



**Case studies of natural resource access in Jharkhand, India  
implications for 'democratic' decentralisation**

Sareen, Siddharth

*Publication date:*  
2016

*Document version*  
Publisher's PDF, also known as Version of record

*Citation for published version (APA):*  
Sareen, S. (2016). *Case studies of natural resource access in Jharkhand, India: implications for 'democratic' decentralisation*. Department of Food and Resource Economics, Faculty of Science, University of Copenhagen. Policy Briefs (Copenhagen Centre for Development Research), No. 01/2016



A bicycle load of wood. Photo Siddharth Sareen

## Case studies of natural resource access in Jharkhand, India: Implications for 'democratic' decentralisation

### Introduction

Many developing countries have undertaken attempts at democratic decentralisation of their natural resources sectors. These reforms affect local residents' access to natural resources, promising to devolve power and control over these to local institutions. The extent of decentralisation shapes the nature of access and the kind of local governance taking place, both crucial issues in a developing country context of relatively unstable politics, overlapping policies, and marginalised population groups relying on natural resources.

Moreover, the ability of local residents to benefit from natural resources, which has been termed 'access' by Ribot & Peluso (2003), is also shaped by factors other than decentralisation policy.

This policy brief illustrates that decentralisation can only effectively support residents' access to natural resources *if* it *both* resolves policy overlaps at multiple levels to bring about inclusive and equitable access *and* aligns policies with ground realities for specific natural resources.

This brief is based on research situated in the Indian state of Jharkhand with case studies of natural resource access in four village communities in the Sadar Chaibasa forest division, each comprising approximately 100 households spread across two to three hamlets. Data collection involved semi-structured interviews with residents including loggers, field observations, and key informant interviews with non-wood forest product (NWFP) traders, local councillors, sub-district-level bureaucrats, village chiefs, local NGO staff and regional researchers.

The focus is on three important resources with diverse supply chains: (i) kendu leaves (*Diospyros melanoxylon*), the only nationalised NWFP whose trade is governmentally regulated in practice (Suykens 2010); (ii) mahua (*Madhuca longifolia*) flowers, whose collection for sale is most widespread, with 97.2 % village households collecting them (Singh & Quli 2011); and (iii) wood, which is illegal to log but whose sale makes the highest contribution to household incomes (Jewitt 2008).

## Policy Recommendations

- National decentralisation policies must be consistently operationalised through state-level legislation and local-level implementation to devolve power and resources to local democratic institutions.
- State policies must be closely aligned with ground realities to ensure that local inhabitants and users can meaningfully exercise decision-making power over natural resource access.
- Natural resource governance policies must be appropriate for each resource's supply chain, so as to empower the most marginalised, resource-dependent groups of local inhabitants and users.

### Policies

National legislation empowers the village assembly, a community-level institution based on deliberative democracy, to manage natural resources (land, forest, water, excluding major minerals) in accordance with traditions, and mandates state-level legislation to “be in consonance with the customary law [...] and traditional management practices of community resources” (Gol 1996: clause 4a). This legislation accords ownership of NWFPs to the community-level village assembly and three higher tiers of self-government institutions at the village-cluster, sub-district and district levels, known as *Panchayat Raj Institutions* (Gol 1992).

However, despite constitutional mandates, state-level legislation does not operationalise these ownership rights, instead giving village assemblies the right to manage natural resources, and according the higher-level self-governance institutions powers of “collection, processing, storage and marketing” of NWFPs (GoJ 2001). It furthermore makes the exercise of these limited powers subject to unspecified rules and orders of the state government. This enables the Jharkhand government to create state monopolies in the trade of specific forest products by appointing agents, such as the Jharkhand State

Forest Development Corporation, to regulate trade in these products (Sareen 2016).

### Kendu leaves

The only example of a nationalised NWFP in Jharkhand is the kendu leaf. Commercially valuable for rolling around tobacco in the manufacture of country cigarettes called ‘bidis’, its labour-intensive collection invariably involves very poor village households. Its supply-chain includes village-level collection agents, who pay collectors a fixed low rate per standard bag of kendu leaves. These agents operate on a commission basis for kendu leaf contractors who place winning bids in government auctions of predetermined kendu leaf lots.

The government thus generates revenue and the contractors purchase the right to trade kendu leaves at free-market rates, making high returns from getting tobacco rolled in the kendu leaves and selling the resulting bidis to retailers (for further details, see Sareen 2016). Since winning auctions requires capital which forest villagers typically lack, access to this natural resource favours urban elites from Jharkhand's towns as contractors.

Drying mahua flowers. Photo Siddharth Sareen



## Mahua flowers

The Jharkhand government's predecessor tried nationalising mahua flowers, an NWFP valuable for producing distilled liquor, but failed due to powerful regional traders' efforts to maintain control of this trade. Distilling this liquor is, however, illegal in Jharkhand due to government directives, which excludes small-scale local traders and villagers from accessing a large portion of benefits from mahua flowers.

The mahua flower supply-chain begins with village households that own trees and collect the flowers. These are sold at weekly village markets called *haats* to local agents, who gain commissions for their role as middlemen for regional traders. These traders have the financial, social and physical capital to strike deals in states neighbouring Jharkhand, hire trucks for transport, and sell mahua flowers where distilling liquor is allowed. They purchase the flowers via agents at 15-25 rupees per kilogram from villagers during the month-long collection season around April each year: villagers need the farming off-season income and cannot afford to stockpile flowers. A few villagers with some financial cushion reported being offered two to three times these prices later in the year when supply is low and demand high, indicating high profit margins for the regional traders.

## Timber and fuel wood

Access to wood is more complicated than for NWFPs. Village inhabitants have collection rights to dry wood for domestic use both in village assembly-managed forests and in Forest Department-managed forests. However, regulating access is unfeasible at present due to lack of systematic monitoring, and loggers can chop green wood, leave it to dry and then transport it. In practice, hundreds of loggers bicycle wood loads along dirt tracks and roads every day, from the studied forest villages to the outskirts of Chaibasa 20-30 kilometres away, where they sell them to soap factories and urban households as fuel wood. Larger, shaped logs are sold in more limited numbers as timber to upcoming town houses. A logger can sell three bicycle loads weekly, with frequency highest during winter and lowest during monsoon rains.

While sale is illegal, the Forest Department lacks the capacity and political will to apprehend loggers, as wood sale provides crucial household income in the absence of alternative local livelihood options. In the four forest villages studied, only one with unusually strong leadership and high social cohesion managed to regulate access to wood through its village assembly during 2012-15, by proactively demanding and using Forest Department support; others tried but were unable to regulate access due to social pressure from other villages and their own residents in the absence of governmental support. While inhabitants of these villages log and sell wood, they are nonetheless concerned about the diminishing wood reserves in and around their village forests, as outsiders from non-forest villages also log there.

At present, the option of short-term local income trumps their longer-term worries about lack of domestic timber and fuel wood.

## Conclusion

1. The two NWFP cases show how, despite national-level mandates, the Jharkhand government's policies adversely impact forest village inhabitants' access to natural resources, undermining constitutional policies and the objectives of democratic decentralisation. Government revenue generation from kendu leaf trade enables local elites to profit at free-market rates as bidi contractors while primary collectors are forced to accept government-specified low rates. The governmental ban on distilling liquor enables regional traders to capture high profits from mahua flowers while forcing village households to sell them at low rates. Thus, inequitable access continues in spite of and even in the guise of attempts to decentralise.
2. The case of timber and fuel wood demonstrates the importance of making policies that are feasible to implement and appropriate for ground realities. Logging and wood sale continue despite being illegal as enforcement is not possible without empowering village assemblies and supporting local governance through Forest Department assistance. While one forest village constituted a successful example showing this is possible with strong proactive leaders and high social cohesion, it was an exception rather than the rule; by and large, local democratic institutions remain weak and continue lacking adequate governmental support.
3. Access to natural resources in Jharkhand continues to favour elites at the cost of local inhabitants. In the case of wood, unregulated access continues to threaten the future natural resource base of forest villagers in their own estimate based on local knowledge, due to the lack of alternative local livelihoods. Solving this problem requires generating sufficient alternative means of livelihood. On the one hand, this is possible by strengthening delivery of existing initiatives such as a national scheme aimed at providing rural minimum-wage work for 100 days per household per year. On the other, it requires ensuring a greater income share for these inhabitants through more inclusive, equitable access to natural resources. This is only possible with more substantive efforts at democratic decentralisation that strengthen local governance and institutions of self-government.

## Acknowledgements

The author is grateful to the Erasmus Mundus Joint Doctorate programme on Forest and Nature for Society (FONASO) and the University of Copenhagen for jointly funding this research, and to the Tribal Research and Training Centre as the Indian partner institution.



## References

- Gol (Government of India). (1992). *The Constitution (73rd Amendment) Act*, 1992. New Delhi.
- Gol (Government of India). (1996). *Panchayat (Extension to Scheduled Areas) Act*, 1996. New Delhi.
- GoJ (Government of Jharkhand). (2001). *Jharkhand Panchayat Raj Act*, 2001. Ranchi.
- Jewitt, S. 2008. Political ecology of Jharkhand conflicts. *Asia Pacific Viewpoint* 49 (1): 68-82.
- Ribot, J. C., & Peluso, N. L. (2003). A theory of access. *Rural Sociology* 68 (2): 153-181.
- Sareen, S. (2016). *Governing the conflicted commons: Authorising resource access in the Indian tribal belt*. Unpublished doctoral dissertation, University of Copenhagen. Available at [https://www.academia.edu/24320690/Governing\\_the\\_conflicted\\_commons\\_Authorising\\_resource\\_access\\_in\\_the\\_Indian\\_tribal\\_belt](https://www.academia.edu/24320690/Governing_the_conflicted_commons_Authorising_resource_access_in_the_Indian_tribal_belt).
- Singh, P. K., & Quli, S. S. (2011). Economic Valuation of Non Timber Forest Products Contribution in Tribal Livelihood in West Singhbhum District of Jharkhand. *Indian Forester*, 137(11), 1258-1264.
- Suykens, B. (2010). Diffuse authority in the Beedi commodity chain: Naxalite and state governance in Tribal Telangana, India. *Development and Change*, 41(1), 153-178.

Kendu leaves out to dry. Photo Siddharth Sareen



### Author

Siddharth Sareen,  
University of Copenhagen

### Series editors

Jens Friis Lund, Mariève Pouliot &  
Sabrina Tomasini  
Department of Food and  
Resource Economics  
University of Copenhagen  
[www.ccdr.ku.dk](http://www.ccdr.ku.dk)  
[www.ifro.ku.dk/english](http://www.ifro.ku.dk/english)

Design Kent Pørksen  
Layout Malene Jensen-Juul

The Copenhagen Centre for Development Research (CCDR) policy briefs present research-based information in a brief and concise format targeted policy makers and researchers. Readers are encouraged to make reference to the briefs or the underlying research publications in their own publications.

ISSN 2246-6800

Title: Policy briefs (Copenhagen Centre for Research and Development) (Online)