

## CHAPTER IV

### HISTORICAL PERSPECTIVES OF NTFP DEVELOPMENT AND MARKETING

We cannot adequately understand the dynamic role of NTFP in either local communities or markets without tracing historical context. We cannot make sense of local NTFP utilization and managerial patterns and practices without exploring history. Therefore, this chapter will cover the history of national and local market as well as local utilization practice of NTFP. To achieve this, four phases has been divided based on local and Chinese political-economic context. First is the period prior to the establishment of the People's Republic of China. Mao's collectivization is the second phase, which profoundly impacted on people's marketing and management practices. The third phase begin with the initiation of "Opening and Reforming" by Deng, which is the landmark for the commercialization and globalization of NTFP. Finally, the last phase consisted of the establishment of Nuozhadu Nature Reserve.

However, NTFP, as I reviewed in literatures (see chapter II), encompass a number of species and varieties. The species that were commercialized or the varieties the people involving in their management and utilization vary over a temporal and spatial context. This thesis, which takes local context into account (in term of both economic and ecological context), focused on bamboo shoot and resin. Of course, other kinds of NTFP such as mushroom, honey and so forth were also mentioned in order to present a holistic picture of the utilization and management of local NTFP.

#### 4.1 Huibinhe Community and NTFP Utilization before 1949

The Huibinhe community, as expressed by the elders, existed a long time ago. According to a village legend, there were 99 households in the village 500 years

ago. It consisted of all Akha (Hani) people, who practiced shifting cultivation for growing dry rice. Nowadays, the villagers may sometimes dig out the Akha's farming tools, and one kind of unique tools of Akha for spinning in their field. The time that the Akha people lived was also the same that time the village was named. According to the village tale, at that time, Akha people used to go to trade their surplus at a certain place. However, each time when they were on their way to the market, they were met by robbers. Sometimes, their cargo would be robbed; othertimes they would fortunately escape from the event. But, whatever the case, they had to go back to the village and get rid of trading. That is what "Hui" mean. It is means "be back". In addition, because the village is located near Langchang (Mekong) river, it implies what "He" mean. In Chinese, "He" means river. Hence, the name of the village—"Huibinhe" was formed meaning "come back to the river".

However, there are no written records for these stories. Nobody knows any more than this. For example, what kinds of products the Akha traded, and why there are no more Akha people even their offspring in Huibinhe community now. One elder who is Han people said the 99 households had migrated to Xishuangbanna, but he does not know when and why. Nonetheless, from those stories, we can see that even though there is no so-called "market"<sup>1</sup>, a great deal of trading activities were taking place 500 years ago. Moreover, the trading activities in rural China are usually held in certain places<sup>2</sup> which are within reach of the surrounding villages so that villagers can easily go to trade their surplus such as rice, livelihoods, fruit etc. The rural people go to this place regularly, based upon local calendar, whatever present time or before. The "indigenous market" may not have legal legitimate currency, but, via local consensus currency, in the form of chicken, or certain weight

<sup>1</sup> Currently, when people are talking about "market", they always refer it as "Capitalist Market", which is based upon using currency or "printed currency" as the mediators for exchange, and mostly market activities are conducted in accordance to "price-based" mechanisms.

<sup>2</sup> In present local term, this kind of place called "*jishi*"; "ji" means together; "shi" means market (the place). The people go to this "*jishi*" for trading called "*ganji*", which means "go together". However, currently, when the people are going to "*jishi*", they do not say: "I will go to *jishi*". Instead, they say I am going to "*ganji*". Therefore, it infers that there are no such a term "shi" or "market" in local society before. But "*ganji*" is mean go to trade and people come together for trading. Hence, the place itself this is not significant. Rather, the *people come together* is more

of rice and so forth, the exchange can be operated too. Sometimes, the trading can be also conducted via bartering.

According to written records, the Huibinhe community began in 1945 with 8 households, which incorporated with 1 Han, 1 Dai (Thai), 1 Yi household and 5 Lahu households. They cleared the forests to cultivate dry rice. Later, when more Han and Yi people who were from Chuxiong<sup>3</sup> came in, most Lahu people migrated to another place to establish a Lahu village, which was closed to Huibinhe. Some Lahu people (mostly women), who were married to Han or Yi people, remained in Huibinhe. Now, they do not call themselves Lahu, and instead, changed their ethnicity in accordance with their husbands. People is co-living together in Huibinhe, whoever Yi, Han or married Lahu women. Moreover, the community members also get along well with the Lahu people who had emigrated, and keep good relative-relationship up until the present day.

At that time, there were no landlords or tenants in the Huibinhe community. Ownership of land claiming depended on by who cleared the forest in that area. The clearers would set up hedges in order to keep animals away on the one hand, and to make distinctive mark to claim ownership on the other. Though, these claims are not officially recognized, since there was no legal legitimate government<sup>4</sup> in China at that period. However, villagers tended to leave some parts of forest near their house, which were perceived as private. The most forests are communal owned. Whoever wants to clear the forest for cultivation or cut it down for constructing house needed to get permission from the headman who is Han people and a traditional doctor. At that time, the principle was simple, which is that people was not allowed to clear watershed forests and the clearings may not hamper other people's production activities.

---

important to increase "supply" and "demand" to complete trading activities.

<sup>3</sup> Now, Chuxiong had been established as Chuxiong Yi People Autonomous prefecture.

<sup>4</sup> That time was civil war in China.

The villagers had already begun to utilize NTFP at that time. But, nobody was involved in NTFP trading, because of several reasons. First, there are no roads connecting the village with outside, even up until today. Second, because of food insecurity, they would like to spend most of their time in farming; and when they did gather NTFP, people consumed them by themselves for subsistence. Third, as an elder who was interviewed said, it was also because nobody would buy this kind of products or exchange goods with their NTFP, if they brought this kind of products to “*ganji*”. Most forest-dwellers believed that the NTFP could be easily obtained from forest, and there was no outside demand for them at that time anyway. Therefore, the NTFP were not commercialized.

Owing to the rich bamboo forest covering in and around their village, the villagers had already started to practice bamboo shoots gathering and processing for self-consumption. For fresh bamboo shoots, they cooked it with rice, corn or other types of food. Because of the low productivity of rice and corn, bamboo shoots became a major source of nutrition. The mixture of bamboo shoot and rice became their main food at that time. To process it, people would preserve it salt with chilli and other seasonings. This reserved the bamboo shoots for a long period of time. And this kind of processed bamboo shoots was also used for self-consumption. Besides, people would collect some mushroom and honey, which were not for trading as well. Various leaves and grass were extracted as fodder to feed to their pig or chickens. In addition, since there is a traditional medicine man, who has been respected as headman of village by both Yi and Han, he also gathered some herb medicines to treat people free of charge. For commonly known plants, he would order the patient or his/her family to extract those plants. Then, he arranged the whole treatment. However, in addition to bamboo shoot, another NTFP—resin on which this thesis focused, did not start to be extracted at that time.

#### **4.2 Collectivization Policy and NTFP Utilization**

In 1949, when the People’s Republic of China was established with Mao as the

chief of the leading group's policy, China underwent a radical transformation, in terms of mode of production. The most remarkable policy concerned the redistribution of land from landlord to landless. It enhanced the poor peasants' access to the land and forest, regardless of ethnicity, race, and gender. In the other words, the poor peasants were treated equally in order to attain "classless" society. In contrast, the rich and private capitalist's estates were subjected to expropriation. In addition, to incorporate "revolutionary force", the policy claimed all the people in the territory belonged to "Chinese great family", regardless of their ethnicity, race and gender. Later, it was the stage of issuing citizenship. These kinds of policies, especially land reform, however, did not have profound impacts on Huibinhe community, since there were no landlords there and no quite differences regarding land access and individual estates among villagers. With respect to forest, although the communist party claim the ownership belong to the "people", which collectivized the forest belongings, the villagers still practice their customary tenure arrangement. Most people were aware of the abstract term "collective". However, in their points of view, there are no quite differences from their past practice, since utilization of forest was still under the supervision of the headman.

Simultaneously, the establishment of the People's Republic of China introduced new political-economic administrative structure. To abolish what Mao called "semi-feudal and semi-colonial" political regime, the Party formulated mixture system of election and appointment. In Huibinhe, as villagers promoted and voted, the traditional headman became the "new" headman of Huibinhe under new political-economic structure. According to official classification, Huibinhe is a natural village under the administration of the Cizhulin Administrative Village, which consisted of 6 natural villages. In terms of mode of production, Huibinhe was regarded as one "production team<sup>5</sup>", which was incorporated into Cizhulin "Great Production Team"

---

<sup>5</sup> It was formulated in accordance to unit of production, which is based upon the natural village-the village settled naturally.

with 5 other production teams. Moreover, Cizhulin Administrative Village was politically and economically controlled by Langcang County<sup>6</sup>.

Under that new political-economic structure, all products were owned communally at the natural village level—Huibinhe community. The surplus should be offered to the Cizhulin Administrative Village for redistributing among the 6 villages or transporting to outside. In addition, since that period was Mao's "Central Planning" economic era, Cizhulin Administrative Village also planned the production activities for Huibinhe and 5 other villages in response to the plans of higher level. However, Huibinhe was subjected to food insecurity up until 1977. Thus, there were no agricultural surpluses delivered to Cizhulin Administrative Village. Besides, owing to no road until now, few crops were transported into Huibinhe at that time. Therefore, before the 1960s, Huibinhe's production activities were subsistence mode and "self-reliance".

Within this political-economic system, there is another rural economic organization that should be pointed out---Public Trading Association (PTA, *gongxiaoshe*), which played an important role in rural trading during the period of "Central Planning" economic era. PTA was a state-owned trading enterprise in rural Chinese society, which were administrated by local government at each administrative levels---administrative village, township, county, and so forth. The obligation of PTA was to act as the bridge to connect rural villages with the outside in terms of economy. Peasants might buy most farming tools, fertilizer, and other essences for daily use from PTA. In turn, farmer's surpluses could be also only purchased, and then sold to other areas by PTA. Hence, at the period of no-market oriented economy, PTA was such an important mediator in operating exchange between rural and urban or among rural areas.

Under the political circumstance of collectivization, the land and forest were owned by the Huibinhe production team. The villages had equal access to land and

---

<sup>6</sup> In 1990, Cizhulin Administrative Village had been delineated to Simao city.

forests. Along with population growth, individuals converted numbers of forests into land during the years 1962-1964. However, these clearing activities still required permission from the headman. At this time, people were cultivating dry rice and corn, but were still facing with food insecurity. Therefore, during 1973-1975, with the support of the local government, 35 Mu forest were converted into land to solve food shortage problem. In 1979, the villagers cleared a great deal of forest once again for the cultivation of dry rice. Moreover, the villagers were also all involved in hunting.

For the utilization of NTFP, in this period, even though there was no market-oriented economy advocated, some NTFP were commoditized. The most obvious and extensive product were the bamboo shoot. As the elders said, people liked to buy some industrial products, such as knives, hoes and other farming tools, particularly salt, from PTA. Therefore, people had to sell their products in exchange for cash. Because the community was facing food insecurity, they did not have surpluses of rice, corn or other livelihoods to sell. Thus, NTFP started to become a key means of gaining cash income.

In general, trading or commodity chain was organized by PTA. An administrative village's PTA purchased both fresh and primary processed bamboo shoots from the village, then transported to them district PTA, finally sell in Simao city market (see figure 4-1). Villagers did not sell their bamboo shoots individually. Rather, all their contribution would be counted both animal raise and farming harvest which would all belong to a production team, and recorded by the village leader. Then, the food and cash would be distributed according to the records individuals' contributions<sup>7</sup>.

---

<sup>7</sup> The contribution are called "gongfeng", which means the labor cost of work. It is the unit for

**Figure 4-1: Commodity China of Bamboo Shoot  
in “Central Planning” Economic” Era in Simao**

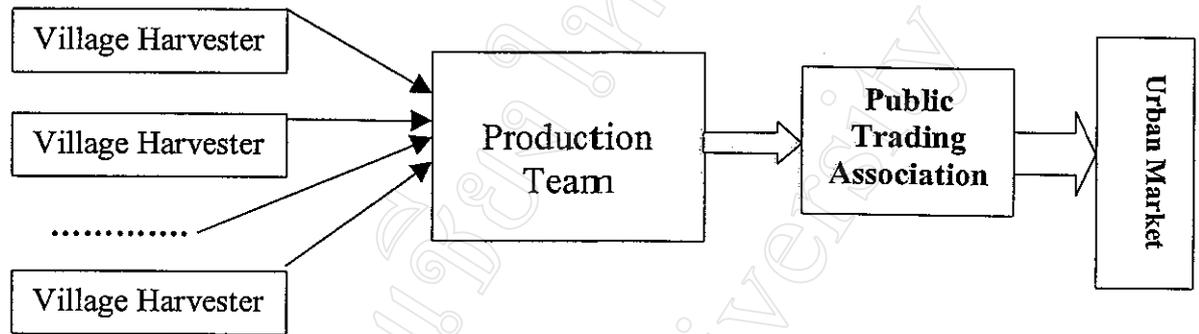


Figure 4-1 illustrates the commoditized bamboo shoot flowing in “Central Planning Economy” Era. It implies the politics’ role in guiding commodity flowing direction. Indeed, the guidance of commodity flowing direction always associated with its influences in price system. In this period, no bargaining activities were carried out on agricultural and forest products for either price or quality. They were instead determined by the Simao Planning Department of Prefecture. Furthermore, owing to the slogan “Supporting Industrialization and Urbanization<sup>8</sup>”, the price in fact was determined to advantage urban and industrial sectors for reducing cost of industrial production. Hence, the development of urban and industry in China was more or less at expense of rural society. According to village elder, the price of fresh bamboo shoot in 1952 was RMB 0.05/kg, which was the purchasing price set by Simao Planning Department of Prefecture, and fulfilled by the PTA. And the classification of quality had been made into three grades based on the color, length,

---

calculating the cost of labor.

<sup>8</sup> By borrowing Soviet Union’s mode of development, the central government overemphasized on industrialization and Urbanization, which stressed on the development of “Heavy Industry”. Further, after “Reforming and Opening” policy, the phenomenon can also be observed from of “Grain Price System”, which is favorable to urban and industrial sectors (see also Ke, 1992 for this critiques). However, this policy does not impact grain product only, but all rural products, which is the discrimination of rural production.

and percentage of woodization<sup>9</sup>. However, those classifications were conducted by direct observation.

For the NTFP utilization practice, therefore, the people's trading practice adapted to this structure. In Huibinhe, at that period, the village headman gathered the bamboo shoot from individual, and delivered them weekly to Cizhulin PTA. The frequency of trading depended on the harvested quantity. Meanwhile, the headman recorded the individuals' contribution, and after the bamboo shoots were sold, the money was distributed, according to the records. However, bamboo shoot wooded very fast after harvesting, which would undoubtedly affect the price. Hence, the villages would collectively go to harvest in order to have an appropriate quantity for trading. Those activities were carried out infrequently, and would be performed once or twice a week.

Besides, because of food insecurity, bamboo shoots were still cooked by mixed with rice as the main food. Thus, the people did not like to sell their products much, instead of self-consumption. Most of the income from the sale of bamboo shoot was spent on buying salt, which implies that only a small amount of bamboo shoot were commoditized. In addition, people still process bamboo shoots by preserving it salt with chili and other seasoning for self-consumption. And no bamboo products either fresh or processed were sold via "*gangji*". Other NTFP such as mushroom, honey, medicine, fodders and so forth, which the villagers collected, nonetheless, were also not commercialized. Similar to the period before 1949, there were no people gather resin. In short, Even though the PTA introduced the new opportunity for commoditizing bamboo shoots, there are little changes in people's utilization purposes, patterns and practices of NTFP.

In 1977, due to people's constant efforts in farming, Huibinhe community

---

<sup>9</sup> It is the measure of how many percent of bamboo shoot has been converted to wooded shoot after harvesting.

started to eat rice as the main source of food without adding bamboo shoots<sup>10</sup>. The growth in agricultural productivity, particularly rice, also led to people diversifying their source of income generation. In the other words, since their food shortage can be solved by growing rice, people have more flexible time. However, to richen their food structure and components, there are a few people involved in commercializing forest products. Beside to the way to sell bamboo shoots to PTA, there is no alternative way to gain income from commercial NTFP. Most of these products still contributed to their nutrition demand.

Moreover, people did not urgently engage in extensive harvesting of bamboo shoot for commercial purposes, which are attributed to the following reasons. 1) Harvesting bamboo shoots and selling to PTA required a considerable amount of time and labor with very small returns; 2) PTA as the only channel for trading bamboo shoot was geographical inconvenience to Huibinhe community; 3) There are no flexible opportunities for commoditizing bamboo shoot; and 4) villages tended to spend more effort in maintaining and enhancing their food security.

To summarize, collectivization policy indeed had impacts on people's pattern of production. Yet, these impacts were concentrated on agriculture and timber production, and only few amount of NTFP was commercialized. NTFP therefore is "invisible", in term of its contribution to commercial and industrial sectors, and ultimately region economy, in official perspectives. Therefore, there is few officials drawn attention to NTFP. However, its harvesting practice was going on long time ago in locality and was significant to local livelihood. In the case of Huibinhe, NTFP played a key role for their food source, which cannot be ignored, even though officially it is "invisible".

---

<sup>10</sup> In Chinese context of habits for eating, particularly in the South of China, if people have enough rice to eat as main source of food, emotionally, they feel that they have food security. In the contrary, even though people have enough food to eat, which may mix rice with other, such as corn or bamboo shoot, as the main source of food; people may still feel that they are facing food insecurity. In the North, people consider wheat as the main source of food.

### 4.3 NTFP Trading and Management after “Opening and Reforming” Policy

In 1979, the 11<sup>th</sup> Party Central Committee Resolution started to adjust the radical and extreme socialist development model. It also became the landmark of breaking down collectivization by establishment of the “Household Responsibility System” in agricultural sector. Hence, after three decades of collectivization policy, particularly in the Culture Revolution period of pure collectivization, China underwent a period of agrarian transformation which were led by the changes of agricultural land tenure system. The initiatives of re-structure in Deng era, consequently, led to the promotion of agricultural production (see Chapter I).

In practice, the transformation of tenure system was implemented in 1982 in Huibinhe community. In the other words, Huibinhe villagers signed the contract of “Householder Responsibility System” in 1982 which was 4 years after this system launched. To ensure the equity of land redistribution, a sum of collective forest in this community was converted into agriculture land during 1981-1982. Undoubtedly, “Householder Responsibility System” is incentive for villagers’ production, which can be evidenced by people’s absolutely getting rid of food insecurity and resolving clothing issues at both macro and micro levels. As the village headman said, the incentive of “Householder Responsibility System” mainly came from the mechanism of decentralization, since it provided a flexible space for each household to make decision in their production arrangement.

Moreover, since the redistribution of land is based upon the population of each household rather than treating household as the unit. This policy assured each household had enough land to feed its people, and aiming to achieve equity in land allocation. Additionally, this policy also led to the fixation of land use in the sense of agriculture land. In the other words, legally, there are no activities for conversion of forest to agriculture land that could be carried out without the permission of the Prefecture Forestry Bureau.

Besides that, restructuring activities in term of forest policy in 1982 was the “Forest Tree Fixing” (*Linye Sanding*). It explained that 1) the boundaries between state forests, collective forests, and nature reserves needed to be clarified; 2) freehold forest land (*ziliushan*) needed to be allocated and secured to farmers; and 3) the responsibilities, rights, and benefit from forestry for both households and villages needed to be clarified (Zuo, 1995; Su, 2001). Therefore, the implementation of this policy was the clarification of forest tenure system. The people in Huibinhe community in general have been allocated from 5 up to 7 Mu of land per household, which vary in accordance with the size of the household. Moreover, the policy also clarifies the collective forest of Huibinhe community.

However, the changes of tenure system did not have heavy impacts on people’s practice of NTFP extraction in Huibinhe community, initially. Issuing title for either collective forest or freehold forest land as well as the delineation of state forest did not restrict people’s access to NTFP, which could be attributed by officials’ neglect of NTFP. At that time, even villages’ did not have the sense of NTFP property rights in intra-community, which means people can gather the NTFP in the area which belong to the community without differentiation; in the contrast, villagers were aware of the inter-community property rights, which mean the practical or routinized boundaries of inter-communities. It is followed the traditional forest distribution arrangement. In other words, whatever it is state forest, collective forest or freehold forest, people can gain access to collecting NTFP, as long as this the forest belong to the community in traditional practice. By the contrary, people could not access to NTFP in which other community practically owned whatever it is state, collective, or freehold forest. Notably, since initially “Opening and Reforming” policy did not open market opportunities to the west (see Chapter I), NTFP indeed did not be extensively commercialized.

Thus, forest policy in fact at the early period of “Opening and Reforming” emphasized on the tree (timber) in term of forest management. That is why there is no associated NTFP policy with it. Officially, NTFP was still regarded as “invisible

products”. Due to that, there is a great deal of space for local informal or traditional institutions to play. Yet, we should know that west region did not have much market intervention at that time, because of “prioritizing coastal development” (see Chapter I). That is why local institution still may fit the circumstances.

In 1990, it was the year market start to be widely opened in the west. It was also the time that NTFP started to play a role in rural economic development. Meanwhile, the products which people gathered were also diversified in response to market demands (see table .4-1)

**Table 4-1 NTFP Collected by Huibinhe Community**

Scientific Name	Common Chinese Name	Common English Name	Percentage of marketed
Dendrocalamus Membranaces	Zhusun	Fresh bamboo shoot	98%
Mainly Musa Sepcies	Shengchusiliao	Fodder	0%
Pinus kesiya	Songzhi	Resin	100%
Phyllanthus emblica, Docynia Delavayi, Syzygium Cumini, Diospyros, etc.	Yeshengshuiguo	Wild Fruits	50%
Callipteris esculenta, Poly	Yecai	Wild Vegetable	20%
Asparagus cochinchinensis, Ganoderma lucidum/ sinense, Eudia simplicifolia, and many more	YaoCai	Medicine	90%
Lactarius delicious, auricularia auricula, Termitomyces albuminosus, etc.	Junlei	Edible fungi	70%
Apis species	Fengmi	Honey	50%
		Insects/ larvae	50%

Source: Discussion with villagers in 2001

Table 4-1 shows a great variety of NTFP people extracted for commercialization. Indeed, Varieties such as bamboo shoots and resin are extensively commercialized via various market channels. Moreover, the products

such as medicine and wild fruit can be mainly sold when people go to “*gangji*”. It also infers the market intervention on NTFP utilization.

Moreover, 1990s were the time which central government tended to tackle down so-called “coastal experience” of “Opening and Reforming” to the western and central China. The activities associated with not only the decentralization and deregulation of market institutions, but also the technology and business skills, which were introduced to western and central China. To improve business skill, the government provided more flexibility for cross-provincial and regional business activities. A considerable number of businessmen traveled to the west for discovering and promoting the potential resource for commercial purposes in the west of China. Meanwhile, there was also an increase market demand in the west. The combinations of these factors led to the diversification of NTFP collection and marketing. For this point, I would discuss it through two kinds of products—bamboo shoots and resin, as the emphasized products of this thesis.

Prior to market liberalization, bamboo shoots were marketed via PTA before market liberalization. Presently, there are various and multiple channels for selling bamboo shoots (detail discussed in Chapter V). Thus, Huibinhe residents do not rely on PTA anymore, but instead face China and even the global market as their huge demand. Since state policy provide flexible cross-province trading, the outsiders<sup>11</sup> came into Yunnan, a province were perceived as inaccessible and remote frontier, in order to bring Yunnan’s rich resource to the outside through trading. In general speaking, the outsiders are advantaged in skill and knowledge of trading and market information, which is owed to their experience with results of the “Opening and Reforming” policy. In particular, they benefit from their previous access to and relationship with other demanders. Furthermore, their knowledge and skill in storage and preservation of fresh bamboo shoot contribute to their achievement in trading in the early period of “Opening and Reforming”.

---

<sup>11</sup> Here, the outsiders refer to the traders come from other provinces. In general, they are businessmen come from coastal regions, such as Guandong, Fujian and Zhejiang provinces.

At the provincial level, the forestry scholars estimated that there are 0.08-0.1 million tons of natural bamboo shoots can be produced within 331 thousand ha natural bamboo forest each year, in Yunnan. However, only less than 10% of these amounts are sold to non-Yunnan provinces and overseas. In other words, the production of natural bamboo shoots in Yunnan only reaches 0.3%-0.5% of the national demand. This figure plus the province's demands would add up to around 1.5 hundred thousand tons. Currently, the total contributions of both dried and fresh bamboo shoot are 24 million RMB. Clearly, there are a number of bamboo shoot should be and can be commercialized further. Nonetheless, the channel for trading bamboo shoot always concentrated on the coastal region, which also attributed to poor development of bamboo shoot commercialization in Yunnan. It inevitably confines the development of bamboo industry.

Therefore, under the recent policies of "Opening and Developing West" and "Green Economy", the government plans to develop the potential of bamboo shoot market. As they designed, by gradual commoditization process, Yunnan's fresh bamboo shoot will occupy 5% of national market in the coming 5 years and 10% in 10 years. Hence, in 5 years, there will be 0.05-0.075 million tons of bamboo shoots sold to non-Yunnan provinces, and in 10 year this amount are expected to rise to 0.1-0.15 million tons, which will undoubtedly play a significant role in Yunnan's economic development.

At the national level, overseas demands for Chinese fresh bamboo shoot are 1-1.25 million tons. However, China supplies only reach 0.5-0.6 million tons, which concentrated on the coastal region. Moreover, the processing manufactures were also invested in coastal region. Broadly, the total bamboo industry contributes 195 billion RMB to national economy, and 5 billion USD to export economy, at present time. Hence, the potential for developing bamboo industry is promising.

Now, let us turn from economic aspect to management issues to understand what happened at the local level. In Huibinhe, the traditional pattern of bamboo

shoot management continued to be practiced up until 1990, even though it is a kind of informal or customary institution to guide people's collecting activities. As mentioned above, under the customary institution, there are no intra-community zoning activities conducted. However, there are clear boundaries among inter-communities, which can effectively exclude the non-community member's access to bamboo shoots as well as other NTFP resources. After the market opened, the economic value of bamboo shoot and other NTFP grew rapidly. As a result, people started to realize that selling bamboo shoot was a good way to make cash income. Therefore, the harvesting expanded quickly, in terms of both territory and productivity.

On the one hand, by taking the ecological context of Huibinhe into consideration, bamboo forests mainly grow in Huibinhe's collective forest, and the state forest which are traditionally controlled access of NTFP by the community. On the other hand, people's awareness was individualized, after market opened. Consequently, people, whether members of Huibinhe or non-members, gather bamboo shoots in both collective forests and state forests. The Huibinhe inhabitants and other villagers tend to regard bamboo shoots as the products out of regulations of "Forest Three Fix". In other words, the property right of bamboo shoots is non-property right or "open access" in state and collective forest in practice; moreover, the inter-community boundaries also disappeared. In contrast, freehold forest land draws great attention to each individual to enforce their property rights. Thus, after market intervention, the zoning activities practically transformed from non-intra-community boundaries with inter-community boundaries, into the only existence of individual own forest boundaries. As a result, the traditional managerial arrangement in both state forest and collective forest were broken down.

On the other side, the forestry authority cannot have sufficient capacity and ability to enforce the property right in state forest, in terms of NTFP. Their attentions emphasized on timber, tree, and treat bamboo shoot as the products was far beyond their domain of administration. The only field they involved in was the collecting

tax from bamboo shoots trading in name of Forest Conservation Fund. Therefore, with the increase economic role of bamboo shoot as well as other NTFP, officials indeed foresaw its value. Nonetheless, since their focus was concentrated on timber and economic value of NTFP without a concern of ecological issues, NTFP were treated as “minor” or “subordinate” forest products. It also led to the policies that concentrated on economic aspects of NTFP development without adequate managerial arrangements.

Regarding the exploring development of resin, we should keep in mind what had mentioned above. That is the “Opening and Developing West” policy associated with the support of technical advocacy and introduction. Resin was not commercialized before 1990, although there have been huge Simao Pine (*Pinus Kesiya var. langianensis*) forests coverage in Simao prefecture. It might partially result from lack of both technology and market demand. Besides, because resin is mainly to be used as chemical industry raw resources, the slow pace of chemical industrialization at the early period of “Opening and Reforming” also hindered the rate of commercial resin development.

In 1990, with the support of Simao Prefecture Forestry Bureau, commercialization resin took place. With regard to their supports, the bureau employed thousands of labors from non-Yunnan provinces as techno-workers to tap resin. In the mean time, resin factories were constructed based upon the principle of “one county, one factory” to ensure an adequate supply of resin. That initiatives aim to commercialize raw resources in Simao, which associated with bundles of regulations in benefit-sharing. 1) Employees have only temporary access right to tapping resin, according to the contract with Simao prefecture<sup>12</sup>; 2) employees are obligated to train local peasant the skill of resin tapping; 3) in state forests, collective forests, freehold forests, employees pay for access respectively based upon their agreements after negotiating with respective owners; 5) The resin have to sell to respective county resin factories; 6) employees should rigorously obey the

---

<sup>12</sup> The duration of contract in general is two years.

regulations of tapping resin (this regulations' detail discussed in Chapter VI); 7) no body can tap resin without bearing the license of resin tapping issued by Simao Prefecture Forestry Bureau.

In practice, at Huibinhe, employed resin tappers gained the access to collective and freehold forest under a 2 two years contract. However, this duration is not the result of negotiation between villagers and employed resin tappers. Instead, the employees signed the contract with the villagers in the name of the forestry bureau. Therefore, there were no bargaining activities about the duration. Besides, the officials also were busy in convincing villagers to accept employed resin tappers to work in Huibinhe's forest. The villagers were acceptable to have employees work in their forest, because on the one hand, they can learn the skill of resin tapping; on the other hand, through rent tapping access, officials might think villagers had learned the skill of tapping resin which can be the evidence to issue resin tapping license. In short, tapping resin can be an alternative way to gain income from their forest in the future.

With respect to benefit-sharing, there were indeed negotiations that took place between employed resin tappers and Huibinhe residents. However, the employees told the villagers that their transition of tappers skill should have payment, instead of complement or obligations. In addition, after two years tapping, they would hand over their tapping tools to the villagers. Both of those were the rent for their access to tapping resin in both collective forest and freehold forest. Subsequently, in the viewpoint of villagers, they thought the tapping skill was so complicated and knowledgeable that tapping training as re-payment for employee's access was reasonable. Besides, they might also gain advance tools for their future tapping. Therefore, this deal for both actors was fair at the beginning.

Nevertheless, half a year later, the villagers realized those so-called "advance" tapping resin skill were not as complicated as they thought, and they might learn it in 2-3 months. Those "advance" tools were also not so expensive as well. But still

they did not think the deal was unfair. According to the discussion with several villagers, this could be because of the following several reasons. First, although the knowledge was not complicated, it was by no means cheap, since villagers were hardly to evaluate the value of this scientific knowledge. Second, the pine tree was only traditionally used for construction of house or timber production without alternatives. After introduction of an alternative utilization of pine tree, resin tapping could be their new sources of income generation. There was a promising future for villagers to wait, which was only two years. Third, the villagers who offered tapping resin access to employed tappers, could easily obtain the license of tapping resin from government for further tapping by themselves easily, because official would view them as well trained farmers. Fourth, they also might learn how to sell their products or marketing experiences by observing what the employees do.

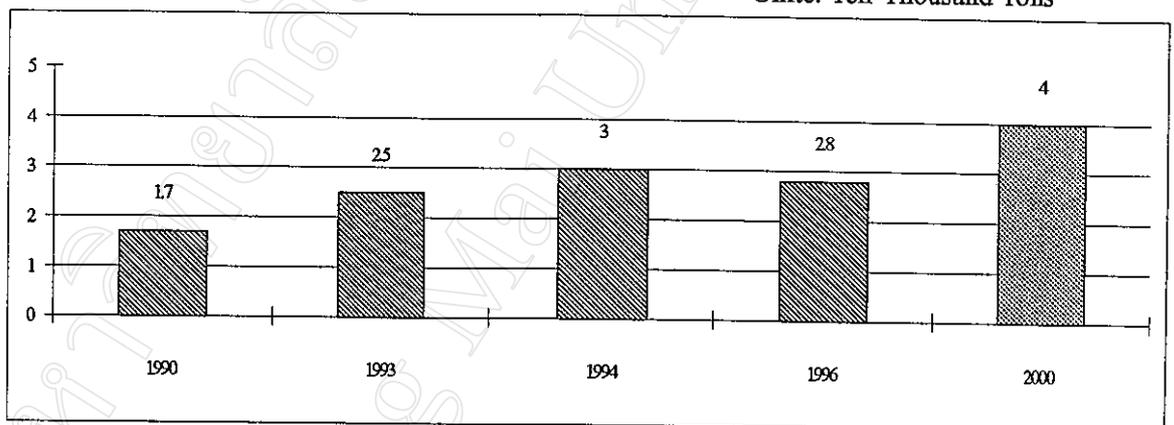
In 1992, Huibinhe habitants finally gained the access to tapping resin. The employed resin tapping had left forest in accordance with the contract. Then, villagers started to perform tapping activities by themselves following resin tapping regulations. Their products were sold to Simao Resin Factory. Hence, although commercialized resin began in 1990, it really contributed to community's economy was in 1992. However, the distinctive contribution of resin tapping to provincial and national economy started in 1990. Along with it development, it played a significant role in not only national and provincial levels, but local and community level.

At the national level, after the 1990s, China became the first of resin production country in the whole world. In the whole world, resin production is annual 1100,000 tons in average; Chinese production is 350,000 tons, which are the 32% of world production. Besides, China is also the main resin export-county in the world. According to statistics, China exports about 200,000 tons of resin annually, which comprises 50% of the world trade in resin. This industry thus indeed play significant role in the national economy.

At the regional level, during phase of the “Eighth Five Year Plan”<sup>13</sup>, Simao become a major region of resin production in Yunnan, with 90% products of Yunnan produced in Simao prefecture. Due to the contributions of Simao, the production in Yunnan also grow rapidly (see figure 4-2). Moreover, in that period, resin production in Simao reached 171,600 tons, which composed of processed pine colophony at 114,400tons, and processed pine tar at 23,000 tons. This industry generated revenues RMB 110 million to the government, export USD 1.6 millions. Furthermore, RMB 190 million were earned by the peasants from their tapping activities. Therefore, the industry became the major project for regional revenue and local poverty alleviation.

**Figure 4-2 Growth Resin Production in Yunnan Province**

Unite: Ten-Thousand Tons



Source: “Studies of Yunnan Resin Processing and Market Exploration” by Zhang Ling, in Zhao et al. *Studies of Yunnan Forest Ecological Conservation Mechanism and Alternative Industry*, 2001. Yunnan Technology Press.

In sum, commercialization and globalization of NTFP took place in different process, which associated with different impacts on local level, when compared bamboo shoots and resin. However, it is clear that commercialization of both products indeed benefit a lot to local, regional and national economy. To summarize, here, I present several issues in regards to this commercialization and globalization happen at the first place of “Opening and Reforming” policy in comparison between bamboo shoot and resin.

<sup>13</sup> “Eighth Five Year Plan” is the national development plan, which started in 1990 and ended in 1995.

Firstly, regarding bamboo shoots, state forestry policy in term of tenure arrangement did not initially impact on local bamboo shoot management practices. However, market intervention indeed had impact on local bamboo shoots management as well as trading and utilization. The implications of those impacts are state imperfect tenure system and the broken down of local traditional collection practice of bamboo shoot. In the case of resin, since there was no resin tapping activities carried out traditionally, commercialization of resin gathering in term of tenure system was followed by traditions forest distribution (discussion in Chapter VI).

Secondly, commercialization and globalization of NTFP process was conducted with the “support” of external forces, particular the force and support came from non-Yunnan province when comparing both bamboo shoot and resin industry development. However, due to the externality having advantages of access to different source, they in fact got a lot opportunities and benefits. In case of bamboo shoots, since the “outside” traders controlled the access to external market and have access to external demanders, they indeed controlled Yunnan bamboo shoot commercialization and globalization process at the beginning. In case of resin, the employed resin tappers earn their benefit through their control and access to knowledge, and eventually they gain the access to forest, at the beginning. Here I emphasis that is only the beginning phases of commercialization and globalization, because current situations are deferent, particularly regarding the access and control of market and knowledge, which will be explored in the coming chapter.

Thirdly, even though NTFP started to play an important role in local, regional and national economic, and even though government also has promoted in the development NTFP, NTFP were still treated as “minor” and “subordinate” forest products. It also might result from government overemphasis upon the economic role of NTFP, with little concerning ecological issue. That was also a reason why there were few policies associated with NTFP commercialization and globalization process. In particular, the managerial and institutional arrangement was still vacant.

#### 4.4 Utilization and Management of NTFP after Establishment of Nuozhadu Nature Reserve

In 1997, in response to national and global agenda of environmental conservation, the Nuozhadu Nature Reserve was established. The nature reserve is located at in the south Yunnan's tropical region, in the limestone uplands of the dry and hot river valley of the Lancang (Mekong) river, and covers a total area of 21,680 ha. There is no zoning of core, experimental or buffer zone<sup>14</sup>, and official relocation activities conducted. According to Nature Reserve Managerial Regulations, Nuozhadu Nature Reserve was to be classified as provincial rank nature reserve. Lancang River splits the Nature Reserve into two parts, one part is located in Simao City (county), and another is located in Lancang County. Main vegetation types are: warm-hot coniferous forest, monsoon evergreen broadleaf forest, warm bamboo forest, semi-humid evergreen broadleaf forest, deciduous monsoon rainforest, and warm and dry shrubs and grasses.

8 villages are located entirely inside the Nature Reserve; Huibinhe is one of these, which located in Simao city (county) part. Almost 65% of the population settled in the nature reserve are ethnic minorities, including Lahu, Yi, Wa, Hani, Hui and Bulang people. They either reside alone or co-reside. Nonetheless, the villages all have their traditions in forestry management and NTFP collection. The establishment of Nuozhadu Nature Reserve in fact cause a deal of impact on local communities in forest utilization, agriculture system and NTFP collection, ultimately impacted on people's livelihood, although the land and forest tenure system do not changed much, according to official Nuzhadu Nature Reserve Establishment Documentation 1996.

---

<sup>14</sup> In China, the zoning of Nature Reserve are composed of a core area and an experimental area. In the core area only scientific research can be carried out, and all other activities are forbidden. In the experimental area, scientific research, education practices, tourism, domestication and cultivation of rare animals and plants are allowed (Chinese Forest and Wildlife Nature Reserve Management Regulation, 1985). Besides, the Yunnan Nature Reserve management regulations add a third zone within the nature reserve boundaries, called buffer zone. In the buffer zone, scientific research and observations are allowed, but any productive establishment are forbidden.

In term of forest land, thus, state forest, collective forest and freehold forest co-existed after the nature reserve establishment, which are based on the “Forest Three Fix” and “Two Mountain System” policies. However, since those forests are incorporated into the nature reserve, both conversion of forest to agriculture land and cutting of forests are banned. Besides, in 1998, the government also launched out Hunting Ban, subsequently, residents’ guns were subjected to expropriation. It is clear that establishment of the nature reserve restrict a considerable source of income generation within local community. Since settling in the mountain rather than plain with good irrigation system, villagers cannot depend upon commercial farming to improve their livelihood. The people therefore continue their production depended on the forest. However, under the new conditions, the villagers should adapt the production pattern in response to both establishment of nature reserve and market reform.

As mentioned in the third section of this chapter, since introduction of tapping resin, the logging or dependence on timber production had been reduced. Instead, the local people already had alternatives way to utilize the forest, which is commercial NTFP. In fact, due to the establishment of Nature Reserve and launching hunting ban, NTFP became a more and more important part of local livelihood strategies. According to my field survey and previous 1999 PRA report which were conducted by Provincial Forestry Bureau, villagers<sup>15</sup> collect 782,008 kg of bamboo shoots per year. 725,499 kg of these are commercialized, and 56,509 kg are for subsistence. Besides, 133.72 tons of resin is gathered; 7071 kg of various edible mushroom is collected; 8579 kg of medicines is extracted. Clearly, utilization of NTFP plays a key role in local livelihoods strategies.

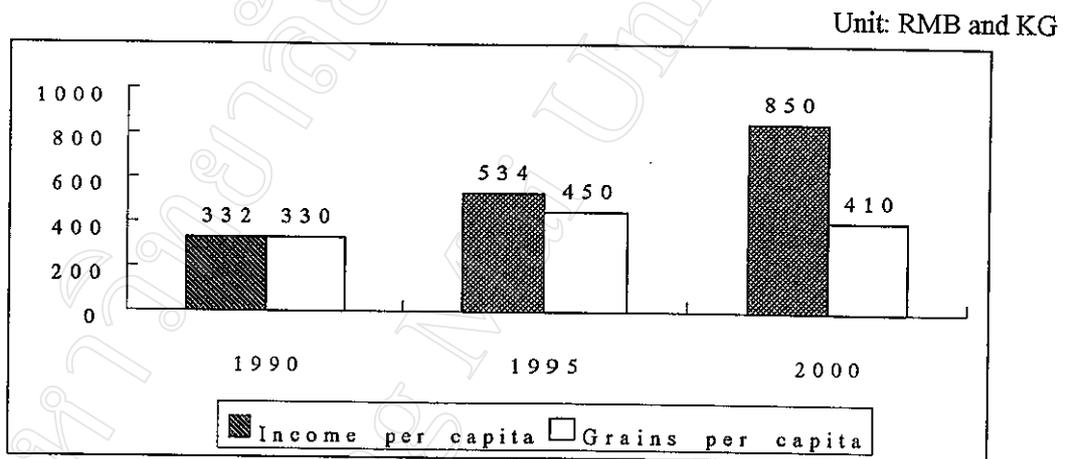
In Huibinhe community, NTFP collection has become the more important since the establishment of Nuozhadu Nature Reserve. According to local nature reserve station report, residents in Huibinhe gather 800kg bamboo shoots, 350 kg of resin,

---

<sup>15</sup> Villagers stands for the residents in 8 plot villages that are conducted PRA by Provincial Forestry Bureau. Huibinhe community is one of them.

and 15 kg of honey per household per year in the average. Hence, commercialization of NTFP generally excess 80% of their cash income generation; and there are RMB700 come from NTFP utilization per capita in average. Keeping those figures in mind, the below figure attempt to demonstrate the growth of Huibinhe income and the grains production per capita, in order to clarify the role of NTFP utilization in local economy.

**Figure 4-3: The Growth of Income and Grains Production Per Capita From 1990 To 2000**



Source: Annual Villages' Statistics

Figure 4-3 clearly shows that the growth of Huibinhe community income and grains production per capita. From 1990 to 1995 is the period when market reform started; therefore, both income and grain production have a dramatic increase. As mentioned above, at this phase, resin a main NTFP utilization by local people was only fully controlled by villagers after 1992. Thus, although there is a great growth of income, it compare to the stage between 1995-2000 is still low. On the other hand, at the phase between 1995-2000, although income increased rapidly, the grain production had declined. It might be partially result from the establishment of the nature reserve, a conversion of forest to agriculture land had been banned. Notably, the villagers did not extensively engaged in husbandry before 2000. Thus, combining the figures of income percentage of NTFP contribution in local income

generations, it is clear that NTFP are increasing its role in the local economy, after the establishment of the nature reserve.

With the increasing role of NTFP, particularly, after the establishment of the nature reserve, local government was aware of it, which can be understood by the growth official involvement in not only market or economic management, but also resource management. After 20 decades of market reform, some officials have also recognized the negative impacts of market on NTFP utilization, which consequently accompanied with several regulations and policies launched at the local level (discussion detail in Chapter VI).

Moreover, in term of terminology, local officials' term had also been changed in accordance with the increasing concerns about NTFP. The establishment of the nature reserve also have to be conducted by numbers of external experts, scholars and foresters to clarify the foundational conditions of the nature reserve, included both ecological and social condition. Most experts, scholars and foresters had all been influenced by foreign terminology and theories. Therefore, they introduced the terms of NTFP (*feimucai linchangpin*) and NWFP (*feimuzhi lingchangpin*) to the local officials. As a result, the terms "subordinate forest products" and "minor forest products" was replaced. From the most officials' viewpoint, they also recognized the term "subordinate forest products" and "minor forest products" were unsuitable to categorize this kinds of forest products in term of both ecologically and economic, as compared with NTFP or NWFP. Therefore, in most official documents, and all academic literatures, the term "subordinate forest products" and "minor forest products" disappeared. However, in local peasants viewpoint, they do not have the categories of timber products and NTFP; instead, all the products had been treated as the whole products which are extracted from forest. Therefore, the term NTFP or NWFPs is more official and academic category concept rather than local one.

### Summary

The chapter presented a historical perspective of NTFP development and marketing. Firstly, the history of Huibinhe community before the establishment of People's Republic of China has been described. The Huibinhe has a long history, which can be evident from the changes of the residents' ethnicity. Since it is a "remote" and "isolated" community and most residents are migrated, landlords did not exist. Instead, the ownership of land claiming based upon the labor investment in forest clearing. The forests were controlled collectively without highly differentiation among the villagers, but there were *de facto* boundaries between inter-communities, which was guided by local traditional authority structure. In term of NTFP utilization, there was diverse products had been used for subsistence. For their subsistence use, villagers had their traditional knowledge in preserving fresh bamboo shoot. Few amount of the products had been bartered in "gangji". Even though there was no capital market effect the people's trading or bartering, at that phase, in fact "market" existed. The "market" was not a place, but it is the period when supply meet the demand. Therefore, "market" is seasonal or temporal articulation between supply and demand. In addition, owing to food shortage, NTFP, bamboo shoot in particular was so important for local livelihood strategy and subsistence. Thus, the bamboo shoot indeed did not commercialized yet at this stage. In comparison, resin did not be both gathered and commoditized as well. In general, NTFP were treaded as "invisible products" officially.

Secondly, it is phase of Mao's collectivization period. The state building process associated with the making of local authority. In order to promote the harm friendship within this multi-ethnic nation, state integrated the local traditional authority structure into socialist structure. With the recognition of traditional authority structure, the collectivization process was the process of integration, in case of Huibinhe community. As a result, the community still continued their NTFP utilization in term of managerial arrangement and practices. Subsequently, there were no changes in NTFP resource access and control. Nonetheless, this integrative process also introduced the idea of NTFP marketing, and consequently, there was

“central planning” commodity chain of bamboo shoot emerged. However, because remote to local commodity collection site, there was only a small amount of bamboo shoot was sold via this “central planning” commodity chain. On the other hand, it might be also result from the food shortage. Thus, the people opted to self-consume bamboo shoot rather than trade it through this politicized commodity chain. The few commoditized bamboo shoot was exchanged only for some industrial products. In practice, the villagers also practiced their trading activities via “*gangji*”. The resin, at this period, was still uncommoditized, and there was no any gathering activities of it conducted as well. Therefore, NTFP indeed still play the major role in subsistence of local livelihood. Yet, owing to officials’ focused on timber production, NTFP still were regarded as “invisible products”.

The third stage is “Opening and Reforming Market” in Deng’s era. Accompanied with implementation of “Household Responsibility System”, “Two Mountain System” and “Forestry Three Fix” policies were launched out. However, although those policies changed the forest tenure system, they did not initially have heavy impacts on NTFP tenure system. It might be partially resulted from light market intervention, due to “Coastal Development Priority” policy. Along with the deeply reforming, market started to impact on local NTFP managerial arrangement, which began at the end of the 1980s. Consequently, the traditional patterns were broken down. With the motivation of market, whatever inter-community boundaries or intra-community boundaries in term of bamboo shoot resource tenure system were ignored in practice. Regarding commodity chain, it was organized mainly by non-Yunnanese traders. Since the non-Yunnanese’s access to knowledge of trading, relationship with external demanders, they had fully controlled this chain. For the villagers, due to the resolution of food shortage, commercial bamboo shoots began to play a role in local income generation. Thus, with the flexibility of market structures, local people was apt to sell more NTFP for cash income. In comparison to bamboo shoots, the commercialization process of resin are also conducted and introduced by non-Yunnanese. Owing to their access to knowledge in resin tapping, non-Yunnanese gained the access to resources in the first two years of

commercializing resin. Besides, tapping resin as the poverty alleviation strategy introduced by government, and the commodity chain were guided by the officials. Therefore, commercializing NTFP indeed improve local livelihood, but it could not be carried out without external interventions. However, there were also negative impacts on local NTFP management associated with commercialization process. In addition, within the growth role of NTFP in local, regional and national economy, officials and scholars start to use the terms “subordinate products” or “minor forest products” to distinguish NTFP from timber.

Finally, I explored the period after Nuozhadu Nature Reserve established. After the establishment of the nature reserve, not only nature reserve management regulation, but also hunting ban affect local communities. However, the formal tenure system did not be changed in term of both forest and agriculture land. The NTFP utilization thus did not change much. Under this circumstance, NTFP became more significant for the forest-dependent residents. In Huibinhe community, commercialized NTFP play a major role in local cash income generations. Therefore, in the protected areas, NTFP is so important to develop local economy. However, this process might also lead to environment issues. Moreover, by introduced terminology and their self-recognition of NTFP’ role, officials, scholars and foresters replaced the terms “subordinate forest products” and “minor forest products” by NTFP or NWFP.

Historical perspectives described in this chapter aimed to present the context of NTFP utilization and management in current period. This chapter also provided NTFP’s role in multiple levels—local, prefecture, provincial and national. To link these multi-levels, in the next chapter, commodity chain will be mapped.