far from the ground reality.
- Decentralization can lead to more flexible, innovative and creative administration. Regional, provincial or district level administrative units may have potentially greater opportunities to test innovation and to experiment with new policies and program.

Likewise, Agrawal and Ostrom (2001), and Unasyuva (1998) described that decentralization is normally explained as the synonyms with redistribution of power, resources and administrative capacities through different territorial units of governments and across local groups. Thus, decentralization can be seen as a strategy of governance promoted by external or domestic pressure to facilitate transfer of power closer to those who are most affected by the exercise of power.

ANALYZING THE CASE OF COMMUNITY FORESTRY AS A FORM OF DEVOLUTION

In principle, after the formulation of Master Plan of Forestry Sector in 1988 and approval of Forest Act 1993, efforts on decentralization and devolution of authority to local level are underway, which promote community participation for sustainable management of forest resources (Hobley 1996). The emergence of community forestry approach basically aims to overcome the problems of forest resource degradation and loss of biodiversity, while at the same time seeking to fulfill the forest product needs of local people.

However, recent research result indicates that there is gap between policy rhetoric and real implementation of devolved forest policy in Nepal. In particular, this approach has resulted in limited benefits to the rural poor and real users of forest resources (Shackleton et al 2002). The benefit for the users is considered only as an incentive provided by the government for protecting forest and meeting government objectives. It is likely to be the result of poor system of forest governance and weak institutional arrangement at all levels. So, it needs further discussion in relation to their effects on implementation of devolution policy.

Forest Governance in Nepal

It is remarkably noted that, the basic elements of governance such as: accountability, transparency and legitimacy are weakly established in Nepal. As a result, there is accusation of corruption and increased rampant political patronage and political lobbying within bureaucratic structure of government. Also, there is a lack of merit based recruitment and promotion process, and lack of proper evaluation and monitoring system. These all are responsible for the poor morale, motivation

and commitment of staff toward being accountable to local forest users. Government staff remain accountable to their bureaucratic superiors and when they maintain ties with local elites, the devolution policy leave the poorest forest users worse off than before (Malla 2001). So, the existing forest governance system is unable to ensure proper devolution of power and its use at local level. In most cases, limited devolved power is also captured and mis-used by the local political leaders and elites.

In addition, the government forest officials in Nepal continue to influence the decisions at forest user group level. For example, District Forest Office staff directly influences the preparation of constitution and management plan, use of fund, collection of taxes, and control over selling of surplus timber and non-timber forest products from community forest. Furthermore, government is reluctant to handover commercially potential national forest of Terai to the local communities; they have rather focused on handing over of degraded forest area along the mid hills in Nepal (Fisher 2000). Also, the periodical amendments of Forest Act 1993 in favor of government bureaucrats clearly indicates towards skepticism and weak commitment of government on implementation of the Forest Act.

Similarly, the role of multiple stakeholders in the forestry sector is ignored by the government (Timsina 2002). Some of the stakeholders such as; district and village level political bodies District Development Committee/ Village Development Committee (DDC/VDC), Federation of Community Forestry Users, Nepal (FECOFUN) and some Non-governmental Organizations/Community Based Organizations (NGOs/CBOs), which could play a significant role to contribute on establishing good forest governance in Nepal.

Poor Institutions

Many civil services in developing countries are still traditional in nature. In theory, there may be the formal system and rules in place, but in practice informal connections influence and acts as a rule. Merit based personnel rules are circumvented and staff are recruited or promoted on the basis of patronage. Budget are also unrealistic and often set aside by ad-hoc decision during implementation. The alliances kinship and connections are normal phenomenon within the public service system to influence decisions. All these problems can be attributed to the underlying weakness in the institutions, and poor enforceability of the rule of law both within and beyond the public sector (WDR 1997).

In general, the institutional functioning in public sector in Nepal is inefficient. There are some critical issues, which lead to weak institutional structure in forest department: lack of team spirit to work as a group, lack of system of merit based recruitment, non transparent, system transfer and promotion, limitation or mis-allocation of resources, lack of sufficient autonomy to local level institutions to make decisions, mis appropriation, and increased political lobbying and patronage practices. All such attributes are related to the poor implementation of CF in the true spirit of devolution.

Beside public institutions, there are some other institutions, which are directly related with the management of forest resources like- VDC, DDC, FECOFUN, and forest related NGOs/CBOs. These institutions are largely ignored in the process of developing devolution policy in forest resource management and implementation. However, these institutions also have limited institutional capabilities to contribute to creating and implementing devolution policies.

WAY FORWARD

Although devolution policy in forestry is an innovative approach for sustainable resource management in Nepal, it suffers from several critical setbacks and limitations, linked with poor system of governance and weak institutional mechanisms.

In Nepal's community forestry, smooth transfer of authority from center to the local level is distorted, poor people's voice and their interests are ignored, devolved power has been captured by local elites, autonomy of forest user group as an institution is not ensured, and that the attitude of government officials is still conventional with little interest to transfer power and authority to the local community.

To operationalise the concept of devolution, it is extremely important to make the government efforts more accountable towards local community, their needs and interest. Also, a transparent mechanism on policy formulation, planning and implementation is equally important. In addition, it needs to control corruption and patronage practice in government organizations. There is a need to emphasize capacity building of non-government forest institutions, particularly of forest user groups. Finally, for the good governance there is strong need of political will and commitment at all level of governance. Key areas of action in this regard could be as follows:

- There is a need to ensure participation of local people and civil society while formulating plan and policies, through recognizing their rights and voice related to forest products use and their livelihoods.
- It is primarily necessary to bring all the stakeholders on board, so as to balance the power through creation of pluralistic situation, in which role and responsibilities of each stakeholder could clearly be considered and their interests are accommodated.
- It is necessary to increase downward accountability of government officials and staff instead of being accountable to their superior.
- Government need to be open and flexible enough to deliver forest management authorities and responsibilities to the community groups as mentioned in Forest Act and regulation.
- A clear monitoring, evaluation, recruitment and promotion systems in the department are necessary to maintain staff motivation and commitment.

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