

## **CHAPTER II**

### **LITERATURE REVIEW**

Community-based natural resource management (CBNRM) has become the hot issue advocated by many scholars and project donors recently. What is the community, and how does it really work in local resource management? This chapter presents this theoretical background by reviewing the relevant literature for the study: (1) institutional sustainability for community-based natural resource management; (2) legitimation of power.

#### **2.1 Institutional Sustainability for Community-based Natural Resource Management**

The past several decades study and practice on natural resource management has emphasized the economic sphere, that is---- industrialization, monetization, and production to feed humanities' material needs. In this paradigm, people have ignored the local community's role in resource management or thought of the community as primitive or underdeveloped. In early economic development, the state was assigned a key role in resource management, correcting market failures. However, some scholars argue that where nation states have stepped in to control natural resources, particularly forests and rangelands, inefficiency and short-term profit seeking by the state have caused rapid deterioration. So the neo-liberal counter-revolution brought a dramatic shift. The state come to be seen as a barrier, and promoted market liberalism as the most efficient mechanism for resource management in terms of economic development. Privatization of resource has been seen as the main support for this idea. But unfortunately privatization of resources has caused similar environmental and social disruptions (Mohan & Stokke, 2000).

The poor conservation outcomes that followed decades of intrusive resource

management strategies and planned development have forced policy makers and scholars to reconsider the role of the community in resource use and conservation. Images of successful intact resource-managing communities have been used as a basis for advocating stronger legal rights and government recognition for community-based systems, and a shift of resource control away from the state and private capital toward the rural people whose livelihoods depend most directly upon these resources.

There is a long tradition of thinking of several localities as harmonious communities located in rural areas as being different from the rapacious, unequal, modern, urban or capitalist present. Many scholars (Fikret, 1989; Ireson, 1994; Uraivan, 2001; Ostrom, 1990; Tang, 1992; Baland & Platteau 1996; etc.) have stated that communities not only have high incentives for managing their resources sustainably, but also historically they have often been able to develop a variety of effective and adaptable institutions. Communities have been the locus of conservationist thinking. International agencies such as the World Bank, IDRC, SIDA, CIDA, Worldwide Fund for Nature, Conservation International, The Nature Conservancy, The Ford Foundation, The MacArthur Foundation, and USAID have all “found” community as the new solution and directed enormous amounts of money and efforts toward community-based resource management.

However, through these “findings” of community it can be shown that communities are idealized and romantic. Some scholars think that “traditional” communities are in harmony with the environment and demonstrate long established patterns of sustainable and equitable use of resources. These ideas are an important mode of thinking and of managing resources throughout the world. They take tradition as a comprehensive set of binding rules. These rules ensure livelihood security by providing guaranteed access rights to local resources so that everyone in the community is assured of the opportunity of meeting their basic needs. Mutually agreed rules are also seen to provide mechanisms for the equitable use of resources with a minimum of internal strife or conflict.

This romantic thinking has faced many critiques recently. First of all, people have found that community is dynamic not static and primordial as romantic traditionalists would believe (Anan, 2000; Li, 1996; Nygren, 1999; Agrawal A., 1995; John & Ian, 1994; Mosse, 1994; Backhaus, 1998; etc.). Through impacts from the outside, for instance state policy intervention and market mechanisms, the community continually changes. Inside differentiation can be an indicator of this (Mohan & Stokke, *ibid*; Leach et al., 1999; Agrawal & Gibson, 1999; Long and Long, 1992; etc.). A growing number of studies that explore natural resource management at the local level find communities comprising of not just one group of individuals who possess similar endowments or goals. Instead, they find many subgroups; and within these subgroups they find individuals with varying preferences for resource use and distribution (Agrawal & Gibson, 1999). The second criticism of romantic traditionalism is that in some cases although there is a traditional community, it doesn't guarantee an outcome of conservation in resource management because the community can share goals of exploiting resources. To avoid these biases and weaknesses in natural resource management, a more suitable approach has been developed by scholars to understand the outcomes of natural resource management----"Institution Approach" (Agrawal & Gibson, 1999).

The conventional approach to studying community-based natural resource management has focused on the role of the community. This has idealized the community as guaranteeing sustainable development. For "institution approach," natural resource management resulted from the interactions between humans and non-humans. Studies on "community" can't clearly learn these interactions, hence, they can't fully understand resource management outcomes. Institutions are links which connect the community and natural resources. They can be seen as sets of formal and informal rules and norms that shape the interactions of humans with others and nature. Without institutions, social interactions would be impossible.

Multiple actors with multiple interests make up communities. Within

communities, actors negotiate the use, management, and conservation of resources. They attempt to implement the agreed upon rules resulting from their negotiations and they try to resolve disputes that arise in the processes of implementation of rules. These three types of local interactions are irreducibly influenced by the existing institutions within a given social group, and through this ongoing process institutions are constructed. Although both social-economic factors and political, cultural factors influencing resource management, at the same time these influences are mediated by institutional arrangements. Therefore a study on institutions can help explain resource outcomes, as Agrawal and Gibson (1999) mentioned, that a focus on institutions does not necessarily lead to better outcomes (more biodiversity, more sustainable, etc.) but it does offer the tools for understanding local-level processes and outcomes better. This has also been demonstrated by Uraivan (2001) in her two case studies of northern Thailand, which showed that local irrigation institutions can be explained as shared rights, responsibilities and powers among different user groups. Actual irrigation management, especially water allocation, is practiced by several different groups of users who negotiate their shared rights and power at both system and inter-system levels within a local irrigation area and a river basin. Through this study of local institutional practice, she gave us a clear map of local water resource management.

As a useful approach, study on institution of CBNRM attract more and more interests (Agrawal & Yadama 1997; Agrawal & Ribot, 1999; A. Agrawal, 2001; Leach et al., 1999; Ostrom, 1998; Zerner, 1994; Mosse, 1997; Baland & Platteau, 1996; etc.). In these studies, institutions are generally defined as “complexes of norms and behaviors that persist over time by serving collectively valued purposes.” They are seen as the arrangements or “rules of the game” which shape the behavior of local community members and include common understandings about how issues and problems are to be addressed and solved (Langill, 1999).

To understand institutions deeply, first, we can distinguish institutions from

organizations. If institutions are thought of as “the rules of the game in society,” then organizations may be thought of as the players. Second, institutions can be categorized into at least two different forms in empirical research: formal and informal institutions. Formal institutions may be thought of as rules that require exogenous enforcement. Informal institutions, on the other hand, may be endogenously enforced; they are upheld by mutual agreement among the social actors involved, or by relations of power and authority between them. Third, in most case studies institutions are not the rules themselves, but are the regularized patterns of behavior that emerge from underlying structures or sets of “*rule-in-use*.” From this perspective, institutions are, rather than existing as a fixed framework, constantly made and remade through people’s practice. Institutions are constructed and maintained by people’s active “investment” (Leach et al., 1999). For example, using the case of property institutions, Peter Vandergeest (1997) pointed out that property institutions could be broken into four kinds practice: communication, convincing, remembering and enforcement. Property is not property until it involves all of these four kinds of practice.

Study on institutions conventionally focuses on some critical institutional principles such as efficiency and equity (e.g. Uraivan, 1995a; 1995b; 2001; Agrawal & Yadama 1997; B. Agrawal, 2001; William et al, 1997; Wai, 1996; Barbara, 2000; etc.). Another principal which has become hot recently is institutional dynamics and sustainability. (Leach et al., 1999; A. Agrawal, 2001; White & Runge, 1995; Alston et al., 1996; Ostrom, 1997; 1999; Baland & Platteau, 1996; Zerner, 1994; Nathalie, 1999; etc.). It has initiated a new way of interpreting local institutions. Because institutions are made and remade through actors’ strategic practices (e.g. Leach et al., 1999), or because institutions are impacted by external factors for example---- state policy and market mechanisms (e.g. Zerner, 1994), institutions are dynamics. But because institutions are constructed through people’s everyday practices, institutions can also be durable by people’s investments (Leach et al., 1999; Vandergeest, 1997).

New institutional economics focuses on transaction cost as an important factor underlying institutional change. For them, institutions always change from high transaction cost to low. If the institution can provide low transaction costs, it will be durable (Alston et al., 1996). But this thinking has been critiqued by others: For example, some have observed that in some high-value sources, institutional forms with relatively high transaction costs may persist. Also this thinking has been criticized for being tautologous and functionalist: existing institutions minimize transaction costs because transaction cost minimization is their function (Leach et al., 1999).

Some institutionists who have studied common-pool resource management, such as Ostrom, Platteau, Baland and Wade, have focused on the preconditions of sustainable institutions. Based on analyzing their limitations, Agrawal (2001) has demonstrated four kinds of critical enabling conditions for institutional sustainability. They lie in: resource system characteristics, group characteristics, institutional arrangements and external environment. He thought there were a large number of related variables (more than 33) that were relevant to the sustainability of institutions. And some factors are highly ambiguous in their affect on the sustainability of institutions. For instance, heterogeneities of user group may enhance institutional sustainability because some groups can coercively enforce institutions, or it may decrease institutional sustainability since different groups may conflict with each other to achieve their different interests (Varughese & Ostrom, 2001). Focus on these related variables to study institutional sustainability is very difficult by do in a case study. The study with one or several variables may drive some wrong conclusions. Moreover, there are often too simplistic if lacking understanding on complex interactions of many variables and institutional components and context.

Recent work on institutions has stressed the impact of “social capital” on institutional sustainability. A primary component of social capital is mutual trust and understanding among the individuals and households that make up a community.

Social capital promotes cooperation, reduces transaction costs, and makes possible more optimal solutions to a vast array of problems in natural resource management, in turn promoting institutional sustainability (Pretty, 1998; Warner et al., 1997; Emma, 2001). But this thinking neglects issues of power relations and the different meanings that different institutions may carry for different actors. As Bates (1995) has emphasized, there is a need to ground institutional analysis in a theory of power.

Because institutions are made and remade by people's everyday practice, institutional change can be received by people's activities. Institutions themselves are aggregates of specific practices and rules that on the one hand frame and guide user behavior but, over time, are an outcome of the actions of users (Agrawal & Yadama, 1997). Different actors may protest and resist existing institutions through their everyday practices, such as Scott (1987) conceptualized "weapon of weak," or like an actor-oriented approach which advocated historical perspectives of institutional change through actors' strategic practices (Long & van der Ploeg, 1994; Long & Long, 1992). Actors change institutions depend very much on their social position. So institution is an arena for actors' power practice, and also constructed by actors' power practice.

On the other hand, institutional sustainability also can be obtained by people's active "investment." As Mosse (1997: 472) thought that "the tanks institutions in India can be continued through involved investment by people's protection, construction, or repair irrigation practice, which generated 'symbolic capital' in the form of honor or authority and created domains of influence for individual leaders." This thinking was also correlated by Muthiah through his conceptualization of legitimation of power (Muthiah 1995, see in next).

Institutional change and sustainability is not a simple dichotomy, such as change/sustainability. A more reliable understanding may be gained through judging to be strength or weakness, for instance slow change indicates strong sustainability. If

we take this approach, study of institutional sustainability does not have to be anathematic with the dynamic nature of institutions, as discussed by Leach (1999).

Either institution's dynamism or sustainability comes from institutional practice. So one of the viable ways to study institutional sustainability and change is focus on institutional practice. In this case of water resource management, I focus on the local water resource management practice----legitimacy, which indicate how local power has been shared, structured, practiced and legitimized among different user groups.

## **2.2 Legitimation of Power**

Muthiah (1995) constructed a framework to analyze the political legitimacy of Southeast Asia Countries in his book---- "Political Legitimacy in Southeast Asia: The Quest for Moral Authority." He defined legitimacy is that "the belief by the governed in the ruler's moral right to issue commands and the people's corresponding obligation to obey such commands." So legitimation is an *interactive process* between ruler and ruled, and manager and managed. Conceived as an outcome of this process, legitimacy is contingent, dynamic, and continuously defined. Its cultivation must therefore be unending. He theorized a four-tiered hierarchy of elements involved in legitimacy: normative (shared norms and values), procedural (conformity to established rules), performance (proper and effective use of power), and consent.

### **2.2.1 Shared Norms and Values**

According to Muthiah (1995) the fundamental element of legitimacy is shared norms and values. Norms and values are essentially the belief systems or ideologies that specify how things ought to be. They determine the structure of domination. Conventional study of norms and values, which interpreted normative regulations of society on the basis of *universal consensus*, had three limitations: First, it overemphasized the role of norms in regulating behavior. Not all behavior is governed



by normative beliefs. People's everyday conducts is likely to be grounded much more in habit, pragmatism and expediency (Bourdieu, 1977). Second, it fails to consider asymmetry of power and its implications for legitimation. Shared norms and values are more a product of dominant groups that have power to sanction the legitimate orders. Third, the emphasis on consensus obscures the pervasiveness of conflict.

To avoid these limitations of structural determinism, Multhia used Gramsci's concept of hegemony to analyze shared values. In a hegemonic system, the dominant group exercises strong leadership on the basis of ideological unity. To gain the consent of subordinate groups, the dominant group has to broaden its basic corporate interests and build upon those that coincide with the interests of other groups in order to forge synthetic interest. The synthetic hegemonic ideology includes ideological elements from all groups, but unity comes from the articulating principle, which is always provided by the hegemonic group.

In natural resource management, shared norms and values can be seen as an ideological base for collective institutional arrangements. In related literatures shared norms and values are always seen as utilitarian and economistic, as mentioned by Mosse (1997): There are two main schools of thought concerning shared norms and values. The first one draws on an institutional-economic analysis, idea that people will cooperate based on their thinking to obtain the maximize benefits from cooperation. And the second one emphasizes the "moral economy" or "moral conscience," idea that people's cooperation is based on their thinking to cope with the risk that collective dependence on local resource. These two schools arise from two opposed traditions but similarly construct shared norms and values for collective institutional arrangement as arising out of----economic interest.

This idea of economic interest may be valuable in managing productive resources, for instance forest and land (e.g. Su, 2001), but for a resource which is reproductive, such as, in terms of it's domestic use, water may be difficult to explain. Cleaver (2000)

demonstrated in her case study of Nkayi, Zimbabwe that local collective management of water supplies is based on the local moral ecological concept of “Conflict Avoidance,” which gives an ideological consensus for co-operation.

However, Mosse (1997) thought shared norms and values always were impacted by outside factors (e.g. state discourse, market economy) and they were always changing. Shared norms and values are based on local ecological, cultural, and historical context. So the analysis of shared norms and values needs a dynamic and contextualized perspective. Moreover, shared norms and values are based on local domination and dependence. Sharing is obtained by the practice of power, which means that we need a theory of power to analyze it.

Each community is composed of more than one group and social differentiation always takes place in today’s communities. Heterogeneous interests incite different values. Focus on static consensus won’t easily obtain shared values. In terms of water resource management, Uraivan (2001) pointed out there are several different water user groups in one community. Different local groups located in different social positions and have different access to power in irrigation decisions. They negotiated to construct a water allocation framework based on their positions. Shared values are based on their shared power structure. So shared values are created by local people’s negotiation, which are based on their shared power structure.

In summary, shared norms and values are: 1) not a static consensus (e.g. economic interest), 2) locally specific, because they are impacted by local cultural, historical, ecological elements, 3) dynamic, because they are impacted by external factors, 4) constructions based on local power structures. In a sentence, shared norms and values are a local construction, based on local power structures, impacted by outside elements.

Because shared norms and values are a local construction, it may be more useful

to adopt an agency-focused praxis of analysis in the analysis of shared norms and values as advocated by Li (1996). In this way, the idea of structure of power and interests can be used to extend the concept of shared norms and values. In today's institutional arrangements, especially in this case, different users have different interests, to management water in terms of irrigation, fishery, household use and so on. Various user groups construct their norms and values differently based on their social position. There is not just *one shared interest* but a *structure* of interests. This structure is based on the local power structure. Interest structures and power structures are connected and overlapped continually, for example, same caste ranks or clans located in different irrigation areas (Uraivan, 2001). This overlapping structure is the base of local institutional arrangement.

### 2.2.2 Procedural Element

The second element of legitimacy is procedural, that is, conformity with established rules. Muthiah (1995) thought that the creation of shared norms and values contribute to development of a well-established regime in which the rules for acquisition of political power are clearly specified, commonly accepted, and scrupulously observed.

In the case of water resource management, this element can be seen as being instrumental in water management rules. This rule-making includes two parts: one is the rules which concern who can benefit from water resources, how and to what extent; the other is executive systems which determine who will represent different user groups as management leaders, what are their powers, duties and so on.

Without rules making, structure of power and interests can't come into practice. On the one hand, structure of power and interests is the base for institution; on the other hand, institutionalization of this structure will have practical impacts on water use.

In formal institution, rules can be seen in writing. However, local traditional institutions are usually informal, which maybe don't have written rules. We can learn these rules-in-use by following people's everyday practices, as indicated by Vandergeest (1997).

### **2.2.3 Performance and Consent Element**

Since legitimacy is an interactive process between the manager and the managed, this interaction can be contiguously analyzed through the last two elements of the legitimation, performance and consent. On the one hand, in the case of water resource management, we can analyze how local management leaders practice their management power over local users which is their performance, and on the other hand, we can analyze how local users react to that power practice that is, consent element.

In performance, establishing a regime for resource management without executing it is meaningless. So it is important for establish local legitimacy to enable execution. Performance implies to execution of a regime, metering and monitoring whether actors are carrying out the roles they are supposed to perform within that regime, imposing sanctions on those who do not subscribe to the tasks they are supposed to perform, and enforcing those sanctions. Moreover, an important part of performance is adjudication significant for dispute solution whenever new rules are made, or there is a change in the type of decisions made by particular actors.

Whilst performance is about local leaders' role in the legitimation of power, local resource users, who in this case are community members, also have their roles, analyzed through the last element----consent. Muthiah thought consent is given by individuals, which creates political legitimacy. In the political realm, to give consent is to recognize the government's right to issue commands and to assume a duty to obey them. Consent is crucial, for without public recognition there can be no legitimacy. The role of the ruled in local natural resource management was extended

by Agrawal & Ribot (1999) by advocating of the concept of accountability, which is the mechanism exercised by local constituencies to check and balance their local leaders' power.

#### **2.2.4 Accountability**

The fourth element of legitimacy is consent, which is formed by local resource users' reactions to other three elements. Without their recognition, legitimacy will not be achieved. As mentioned above, the concept of accountability, used by Agrawal & Ribot (1999) to evaluate decentralization, is useful to extend the consent element of legitimacy.

As an interactive practice, consent is the reaction of the ruled to the other three elements of legitimation. To evaluate legitimacy, consent is a good concept, but to study legitimacy as a process, this concept is not enough. The concept of accountability is useful to analyze how and why the element of consent can be achieved for example the legitimacy of institutions accepted by the local people (Christain, 2002). In the same way as consent, accountability is conceptualized as a process of power held by the ruled countering power held by the rulers (Agrawal & Ribot, 1999).

To evaluate decentralization, Agrawal and Ribot firstly studied accountability by categorizing it according to its direction: upward accountability, which is local power-holding actors being accountable to their superiors in a hierarchy; and downward accountability, in which these actors being accountable to their local constituencies. Upward accountability indicates deconcentration or call administrative decentralization and downward accountability, which indicates political decentralization also called real decentralization. Moreover, they have used four case studies to explore downward accountability. They found that some institutions can contribute to downward accountability, for example electing local leaders,

participatory meetings and attending to lodge complaints, challenging the wrongdoing leaders, following rules, adjudication leaders activities, giving tax and payments, and so on.

Based on Agrawal and Jesse Ribot's framework, Mairi Dupar and Nathan Badenoch (2000) concluded five aspects of downward accountability for research: participation (into rule-making and enforcement), election of leaders, information disclosure, independent monitoring and independent adjudication.

Moreover, Uraivan (2001) pointed out a very interesting downward accountability in her case study of northern Thailand irrigation institutions. In her case, water user groups provided a direct reward to their elected leaders. Performance of leaders could be assessed by linking the leader's reward to the size of the seasonal irrigation land. Reward in her study is found to be a very important device for downward accountability along with elections, direct negotiation, information sharing, monitoring and others.

In all these literatures downward accountability is the mechanism used by local resource users to check and balance local leaders. In local resource management, establishing downward accountability mechanisms can enhance local people's consent to local institutions, which in turn can strengthen local legitimation of power. Hence, establishment of downward accountability it can improve local institutional sustainability.

Downward accountability cooperated with performance element has been conceptualized on the relationship between the leader and user. Upward accountability, on the other side, has always been character malevolently used by government agencies to control the local. Upward accountability is a conceptualization of the relationship local leaders and up level government agencies, or between the local community and up level government. To conceptualize this relationship, scholars have

always focused on conflicts and contradictions (Li, 2002), there has been little study done on the complementary linkages between these different levels of power. An exception is the study done by Wai (1996a) in his analysis of Taiwanese irrigation. This will be the niche for my study of water management.

Shared norms and values, procedures, performance and consent were the four elements for legitimacy analyzed by Muthiah. Here I substitute these four elements to: structure of power and interests, rules making, performance and accountability. Although these four elements may be distinguished for analytical purposes, in practice they are closely interconnected. For example, structure of power and interests is the base of rules making. Without institutionalization, the structure of power and interests cannot have a practical impact. Similarly, the rules making element has an impact on the performance of rules. The latter, in turn, can reinforce, mitigate, or negate the legitimacy derived from the former. Accountability is an integral part of all three of the other elements. A weakness in one of the elements, so long as it is not fundamental, may be compensated by a strength in another. Thus we must consider all four elements together in evaluating legitimacy.

A hierarchical layering may be discerned among the first three elements. Structure of power and interests is universalized determining the structure of domination as well as the relative strength of the regime, it affects the legitimating potential of the elements of rules making and performance. Hence, it is the fundamental element. Further, rules making element is usually more important in legitimacy than performance, however this is not always the case. In some cases maybe performance is a more important part of legitimacy than the other elements, even though it cannot itself constitute the basis of a regime. For instance, Agrawal and Yadama (1997) concluded that the implementation of the monitoring and guarding of forest is the most important element for forest Panchayats, a local institution examined in their study.

Institutional sustainability can be obtained through local legitimation of power as stated by Douglas (1987). So in this case of water management, the strong legitimacy must indicate that local water resource management institution is more sustainable. Because legitimacy is an interactive process between the ruler and the ruled, institutional sustainability also is a dynamic character of an institution. Through analyzing these four interactive practices, local water resource management institutions, which indicate local power relations, can be learned and evaluated.

### Summary

Community-based natural resource management (CBNRM) has been advocated by scholars, policy makers and project donors to compensate for the environmental degradation made by market and government management institutions. However, some biases exist in the conventional approach to studying on CBNRM, which has idealized and romanticized community as traditional, static and always protecting local resources. The “dynamic community” school advocates a institutional approach, which has been introduced by explaining the concept of institutions as “rule-in-use.” Then this chapter has moved to present new ideas in the interpretation of local institutions, the relationship between institutional dynamics and sustainability. Through analyzing the limitations of institutional economics, institutionists and the social capital school, it concludes that a suitable way to study institutional sustainability is institutional practice.

The second part of this chapter introduces the concept of legitimacy as an institutional practice. Reconceptualisation of the four elements of Multhia’s hierarchy of legitimacy has lead to the substitution of four new interrelated elements instead of the old. These are structure of power and interest, rules making, performance and accountability. These new elements are dynamic institutional *practices* and systems of justification and meaning as instead of being only elements of certain relationships. The following chapter further develops the conceptual framework for this thesis in



order to develop abstract theories into a workable empirical research project. The concepts relevant to the analysis of legitimacy reconceptualized in the current chapter are integrated as a conceptual framework to inform the fieldwork, and from this a methodological approach is developed.

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