

Making Moola and Muddling Along – Trees, Poor People and Policies in Himachal Pradesh

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Summary

Poor people often rely heavily on forest goods and services. This Briefing Note explores how policy has influenced, and not influenced, the relationship between poor people and trees, and how in future policy might increase its influence for the better, in Himachal Pradesh (HP), India. The focus is on five major policy arenas: Panchayati Raj institutions, timber distribution rights, joint forest management, nomadic graziers and medicinal plants. It highlights that though these arenas are messy, evidence from changes over time suggest that there are ways of linking sound information and experience to well-wielded policy argument and key political moments to hasten change in the right direction for forest-linked livelihoods. The Note concludes by highlighting options to improve the policy process.

Introduction – The Tree we are Barking Up

Does policy make any difference to the way poor people use trees? If so, which policy, how does it exert influence, and how can such influence be improved for poor people and the trees in future? A group of researchers worked with some policy practitioners with their feet on the ground in HP to try and find some answers. The work was organised in three general phases during 2001-02. Firstly, analysis, at state and district level, of the influences of policies and institutions upon the links between forest goods and services and livelihoods. Secondly, work within village settings to investigate these links, the influence of policies and institutions on them, and the means by which local people can influence policies and institutions. Thirdly, further policy work at district and state level to deal with the issues and consequences of the fieldwork.

Forests and Livelihoods in Himachal Pradesh

HP is a comparatively wealthy state, yet 25 per cent of its people live below the poverty line and there are big disparities in wealth within and between rural communities. Whilst figures for livelihood dependence on forest goods and services are weak, there is little doubt that dependence is very high amongst poor people in many areas.

Policies that Affect Forest-Linked Livelihoods

There is no one strong policy or institution that stands out as being the major determinant of forest-linked livelihoods in HP, rather there is a range of many influences, of varying strengths and interactions.

HP Musings on Livelihoods and Policy

“Livelihoods are the way you make your moola and muddle along” – Senior FD officer, Shimla

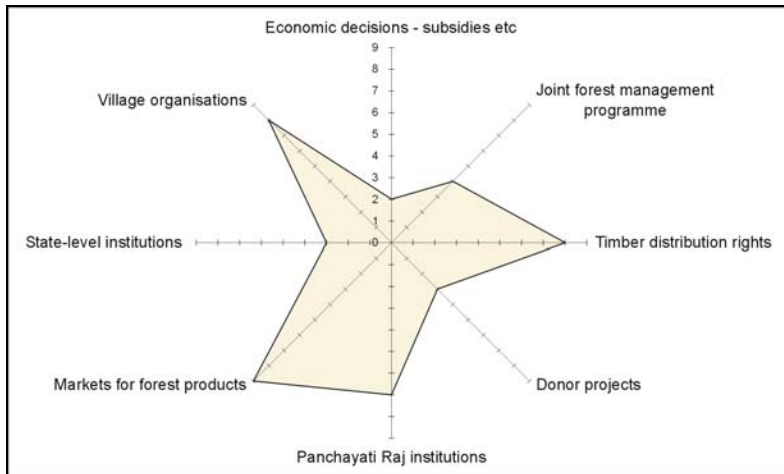
“People are starving because of policies” – Panchayat Samiti Member, Mashobra

“Policy only gets implemented through Brownian motion” – Senior FD officer, Shimla

“Development fashions come and go but the role of a forester remains - to dig a pit and plant a tree” – FD Officer, Kullu

The nominal power of forest policy rests chiefly on the legal classification of 66 per cent of the state as forest land (although just 22 per cent of the state is under tree cover). Yet, despite this apparently despotic control by the Forest Department (FD) of two thirds of Himachal’s land, villagers’ present access to forest lands and development of forest goods and services is mediated by a complex web of rights, notifications, legislation, management arrangements, institutional influences and markets. Policies and institutions cooked up explicitly to deal with the relationship between people and forests – ‘forest sector’ policies and the FD – are only part of the story. The figure illustrates how one group

of forest users in Sirmaur District see the relative strengths of influence of key policies and institutions on their forest use.



Rise of Local Government – and Foresters Frozen in their Tracks

Local government is becoming an increasingly important influence on forest-linked livelihoods. Building on ancient traditions, and with previously limited legal basis since the 1950s, the three-tier system of elected local government – at district, block and village level - known as *Panchayati Raj Institutions* (PRIs) began to be seriously installed in HP from the mid 1990s. Fifteen sectoral departments, including forestry, have been decentralised, giving panchayats supervisory authority over their field level functionaries.

HP has been ahead of many other states in promoting PRIs, but the FD has been a laggard department in transferring powers to them. Whilst a few senior FD officers, who have been involved in the joint forest management (JFM) programme embrace the chance to formalise links with local democratic government, others perceive PRIs to be a threat to the FD's power to determine local action. However, under pressure from the GoHP, the FD recently formalised the transfer of several responsibilities to PRIs. These include the power to issue permits for a range of non-timber forest products, to issue grazing permits in forest land, and to make decisions about the use of fallen/ dead wood.

In 2000, the FD formalised its intention to work with panchayat, block and district level forest committees and a year later Government of Himachal Pradesh (GoHP) rules provided for the elected delegate from each ward of the panchayat to sit, *ex officio*, on the executive committee of Village Forest Development Societies (VFDS) constituted at ward level. Whilst over 500 VFDS have been established with support either from the FD or through donor-funded projects, as yet none of the PRI forest committees exist.

How significantly poor people's access to forest goods and services benefits from PRIs will depend on how effectively and responsibly PRI capacity is increased in relation to the diversity of other village institutions. At the local level there is considerable mistrust of the political games being played in PRIs and poor women and other marginalised groups are yet to engage well with these institutions. PRIs represent a major boost to political capital at the local level and a means by which a policy process connecting state institutions to local reality might emerge. But they are also a threat to the established order and its ability either to muddle along or to generate crisis and assert control.

‘TD’ Rights – An Old Political Hot Potato Regularly Re-Heated

Once every 3 to 5 years a family with land in HP is permitted to fell a tree to build or repair a house under the timber distribution (TD) rights laws which date back to the forest settlements of the late 19th and early 20th centuries. A fee per tree, largely unchanged since those days, is still payable and is about Rs.5.

Until the 1960s HP’s relatively low population was engaged in a small agrarian economy - the market rate for timber was not high and most was used for construction of local houses. From the 1960s the apple industry developed and those who had a head start generated cash surpluses and started to build big houses. Roads, markets and urban areas opened up and by the 1970s the demand for TD timber had rocketed. With this rocket came the racket, and soon a timber mafia had developed to run it – buying up timber from right-holders and smuggling it down to Delhi and elsewhere. The mafia comprised wealthy, resourceful people who were politically well-connected.

Today, whilst trees are still being allocated for the nominal sum of Rs.5, some big cedars are worth as much as Rs.50,000. Poor people, however, do not benefit from this windfall. Even if they are eligible, they often do not have the capability to push through a TD claim, and if they do succeed then they are unlikely to be able to afford milling and carpentry costs. Yet, when calls for review of the system are voiced, the beneficiaries of TD rights are quick to claim that the poor will suffer and are effective at politicising this. The last serious attempt to change things - a bill to increase timber rates to 25-30 per cent of the current market rate - made good progress through the GoHP until the timber mafia opposition mobilised ‘poor people’ – *“wearing torn pyjamas and bussed into Shimla in a fleet of trucks”* to demonstrate loud and long – and the bill was shelved.

Thus, although it is also widely acknowledged that timber is being greatly under-valued, no HP governing party has yet had the political confidence to challenge the ‘conventional wisdom’ that interfering with TD rights would adversely affect the 90 per cent of the electorate that lives in rural areas. The TD rights system has become a highly politically-charged issue of equity, misplaced subsidy, and malpractice, which is likely to require both local-level reform and state-level action.

Joining up the Dots in Forest Management

Until recently, JFM in HP was confined to donor-supported pilot activities. Then in 1998, the GoHP introduced its own JFM programme, *Sanjhi Van Yojna* (SVY). There are now 364 village forest institutions under SVY and a further 153 such institutions established under a DFID-funded project in Kullu and Mandi – some of these are active, others barely alive beyond their listing on paper.

The SVY programme has had an ambiguous position in the pecking order of priorities in the FD. There is a big gap between the plans and expectations of the programme (flexible, poverty-focused, leading to community control of forests) and its patchy implementation to date (rigid, tree-protection focused, leading to a selective hand-out of benefits). This is unsurprising given the institutional starting point – in an agency focused on forest protection, saddled with inherited systems like TD rights, and grappling with new developments like the rise of local government.

Agreed rules and procedures for the SVY programme were until recently rather weak. Senior FD officers admit that as yet SVY is generally not benefiting the poorest – e.g. it is all focused on degraded areas, whilst poor people often get their livelihood inputs from good forests. However, as experience grows, and senior officers grow more confident with the approach, this may slowly change. Recent policy pronouncements have rebranded the programme ‘New SVY’ and point it more in the direction of poorer communities and community members. It may even soon extend beyond degraded forest areas.

Forest Lands and Nomads – If in Doubt, Stir up a Crisis

An enduring issue for forests and livelihoods in HP is nomadic grazing on forest land. Large numbers of herders and livestock move across particular routes covering quite a large proportion of the state. This policy issue continues to challenge both the ‘old style’ regulatory efforts of the FD, and ‘new style’ JFM approaches of the state with settled communities.

Traditionally the FD has been largely unable to enforce its own policies aimed at regulating access to and use of forest areas for grazing. As a result, perhaps, it has tended to make selective use of an international discourse on ecological degradation of the Himalaya to raise alarm and maintain profile for its attempts to control forests and plant large conifers. Some evidence suggests however that nomadic grazing may not be as degrading of HP’s forests and grasslands as has been claimed by the FD over the past century. Contrary to the notion of unregulated herder use of grazing resources, access may be regulated by kin networks, labour, wealth and grazing systems recognised since the mid 19th century. Furthermore, researchers have pointed to the multiple causality and resulting uncertainty with regard to ecological phenomena in the Himalaya, which is rarely acknowledged within the FD’s policy documents.

More recent discussions in the FD have at least highlighted the need for working with other agencies to find multi-intervention approaches, instead of the traditional target-oriented plantation focus. This would include augmentation of forage through planting fodder species (not just pines), developing water points and providing medical support for the herders and their flocks.

Medicinal plants: cultivating profit or conserving livelihoods?

HP hosts a rich resource of medicinal plants: more than 900 of its species of higher plants are thought to be of medicinal benefit, of which about 34 are traded. In the past few years demand for herbal medicine has increased tremendously, putting great pressure on natural sources and leading to unsustainable extraction. Lack of infrastructure, market information, poverty, indebtedness and poor bargaining power of unorganised, and often very poor, collectors has led to their exploitation by middlemen. There is clearly a need to move towards sustainable use of medicinal plants, but there is a tension between two approaches: cultivation and *in situ* conservation.

The dominant thinking that currently steers conservation efforts is based on the premise that because they are over-exploited in the wild, large-scale commercial cultivation would relieve these pressures and thus allow regeneration. The Department of Biotechnology envisages making huge investments in expensive equipment, and developing super medicinal species through genetic engineering and the like. The GoHP is keen to follow this approach to exploit its medicinal plant resources. But in the absence of a national or state policy on the conservation of medicinal plants, efforts so far have been *ad hoc* and uncoordinated, and there are fears that disproportionate benefits will accrue to the industry.

However, the belief that *ex situ* cultivation would lessen pressure on the wild ignores the fact that wild collections are a livelihood activity and a significant source of cash income, and will remain so until alternative livelihood opportunities are provided to poor people who depend on such extraction. It is not clear whether or how commercial cultivation would provide benefits to the traditional, skilled, knowledgeable collectors of wild plants. Furthermore, the efficacy of the raw drugs and the survival of the plants depend on very specific ecological conditions. The disappearance of these species from their natural habitats would have far-reaching consequences not only for local livelihoods, the medicinal plant trade, the quality of raw drugs, the development of new drugs and the herbal pharmaceutical industry but also for the habitat itself.

This tension between commercial cultivation and collection from the wild remains unresolved. Moving from collection to cultivation has severe implications for livelihoods of the poor, whilst offering the hope of substantial commercial gain for the industry. Research funding is directed at agro-technology development for *ex situ* cultivation, whilst the inherent potential of wild habitats to provide

a range of potent medicinal raw drugs in a sustained manner, benefiting local communities particularly the poor and women, and simultaneously being ecologically sound and conserving the natural medicinal plant diversity and their habitat sustainably, continues to be seriously neglected.

Conclusions on Policy Processes

- The FD's *extensive formal territorial control is both a curse and an opportunity* for policy which can improve forest-linked livelihoods. A curse – the legacy of command and control policy geared to environmental protection which can barely be sustained and results in impoverishment for many. An opportunity – for those who can push through new approaches.
 - In recent years, for forest-based livelihoods in HP, *much change has been catalysed by donor pressure* or by *central notifications*. Those individuals in the FD who have tried to take the initiative within the participatory forestry approach have been constrained by slow, inflexible administrative and institutional procedures.
 - From the evidence of change in the policy arenas surrounding local government, TD rights, JFM, nomadic grazing and medicinal plants, there appear to be *several features of policy processes which make them more likely to result in benefits for poor people's forest-linked livelihoods*:
 - Elite perceptions of poor people amenable to poverty reduction (especially among elites in the FD)
 - Pro-poor coalitions with some strength within civil society
 - Elites in the larger political system competing to appeal to poor voters
 - Sufficient representation of poor people on decentralised bodies that leaders have to create alliances with them.
 - *Policy stories and rumour in the corridors of power are fundamental* to the current policy process. Stories are wielded by individuals – although they may require years of re-telling. Some fast-tracking is possible through: catalytic field projects with political kudos attached; targeted use of literature; and experience exchanges (and the channelling of the resentments of those not involved into something constructive!).
 - *Interrogation of assumptions is crucial* if policy stories are to improve forest-linked livelihoods. For example, the belief that raising the rates for TD rights will adversely affect the poor needs examination, and rigorous assessments (possible through community bodies like VFDSs) of the current use of TD timber is needed.
 - But *producing reports on what must change may be part of the problem itself*. Two donor-supported forestry projects in HP have so far come up with an estimated 3,500 policy recommendations – mostly from consultants. FD officers are now considering hiring yet more consultants to read all these reports and to draw out something useful that they can actually do.
 - *Information, if well-used, can help create political opportunity*. For example, sound information on timber use could help in the devolution of authority for managing TD allocation to local levels, since it is at this level that it is recognised that the system needs reforming and equitable negotiated agreements may be possible.
 - The *opportunities for the FD in transferring forestry responsibilities to local government* are yet to be seized upon. Few have yet realised the chance to take on new and important roles – technical advice, state level overview, disseminating new policy information, etc – since the arena is still overshadowed by perceptions of loss of power and influence.
- This partial set of conclusions reflects issues at the heart of the process of policy and institutional development, maintenance and change. There are no easy answers in intractable policy arguments. But the actions of those using the forests, and the opinions and stories of district and state level protagonists in policies and institutions, help us to see the nature of their strengths and problems, and to see how these problems might be amenable to change.