

**PAPER PRESENTATION PROPOSAL FOR 11TH INTERNATIONAL CONFERENCE OF
THE EUROPEAN SOCIETY FOR ECOLOGICAL ECONOMICS (ESEE)**

30 JUNE - 3 JULY 2015, UNIVERSITY OF LEEDS.

4. Power, politics, institutions and the reality of achieving change

4.1. Power relations and overcoming vested interests

4.4. Interrelations between societal, cultural, and economic and political values

**GOVERNANCE INSTITUTIONS AND IRREGULAR FOREST ACTIVITIES (IFA):
IMPLICATIONS FOR THE EU FLEGT AND REDD+ IN LAOS**

Summary

The key objective of my research is to investigate the most prominent existing and emerging governance institutions (e.g. statutory laws and co-existing traditional rules and norms) affecting land and forest use and how irregular forest activities (IFA) relate to them. This is observed in the context of the “EU Forest Law Enforcement Governance and Trade” (FLEGT) and “Reduction of Emissions from Deforestation and Forest Degradation” (REDD+) processes, in Savannakhet and Khammoune provinces of Laos. The main question is: How institutions and institutional actors emerge and render legitimacy and how IFA influence these institutional processes at different levels of governance? Theoretically the research builds on institutional theory and the theory of decentralisation in forest management. The study will advance those theoretical frameworks, by clarifying the role of informal institutions on institutional change, on the one hand and on the process of decentralisation, on the other.

Extended Abstract

In the context of forest rich developing countries, commonly heard claim is: “the countries have a good legal and policy framework, but a problem with implementation”. Mainstream research has consequently focused on policy and implementation gaps and policy makers on tightening law enforcement (Angelsen 2009, EC 2003). This study proposes that the roots of the problem lies in the origins of the emerging institutions; which often, as externally imposed policy standards and ideals, can do little in influencing the practice and actors’ behaviour. The study hypothesises that in order for the newly emerging institutions (most notably statutory laws) to bring for the desired change, they must be consistent with the competing normative orders in place (e.g. social norms).

Focus is on emerging institutions dealing with land and forest resources in Laos, their mutual interactions and competition for power and legitimacy (Barney and Canby 2012, Sikor and Lund 2009). This analysis is enriched by looking at the so-called “irregular (or illegal)” forest activities (IFA) and how those relate to institutions and observed institutional change (Irawan and Tacconi 2009, Ramcilovic-Suominen 2012). Furthermore, the main internal and external factors of forest law compliance among forest user groups are examined (Ramcilovic-Suominen and Epstein 2012). We look at these issues in the context of “EU Forest Law Enforcement, Governance and Trade”

(FLEGT) and the “Reduction of Emissions from Deforestation and Forest Degradation” (REDD+); in order to understand the roots of implementation challenges for these two policy initiatives.

The research design is influenced by institutional theory (Ostrom 2005, North 1990, Vatn 2005) and theory of decentralisation in forestry (Agrawal and Ribot 1999, Larson 2003, Tacconi 2007), which provides analytical tools for understanding how institutions determine peoples’ behaviour and how authorities and actors interact and render legitimacy. Qualitative approach and research methods are employed, including interview survey (with key informants and forest user groups) and mapping of institutions and organisations, among others.

The study advances scientific knowledge on the role of informal structures and rules on institutional change, shedding the light on an “unanswered question, as pointed out by Elinor Ostrom: why in many cases formal rules are ignored? It provides empirical foundation for understanding internal and external factors influencing law compliance behaviour. More precisely, the results aim to contribute to a greater understanding of: i) sources of institutional change and legitimacy of the emerging institutions; ii) internal and external factors determining forest law compliance behaviour; and iii) how irregularities in forestry sector relate to institutional change and shift of powers and authority (decentralisation) in forest management. Scientific knowledge is advanced by development of an analytical framework for forest law compliance behaviour; and advancing institutional theory and theory of decentralisation, concerning the role of informal rules and irregularities on those processes. Finally, the study also looks at the potential conflicts and synergies between the EU FLEGT and REDD+ processes, which is crucial for mutually supportive design and implementation of those two instruments.

At this conference I would particularly focus on the study theoretical framework and methodological issues. Concerning the former, I would like to stimulate an engaged discussion on two fundamental theoretical issues: (i) the extent to which institutions determine human choices, behaviour and action and (ii) the sources of institutional change? Concerning the methodological issues, I hope to provoke discussion and gain insights on the potentials and pitfalls of the existing frameworks and tools for institutional analysis; some of which include: (i) policy arrangement approach (PAA), developed by Arts and colleagues (Arts and Lorey 2006, Arts and Buizer 2009) Social Network Analysis (SNA) (Costenbader and Valente 2003). The presentation is therefore imagined as a presentation of research design, rather than presentation of study results.

References

- Agrawal, A., Ribot, J.C., 1999. Accountability in decentralization: a framework with South Asian and West African cases. *Journal of Developing Areas* 33: 473–502.
- Angelsen, A. (Eds.), 2009. *Realising REDD+: National Strategy and Policy Options*. CIFOR, Bogor.
- Arts, B. Buizer, M. 2009. Forests, discourses, institutions A discursive-institutional analysis of global forest governance. *Forest Policy and Economics* (11): 340–347.
- Arts, B., Lorey, P. 2006. *Institutional Dynamics in Environmental Governance*. Dordrecht, Springer.
- Barney, K. and Canby, K. 2011. *Baseline Study 2, LAO PDR: Overview of Forest Governance, Markets and Trade*. Forest Trends for FLEGT Asia Regional Programme.

- Costenbader, E., Valente, T.W. 2003. The stability of centrality measures when networks are sampled. *Soc. Netw* 25:283-307
- EC 2003. Communication from the Commission to the Council and the European Parliament. Forest Law Enforcement, Governance and Trade (FLEGT) Proposal for an EU Action Plan. Com. 2003/251 final. 32 p.
- Irawan, S., Tacconi, L. 2009. Reducing Emissions from Deforestation and Forest Degradation (REDD) and decentralized forest management. *International Forestry Review* 11(4):427-438.
- Larson, A.M., 2003. Decentralisation and forest management in Latin America: towards a working model. *Public Administration and Development* 23 (3), 211–226.
- North, DC. 1990. *Institutions, institutional change and economic performance*, Cambridge University Press, Cambridge
- Ostrom, E. 2005. *Understanding Institutional Diversity*, Princeton University Press, Princeton, NJ. 376 p.
- Ramcilovic-Suominen, S. 2012. Forest Law Compliance in the High-Forest Zone of Ghana: an analysis of forest farmers' livelihoods, their forest values, and the factors affecting law compliance behavior. Academic Dissertation. *Dissertationes Forestales* 149. ISBN 978-951-651-388-4 (PDF). <http://www.metla.fi/dissertationes/df149.htm>
- Ramcilovic-Suominen, S., Epstein, G. 2012. Towards an analytical framework for forest law compliance. *International Forestry Review* Vol.14(3):326-336. <http://dx.doi.org/10.1505/146554812802646611>
- Sikor, T., Lund, C. 2009. Access and Property: A Question of Power and Authority. *Development and Change* 40(1): 1-22.
- Tacconi, L. 2007. *Illegal logging: Law enforcement, livelihoods and the timber trade*. Earthscan, London. 301 p.
- Vatn, A. 2005. Rationality, institutions and environmental policy. *Ecological Economics* 55: 203– 217.