Making the Law of the Jungle: The Reform of Forest Legislation in Bolivia, Cameroon, Costa Rica, and Indonesia.*

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The debate over sustainable development induced many developing nations to reform their forest policy, a process that frequently culminated in new forest legislation. Most of the literature on forest policy reform, often generated by policy research organizations, concentrates on the causes of deforestation and prescribes policies to correct the problem. The conditions necessary for the adoption of those recommendations in policy receives little attention beyond occasional mention of the need for political will. A better understanding of what affects the “political will” necessary to influence forest policy may help policy research organizations to participate more effectively in the policy process. This requires knowing who the key players are and what motivates and constrains them.

Some argue that the “Law of the Jungle” prevails where forest policy is concerned; forests are lawless places where the strong prey on the weak and government officials come around only to collect an occasional bribe. Better to focus on technical issues, to work with international organizations and non-governmental organizations (NGOs) to control deforestation, and to avoid politics and the state as much as possible. This view overlooks the fact that forests are economic resources and that technical matters such as land use planning, taxation, extraction rates, fines and policing quickly become political issues as those affected struggle to protect their interests. Moreover, laws frequently crown the politics of policy reform. Forest legislation sets the principles, norms, institutions, and processes that regulate access to and use of forest resources, and penalizes infractions. If setting those conditions were so inconsequential the principal actors would hardly spend so much time and energy influencing them. Moreover, because legislative reform is comprehensive it draws all stake-

* For a comprehensive list of acronyms used in this article please refer to Appendix 1.

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holders into the public arena. For these reasons, it is an excellent subject for studying the conditions that affect when, if, and how those actors, including policy research organizations, influence the reform process.

This article examines factors that conditioned the ability of the principal actors to influence new forest legislation in Bolivia, Cameroon, Costa Rica, and Indonesia, countries that represent the world’s three largest humid forest zones: the Amazon Basin, the Congo Basin, and South East Asia. Moreover, the diversity of conditions raises significant questions about the focus of policy debates and actor effectiveness that could be tested in future research. Bolivia, Cameroon, and Indonesia all have vast forests and substantial timber sectors. Costa Rica has a smaller and weaker forest sector. There are also differences in dependence on international conditions and in political systems.

The investigation unfolds in four sections. The first specifies four analytically distinct policy paradigms that influenced the policy prescriptions of the major actors. The second section defines key actors, links them to policy paradigms, and examines the institutional and economic conditions that affect their capabilities. The third section analyzes how actors, interests, and their power resources influenced outcomes in the individual cases. Based on the case material, the fourth section generalizes about the conditions that affected the ability of actors and institutions to influence the policy process. It also offers summary comparative tables of conditions and outcomes. The analysis is based on intensive field research in each of the countries as part of a project sponsored by the Center for International Forestry Research. The data were culled from author interviews with key participants in the policy reform process, cross checked by primary sources ranging from congressional records, minutes of committee meetings, policy documents of key state, international, and civil society institutions, and from the press. In some cases, authors also participated in the process.

Contending Approaches to Reform

Drawing from Dryzek,2 we argue that four major discourses about sustainable forestry offer distinct diagnoses of problems in forest policy and prescriptions for reform. These discourses consist of simplifying assumptions and cause and effect relationships that structure options, define the universe of relevant data, and rule out the consideration of alternative paradigms. Policy-makers and stakeholders use these arguments and data to support their own interests in policy debates, seeking to make new policy conform to their paradigm. The discourses of the victors provide the content of new forest laws.

First, the “market friendly” paradigm reflects the international trend towards reliance on markets and less government intervention. This policy narrative views government intervention as the main problem.3 Ineffective govern-

ment policies undervalue forests, which, in turn, causes poor forest management. Log export restrictions, the administrative allocation of concession areas, and low stumpage fees artificially cheapens timber and remove incentives for wise management. They also encourage over-capacity in processing, leading to artificially high demand for timber. Excessive regulation discourages long-term forest management and induces companies to log only high value timber. Short concession periods have similar effects. Given this diagnosis, the answer is to promote clear property rights and freer markets.\(^4\) Valuing fiscal restraint, advocates of the market friendly approach seek to weaken public forestry bureaucracies and partially privatize policy formulation and implementation. They encourage governments to discontinue subsidizing forest plantations; subsidies are inefficient and will be unnecessary once policy-makers remove market distortions that discourage long-term investment in timber production.

The second influential policy narrative is the technocratic planning approach, born of the developmentalist perspectives of the 1960s and 1970s and the European and American schools of scientific forest management.\(^5\) This policy narrative views forestry issues as technical problems best left to professional foresters in the public bureaucracies. It favors government planning and regulation to help guide forest industries because the paradigm assumes forest industries require government support and supervision. Proponents endorse the use of trade, industrial, and technological policies to promote forest industries and ensure their long-term sustainability. They focus on timber production and processing, although they also mention other issues.\(^6\)

The social forestry paradigm represents a third perspective and is a subset of Dryzek’s social ecology paradigm.\(^7\) This view rejects both free markets and traditional government bureaucracies. The central tenet is that local communities should control forests and benefit from them. Government intervention should support that goal and not favor large companies. While some market-friendly policies may be appropriate, each must be judged with regards to its effects on local communities. Traditional foresters and government officials merit mistrust, since their actions have often harmed forest communities, while communities’ indigenous knowledge deserves more attention.

Finally, we have the conservation paradigm. Although it cuts across the other narratives, its defining characteristic is its emphasis on environmental services.\(^8\) Conservationists themselves can be divided into those who favor market-friendly strategies, those who support government intervention, and those that look to the grassroots. The first group argues for market-based mechanisms to encourage carbon sequestration, genetic prospecting, and eco-tourism, and private management of protected areas.\(^9\) The second looks to regulation of forest

\(^5\) FAO 1985.
\(^6\) MIRENEM 1990.
\(^7\) Dryzek 1997.
\(^8\) MINAE 1997a.
\(^9\) MINAE 1997a.
conversion and land use and government policing of protected areas.\textsuperscript{10} The third focuses on ensuring that communities benefit from conservation.\textsuperscript{11}

**Actors, Interests, and Power**

The major actors in the forest policy reform process generally cast their policy prescriptions in terms of these contending discourses. Moreover, although some of the principal international policy research organizations that advised them primarily advocated the market-friendly and technocratic planning approaches, policy outcomes drew from all four. Indonesia’s policy reform primarily adopted a technocratic planning focus with some market-friendly and weak community forestry elements. Costa Rica embraced a mix of market-friendly and conservation-oriented ideas. Cameroon based its law more on the technocratic planning approach than the market-friendly one, while Bolivia’s forest policy reform offered something for everyone. Which paradigm new forest laws drew from depended on the specific relationship between the principal actors, their interests, and their power resources.\textsuperscript{12} Drawing on Hurrell and Kingsworthy\textsuperscript{13} and Porter, Brown, and Chasek,\textsuperscript{14} this section characterizes the main international and domestic actors in forest policy debates and links them to environmental discourses.

The World Bank and the aid agencies of developed countries are significant international actors.\textsuperscript{15} The World Bank and the United States Agency for International Development (USAID) generally advocate market-friendly approaches. The more social democratic governments of Northern Europe and Scandinavia promote the inclusion of social forestry. The Food and Agriculture Organization of the United Nations (FAO) tends to support the technocratic planning approach. This assessment of international actors, especially the World Bank, must be tempered by the fact that they are large organizations with many departments and missions and may also advocate other approaches. International timber companies are players too. Their representatives adopt market-friendly rhetoric, but have been willing to abandon market-friendly policies for technocratic planning when they conflict with specific interests. External actors are strongest when the state institutions and economies of developing countries are weak.

On the domestic side the main state actors are the lead ministries and government agencies responsible for the forest sector. In democracies, legislatures and political parties are important too. Which policy paradigm state actors advocate depends on the government’s program, an agency’s institutional interests

\textsuperscript{10} Terborgh 1999.
\textsuperscript{11} Redford and Mansour 1996.
\textsuperscript{12} Goldsworthy 1988.
\textsuperscript{13} Hurrell and Kingsworthy 1992.
\textsuperscript{14} Porter, Brown, and Chasek 2000.
\textsuperscript{15} Kolk 1996; and Ross 1996.
(including building clienteles), and the professional training of its personnel.\textsuperscript{16} The power of state actors emanates from several sources. Much of it flows from the authority of their institutions, which depends on their rank in the cabinet hierarchy and, in democracies, the powers of the legislature to check the executive branch.\textsuperscript{17} Where policy reforms are sharply contested, the cohesiveness of state structure is key for state actors’ capabilities. In part, cohesiveness depends on the access social actors have to the policy process; the less access the more leeway for state actors.\textsuperscript{18} The presence of inter- and intra-ministerial rivalries also affects state cohesion. In highly conflictive policy debates or complex institutional settings, support from the presidency—the apex of state hierarchy—plays a central role in the outcome of forest policy reform.\textsuperscript{19}

Large-scale timber interests, farmers, peasants, and indigenous peoples constitute the main domestic social actors in forest policy debates.\textsuperscript{20} Economic interest generally drives their policy stances. Large-scale timber interests claim to support the market-friendly approach, but may defend subsidies and protections that benefit them. Other social groups tend to advocate the social forestry paradigm. The capabilities of social groups largely depend on their economic and organizational strength. Industries rely on economic power, whereas organization is the principal resource for farmers, peasants, and indigenous peoples.\textsuperscript{21}

Environmental nongovernmental organizations (NGOs) are additional social forces relevant for forest policy debates.\textsuperscript{22} In this article, the term refers to not for profit organizations run by professional staffs, whose policy stances generally derive from their intellectual and scientific training. This means they can be advocates of either market-friendly, social forestry, or conservation approaches. Some of the large environmental NGOs of the developed world are significant international actors in their own right; domestic NGOs in developing countries can be important players in the local policy-making process. Their power resources often hinge on financial and organizational capabilities and the quality of their expertise.

Understanding actors and interests backed by ideas and power resources offers a good starting point for analyzing forest policy reform. However, a number of studies have shown that actual policy outcomes depend on the interaction between them.\textsuperscript{23} Frequently, policy outcomes depend on the dynamics of coalition formation between international actors, state actors, social groups, and NGOs. These alliances define the sum of power resources that competing coalitions muster in support of alternative policy stances.

\begin{itemize}
\item \textsuperscript{16} Ribot 1993; and Peluso 1993.
\item \textsuperscript{17} Kaimowitz 1996.
\item \textsuperscript{18} Skocpol 1979; and Tarrow 1996.
\item \textsuperscript{19} Kasa 1995.
\item \textsuperscript{20} Cleuren 2001.
\item \textsuperscript{21} Silva 1999 and 1994; and Gibson, McKean, and Ostrom 2000.
\item \textsuperscript{22} Porter, Brown, and Chasek 2000.
\item \textsuperscript{23} Ross 1996; and Silva 1997.
\end{itemize}
The Case Studies

The case studies analyze the policy initiation and policy formulation stages of the policy process. In the policy initiation stage actors craft the draft bill to be presented for public debate. The number of actors is limited to those selected by the initiating institution; the main task is to set the agenda for broader deliberation. The policy formulation stage opens the policy process to a wider range of actors affected by the proposed policy.

Bolivia

Historically, mining dominated Bolivia’s economy and politics. This changed after 1986 when structural adjustment policies encouraged non-traditional exports. By 1994, wood and Brazil nut exports accounted for one tenth of all exports.\(^{24}\) The rapid expansion of forest products and world attention to conservation in the tropics placed forest policy reform squarely on Bolivia’s political agenda in 1991. When the policy debates were over, Bolivia’s new 1996 forest law included elements of all four policy narratives. Thus, Bolivia is an example of conditions that force compromise among major actors: a highly fragmented policy-making environment with multiple decision-making centers that provided the main actors with important institutional power resources.

Deliberation over Bolivia’s new forest law spanned from 1991 to 1996. The main controversies were over whether public forests should be privatized or allocated in concessions; the rate at which to tax them and the distribution of those taxes; the relationship between the institutions that handled tax collection and regulatory control over forests; and whether to permit the export of round logs.\(^{25}\) In the end, the 1996 forest law established forty-year concessions that can be bought and sold in markets. Concessionaires pay area taxes of at least $1 dollar per hectare (deemed high). Indigenous peoples have exclusive rights to the timber in their territories and only pay taxes on the area they actually log. Municipal governments participate in forest management and receive 25% of forest tax revenues. A Forest Superintendent received responsibility for revenue collection and regulatory functions while the Ministry of Sustainable Development and the Environment (MDSMA) became responsible for forest policy, and departmental governments received the mandate for development activities. The export of round logs is permitted under certain conditions.\(^{26}\)

Forest policy reform in Bolivia was complex and many actors participated. Bolivia has a democratic political system with multiple power centers: the Congress, the executive branch, and local government. The Constitution of 1990 grants each a significant role in the policy process.\(^{27}\) The presidency is the most

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27. Gamarra 1996.
powerful political institution, and a strong presidential hand may be necessary to pass bills. Organized social groups and international actors also participated in the policy process. These included timber interests represented by the National Chamber of Forestry (CNF) with connections to legislators and the executive branch. A number of laws enacted between 1994 and 1996 also gave smallholders and indigenous peoples—who frequently opposed timber interests—rights to participate in the policy process. The United States Agency for International Development (USAID) was a significant actor in later stages of the policy process as was FAO in the initial stages. Environmentalists were also active, largely through their connections to the newly established Ministry of the Environment (1991) and to USAID.


Forest policy reform began during the administration of President Jaime Paz Zamora (1989–1993). In 1991 his government passed a comprehensive environmental law that prompted follow-up reforms, including the forest sector. The initiation stage of forest law reform lasted for a little over a year (August 1991 to December 1992) and was confined to a single power center in Congress, the Natural Resource and Environment Committee (COMARENA). In the context of Bolivia’s highly fragmented policy process, this was a relatively cohesive policy-making environment.

At first, a coalition of legislators, international organizations, and state institutions, supported by environmentalists, dominated this stage of the policy process. At its core stood the president of COMARENA, Neysa Roca, who turned to the FAO and the newly established National Secretariat for the Environment (SENMA) for technical assistance. Roca’s congressional committee also created an advisory committee of business representatives, environmentalists, bureaucrats, and legislators, although it was never bound by their recommendations. Thus, early drafts of the bill reflected the technocratic planning preferences of the FAO and the Secretariat for the Environment.

A second phase of the policy initiation stage was more contentious, although Roca’s coalition prevailed. Beginning in May 1992, Roca’s group (the congressional committee with its FAO and Environmental Secretariat advisors) circulated a first draft among stakeholders. Problems began when Roca sponsored regional consultations to stimulate input from social groups and local governments. These groups used the seminars to lobby for their own agendas. Timber interests (CNF) were the most aggressive and held views opposed to

Roca’s group. The CNF recommended giving timber companies private property over forests, legalizing log exports, lower area-based taxes for forests than for agricultural land uses, a forest service with CNF participation but no role for local governments, and government incentives for forestry activities.\footnote{34}

Roca’s problem, then, was how to formulate a bill acceptable to her group over the objections of private timber interests. Roca, a deputy from President Paz Zamora’s party, built an alliance with opposition deputies by accepting a key opposition legislator’s proposal to involve local governments in forest management. These local governments were frequently hostile to logging companies and sympathized with small–scale informal loggers. With this legislator’s help Roca gained sufficient political support for the bill to clear the committee. Roca also received support from local environmental groups who championed the cause of indigenous peoples.\footnote{35}

Roca’s success in isolating timber interests insured the bill presented to congress in December 1992 reflected her coalition’s policy preferences. Following FAO recommendations,\footnote{36} it proposed an industrial policy for Bolivia’s forests, including the prohibition of round log exports. The bill also prescribed long term concessions that could be traded, area-based taxes, a share in the timber revenues for local government, and clearing up titling and land use designation, all positions advocated by the Secretariat for the Environment.\footnote{37}


In contrast to the initiation stage, the formulation stage of the policy process was highly fragmented, involving multiple power centers in the executive branch of the government and in both houses of Congress. As a result, the process was drawn out as actors blocked each other’s initiatives. Movement depended on presidential intervention to break frequent deadlocks among the principal actors by forcing compromise.

The forest law bill crafted by Roca’s group was sent to the Chamber of Deputies in December 1992, the last year of Paz Zamora’s government. In the absence of presidential involvement, the CNF found sufficient support among deputies to hold off discussion of an unfavorable law. The stalemate continued after President Gonzalo Sánchez de Lozada came to office in August 1993. The new president advocated market-oriented solutions to Bolivia’s economic and social problems and supported the idea of sustainable development. Not surprisingly, he took an interest in the new forest law.\footnote{38} His first intervention was indirect. He appointed the consultants who had written the CNF’s 1992 policy paper to leading positions in the new Ministry of Sustainable Development and

\footnotesize{34. CNF 1992.  
37. Rivera 1996.  
38. Pavez and Bojanic 1998.}
the Environment (MDSMA). This gave timber interests an institutional base from which to advocate their policy prescriptions and build congressional support. But the president’s business-friendly tack also forced compromise. In their public role the former consultants to the CNF could not politically afford to support full privatization of public forests. Instead, they opted for forty-year, renewable, forest concessions that could be bought and sold. To avoid committing themselves to a specific amount for forest concession taxes, they suggested the law only specify the method for setting the tax. In February 1994, the House of Deputies passed a version of the law that included 40-year forest concessions, area-based taxes of an unspecified amount, a national forest service with limited municipal participation, and no log exports.

In the absence of a strong presidential guiding hand, conflict erupted again when the bill reached the Senate as pressure groups lobbied to modify the bill. The CNF and environmentalists stepped up their lobbying. Civic committees from Beni wanted regional governments to receive an important portion of forest taxes. Small farmer associations expressed concern the new law would prohibit them from exploiting timber on their lands.

Over the next two and a half years, the president took various actions to move the policy along. Each involved an escalation of control over the process. In a preparatory phase he formed an alliance with a powerful international actor in 1994, the Bolivia Sustainable Forest Management project (BOLFOR), funded by USAID. BOLFOR facilitated compromise by positioning itself as a neutral mediator and unbiased source of information and it also became a trusted advisor to the president, his brother (who was also an influential Senator), and other key figures.

President Sánchez de Lozada’s first direct intervention occurred in October 1994. He “suggested” to the Senate that it pass the law. The Senate quickly approved the law “in principle.” To work out the details, it created a commission coordinated by the MDSMA, with representatives from the CNF, LIDEMA (an environmental NGO), Civic Committees, and Senators from the main forest regions. However, conflict deadlocked the Commission. Bowing to public pressure, in July 1995, the President intervened again, and within a month the Senate Commission passed an amended version of the House of Deputies’ bill. The process stagnated again forcing the president and his allies in the Senate to take firmer control. In the Senate, the president's brother chaired a new commission created to negotiate forest policy reform and the President established his own high-level commission to promote the law. During the following months, the President, his brother, and their BOLFOR advisors established the political conditions necessary for the forestry law’s approval. The President used the power

41. Pavez and Bojanic 1998.
42. Pavez and Bojanic 1998.
43. Rivera 1996.
of his office to keep the process on track. BOLFOR held separate workshops with each main group. The president’s brother negotiated the Senate bill with the legislators who sponsored the version of the law approved by the lower house and other powerful individuals and made a strong push for party discipline within the largest party in the government coalition, the National Revolutionary Movement. Finally, the Senate approved a new Forestry Law in July 1996 described at the beginning of this section, a compromise bill with something for each major actor.

Cameroon

Although international actors played an even more central role in forest policy reform in Cameroon, as in the Bolivian case, after a lengthy and relatively controlled policy initiation stage (1989–1993), policy debates erupted in the Congress during the policy formulation stage (November 1993–January 1994). Like Bolivia too, the legislature served as a power center for negotiation and bargaining over forest resources by actors excluded during the policy initiation stage, and presidential support significantly influenced the final outcome.

The key international actors in Cameroon were the World Bank, primarily French timber companies, and the French government. Two background conditions, one economic and one political, made these external actors especially influential in forest policy debates. Cameroon, which had been economically sound in prior decades, had fallen on economic hard times. After 1986, declining agricultural and petroleum prices, the depletion of the country’s oil reserves, an over-valued currency, and economic mismanagement pushed the country into a deep depression. For these reasons, external resources held by international actors became crucial for national economic recovery. The French government was also a strong diplomatic ally of Cameroon’s regime. Meanwhile, French timber firms dominated the Cameroonian timber industry. Timber exports generated 321 million dollars in 1996 and accounted for a fifth of all exports. Political weakness intensified President Paul Biya’s dependence on foreign support. His administration had to contend with a political crisis, stemming from the heavily contested 1992 elections in which incumbent president Biya claimed victory amidst widespread allegations of fraud. More specifically, legislative elections earlier that year had produced a split parliament controlled by a two-party coalition, with only a slim eight-vote majority for Biya.


Efforts to revise Cameroon’s 1981 forestry law can be traced to the FAO-sponsored, Cameroon Tropical Forest Action Plan (TFAP), released in 1988.

44. Pavez and Bojanic 1998.
47. Economist Intelligence Unit 1997.
but the attempt did not prosper. The World Bank began the actual task of crafting the reform bill in conjunction with Cameroon’s Ministry of Environment and Forests (MINEF). In 1989, the World Bank began negotiating a new forestry loan and made forestry law reform a condition for approval of Cameroon’s first structural adjustment loan. The Bank also commissioned several policy studies through MINEF. MINEF officials occasionally disagreed with the Bank on minor points, but the Bank kept them in line with threats to delay the country’s adjustment loans. Thus, the policy initiation stage was confined to the World Bank, which dominated the process, and the MINEF. World Bank employees were responsible for most of the policy recommendations, either directly or as consultants to the MINEF. A Canadian forestry project provided some limited technical input. The Bank and MINEF only occasionally consulted with other government ministries, logging companies, the French and other bilateral donors, and the World Wide Fund for Nature (an international NGO). They interacted very little with political parties, forest communities, and domestic NGOs.

After four years of negotiations, in November 1993, the executive branch sent a draft law to parliament. The bill proposed the use of auctions to allocate new forest concessions; a maximum forest concession size of 500,000 hectares; log exports limited to 30 percent of production; forty year forest concessions; a tax system designed to generate higher revenues; new requirements for sustainable timber management; the establishment of community and municipal forests; and greater emphasis on biodiversity and protected areas. These proposals originated in the World Bank’s market-oriented approach to forestry policy. With its approval, reports written by consultants from Canada and WWF contributed to an emphasis on community forests and biodiversity conservation.


Once the MINEF submitted the bill to parliament in November 1993 domestic and international actors that had been excluded from the process became involved. The local media and NGOs (which included organizations representing poor communities) and many legislators criticized the draft for giving foreign timber companies large concessions for long periods and for allowing the export of unprocessed logs. They argued the auction system would make it difficult for domestic companies to compete with foreign giants. A mixture of nationalism, the defense of some legislators’ interests, and the desire to adopt politically popular stances for electoral purposes motivated their critiques. Simultaneously, the French government and some foreign timber companies lobbied in favor of large concessions and against auctions, higher taxes, and limits on log exports.

This pressure broke the cohesiveness of state institutions during the policy formulation stage. The president had to accommodate politically vital interests opposed to the MINEF. President Biya could not afford to lose the support of either the World Bank, the French government, or local politicians. He tried to keep the French and the World Bank happy by avoiding the immediate ban on log exports proposed by legislators, while soothing Parliament by allowing it to prohibit log exports after a five-year transition period. He bowed to domestic and French pressure by watching passively as legislators eliminated the World Bank’s proposal to allocate forest concessions through auctions. He also stood by as legislators countered the World Bank and French interests alike. The legislators reduced the concession period from forty to fifteen years, created a National Timber Office to regulate timber markets, and maintained the existing 200,000 hectare size limit on concessions (rather than the 500,000 hectares proposed in the draft). The presidency, with its slim eight-seat margin in the parliament, only opposed the legislature on log exports. To ensure legislative support for the President’s position, the majority whip in Parliament demanded strict party discipline in the voting and the president pleaded for the support of the other parties in the governing coalition.

The Forest, Wildlife, and Fisheries Law approved by parliament in January 1994 included all of the provisions mentioned above. Its technocratic planning emphasis greatly disappointed the World Bank. The Bank was especially bothered by the law’s failure to establish the auction system, guarantee future log exports, and lengthen concession periods. Because of the Bank’s behind-the-scenes and technical approach, it did little to build a political constituency to support their positions, although it may have mistaken passive acceptance of their proposals by the executive branch for active support. Regardless, the level of opposition to its proposals took the Bank by surprise.

Costa Rica

Unlike the other cases, Costa Rica has a small forest sector. Only 400,000 hectares of its once plentiful forests remain outside protected areas and the country exports few forest products. Nevertheless, forest issues have a higher profile than these figures suggest. High deforestation rates were not compatible with the image of environmental friendliness the government cultivated. That image attracted significant foreign assistance for natural resource projects to Costa Rica and tourism became the largest single source of foreign exchange, thanks in part to the country’s world-famous national park system.

Costa Rica’s forest policy reform was a contentious process that began in 1990 and ended in 1996. The events leading to the new forestry law began in 1990, when the Constitutional Court declared the 1986 law—based on the tech-

nocratic planning and social forestry paradigms—unconstitutional.\footnote{D.Mendoza, “Sala IV anula ley forestal,” \textit{La Nación}, 25 May 1990, 5A.} This was because some of its clauses infringed on legal property rights of private landowners. Faced with this situation, the Legislative Assembly began work immediately on a new law. A highly fragmented policy environment, with few permanent coalitions and no presidential involvement, drew the policy process out for six years over two presidential administrations. The main issues were the role of the private sector in policy-making; the public sector’s institutional framework; the fate of existing incentives for industrial timber production, plantations, social forestry, and conservation; how much to regulate timber extraction; whether to liberalize log exports and timber imports; and restrictions on converting private forest to other land uses. The law passed in 1996 emphasized a market-friendly approach to forestry with a heavy dose of measures drawn from the conservation paradigm. Social forestry only received minor attention. Technocratic planning was largely absent, with the exception of a ban on log exports.\footnote{MINAE 1997b.}


Forest policy reform began under the pro-business administration of President Rafael Angel Calderón in the context of a highly fragmented policy environment. The policy initiation stage involved both the executive branch—in the form of the Ministry of Environment (that had its own internal divisions)—and the legislative branch. The actors from these institutions had different agendas and their institutions gave them independent power centers from which to pursue them.

After the constitutional challenge to the 1986 forest law, the Legislative Assembly created a special commission to draft a new forest law. Although the legislature had the authority to initiate policy, political tradition deferred such action to the executive. Therefore, the commission invited the environment minister to submit a draft. His vice-minister prepared the draft and gave it to the special commission in August 1990.\footnote{Silva 1999.} He was a highly educated, well-known conservationist, often dubbed the father of the national parks system, who favored the market over state involvement. Consequently, the draft emphasized conservation, deregulation, and market liberalization. A key point was to weaken the General Directorate of Forestry (DGF), which controlled forest policy and management, and to strengthen the private sector. By law, the DGF was an autonomous agency within the Ministry of Environment with a technocratic planning and social forestry orientation. The minister and vice-minister of the environment viewed it as overly bureaucratic, corrupt, and inclined toward excessive regulation.\footnote{Boza 1997.}

\footnotetext[59]{MINAE 1997b.}
\footnotetext[60]{Silva 1999.}
\footnotetext[61]{Boza 1997.}
The consequences of Costa Rica’s fragmented policy environment for the fate of the executive’s bill were felt immediately. The Ministry of Environment had acted without taking into consideration the policy orientation and interests of the congressional committee that had delegated the task to it and against the interests of powerful agencies within it. The absence of coalition building by the Ministry of Environment across institutions and social groups had negative effects for the vice-minister’s bill. The majority of the members of the special commission had a more developmentalist, technocratic planning orientation. They preferred more government intervention, implying strong regulation of private sector activities, continued subsidies, special programs for small-scale producers, and an industrial policy to promote local processing activities. They rejected the executive’s bill and, exercising their constitutional authority, decided to produce their own bill. For that purpose, they organized a second, broader, commission and took advantage of the divisions within the Ministry of Environment—which had to have representation—to stack it in their favor. They appointed representatives from the TFAP and the DGF who shared their developmentalist orientation, and who were not under the minister’s control. A private sector representative to the new commission and a few more legislators rounded it out. The commission drafted a second document based largely on the TFAP reports that envisioned a greater role for the DGF.

The environment minister responded by forging an alliance with USAID, sympathetic environmental NGOs, and the timber industry. Together, they initiated a major lobbying campaign. The USAID financed studies by the Tropical Science Center and the Neotropical Foundation to justify their policy proposals and took key legislators and forestry officials to Chile on study tours to convince them of the merits of the Chilean model. The USAID also strengthened the historically poorly organized private forestry sector with organizational know-how and funding, establishing the Costa Rican Forestry Chamber (CCF) in 1994, which became the main spokesperson for the timber industry. The coalition succeeded in passing a compromise bill in July 1992 that was more favorable to private interests. The new bill still limited the role of private organizations in forest policy. But it almost completely deregulated forest plantations and permitted plantation owners to export logs under certain conditions. It replaced direct payments for plantations with soft loans, following a two-year transition period, but it also provided tax incentives for reforestation and compensation payments for landowners adversely affected by government zoning restrictions.

64. Barrau 1993.
Policy Formulation (July 1992–February 1996)

After the draft bill cleared committee, the Assembly had no interest in bringing it to floor debate and the presidency had no desire to intervene. This suited all parties involved, since none was comfortable with the compromise, especially the minister of environment. The ministry’s main interest lay in merging its autonomous forestry, wildlife, and protected area directorates into a single National System of Conservation Areas (SINAC). This would bring agencies housed in the Ministry of the Environment under the minister’s control and generate more institutional cohesion for policy-making purposes. The situation did not improve when José María Figueres took office in 1994. And, although he supported the idea of sustainable development, he had no intention of intervening in the forest law debate. The new minister of the environment also had little interest in the forest law. He too was focused on conservation and wanted to create a SINAC in addition to developing innovative compensation schemes for environmental services in areas such as bioprospecting and international projects for carbon sequestering.

The legislature shook the environmental ministry into action. Ottón Solís, an outspoken legislator from the minister’s own party, introduced a draft forestry bill that prohibited logging and clearing of natural forests, and deregulated the use of planted trees. The proposal generated significant public support. Unless the ministry put forth its own proposal, Solís’ initiative would gain momentum. In January 1995, the ministry presented a counter proposal based on extensive negotiations with the CCF, which at this point also included the peasant forest sector as represented by the National Council of Forest Peasants (JUNAFORCA). JUNAFORCA shared the large-scale producers’ desire for deregulation and maintenance of subsidies for forestry. The proposal that emerged included: major private sector participation in the policy process (National Forestry Office and regional forest councils); a private sector sustainable extraction certification board; private agents responsible for forest management plans; creation of the SINAC; partial deregulation of timber exploitation; prohibition of log exports; soft loans rather than subsidies for reforestation; and restrictions on land use change with compensation for those affected.

In February, another legislator, Luís Martínez, introduced a third draft. He had a more developmentalist outlook than the Ministry of Environment and Ottón Solís. His draft proposed a greater role for the DGF, weaker private sector participation, no SINAC, and stronger restrictions on forest conversion. The bill was approved in July and it represented a defeat for the minister of environment.

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69. MINAE 1997a.
71. Rodríguez 1997.
73. Rodríguez 1997.
and the CCF. It did not establish the SINAC, it maintained a powerful DGF; gave the private sector a marginal role in decision making, and phased out all subsidies, except those for conservation. The CCF and the JUNAFORECA obtained only one victory: subsidies would be phased out instead of eliminated immediately. These social groups had miscalculated. They had focused their lobbying on the Ministry of Environment, assuming the congress would approve the executive’s proposal.

In January 1996, the Committee on Agriculture and Natural Resources submitted the bill to the full Assembly. The legislators made several amendments, including the establishment of additional incentives for forest conservation and secondary forests and a few changes necessary to bring the law into line with a general environmental law approved in November 1995. Then, in February 1996, the Assembly passed the law. But the minister of environment mooted the portions of the law that strengthened technocratic planning. He created the SINAC by ministerial decree, thereby eliminating the DGF and destroying the power of developmentalists in the ministry.75

Indonesia

Reform of Indonesia’s 1967 forestry law—based on the technocratic planning paradigm—took longer to complete than in the other cases, beginning in 1989 and ending in September 1999. The policy initiation stage was especially slow, lasting from 1989 through 1997. A change in two key background variables between 1997 and 1998 made a significant difference in the pace and content of forest policy reform. Indonesia’s economy entered crisis and its authoritarian political system gave way to democracy. Beginning in 1998, those changes permitted movement to the policy formulation stage, and, finally, passage of a new law in September 1999.


Two actors—one state and one nonstate—dominated most of the policy initiation stage of the policy process and neither had an incentive to reform existing institutions and practices, which explains why this stage was so drawn out. These were the Ministry of Forestry (MOF), which officially controlled the policy process, and the timber industry, which worked behind the scenes given its close connection to the MOF. Both were very powerful because Indonesia’s forest sector is large, economically significant, and institutionally well established due to the success of decades long state-led industrial planning.76 By the end of the 1980s, the MOF administered concessions covering about half of the country’s forests to the benefit of a few hundred Indonesian plywood, pulp, logging, and rattan companies.77 This ensured a cozy relationship between the MOF and

77. Sunderlin and Resosudarmo 1996.
a politically connected timber industry.\textsuperscript{78} These domestically owned companies produced most of Indonesia's forest exports, which in 1994 generated US $5.5 billion and accounted for 15 percent of total exports.\textsuperscript{79}

The lack of competing power centers capable of initiating or pressuring for reform from outside the MOF-timber industry nexus was another reason for the length of the policy initiation. Unlike in Bolivia, Costa Rica, or Cameroon there was no legislative venue for policy initiation or international actor capable of successfully pressing for reform. The long-lived Soeharto regime (1966–1998) was authoritarian because it kept the legislature weak, relying instead on ministerial decrees and regulations for policy decisions.\textsuperscript{80} Under these circumstances, while interested in forest policy reform, foreign agencies, such as the World Bank, did not make forestry law reform a priority because they were excluded from a policy process dominated by the MOF and timber interests.

Despite the Soeharto regime’s lack of interest in the matter, Indonesia formally began a process to produce a new forestry law in 1989. Soeharto appointed a new minister of forestry in April 1988, and apparently asked him to “improve upon” the 1967 law, perhaps because the forest industries were coming under heavy international criticism.\textsuperscript{81} In February 1989 the Ministry of Forestry’s legal bureau organized an internal seminar on “perfecting” the 1967 forestry law. The minister then created a commission of senior officials to revise the law. In mid-1993, the commission submitted an “Academic Manuscript” justifying the need for a new law.\textsuperscript{82}

During these proceedings, criticism of the Indonesian government’s forestry policies by the World Bank and domestic NGOs mounted. Between 1990 and 1993, the Bank published two critical reports.\textsuperscript{83} In 1993, the Bank also made major forest policy reform a condition for approval of a US$120 million forestry loan.\textsuperscript{84} Two coalitions of Indonesian forestry and environmental NGOs issued major critical reports in 1990 and 1991.\textsuperscript{85} The World Bank supported a market-oriented reform program focused on eliminating restrictions on log exports, higher taxation of forest enterprises, and market-based concession allocation. The NGOs supported the Bank’s proposal but gave much more attention to community forestry and conservation. Despite their call for reforms, neither the Bank nor the NGOs paid much attention to reforming the forestry law under the Soeharto government; neither did the FAO’s Indonesian Tropical Forestry Action Programme, released in 1990.\textsuperscript{86}

\textsuperscript{78} Challis 2001.
\textsuperscript{79} Economist Intelligence Unit 1995.
\textsuperscript{80} Challis 2001.
\textsuperscript{81} Repetto and Gillis 1988.
\textsuperscript{82} Manurung 1997.
\textsuperscript{83} World Bank 1993 and 1990.
\textsuperscript{84} Ross 1996.
\textsuperscript{85} Skephi 1990; and Walhi 1991.
\textsuperscript{86} Ministry of Forestry GOI/FAO 1990.
The World Bank and the NGOs were unable to influence the executive branch. The Indonesian forest industries and their allies in the Ministry of Forestry strongly opposed the reforms proposed by the Bank and the NGOs. Because the Indonesian economy was strong and Soeharto’s closed authoritarian regime was stable, government officials could largely ignore their critics. They even preferred to lose the US $120 million World Bank forestry loan, rather than accept the Bank’s conditions.87 Under these conditions, the Ministry of Forestry’s internal law reform commission could proceed without really considering these external critics.

For the next three years forestry law reform proceeded along its bureaucratic path within the MOF. A new minister of the MOF received permission from Soeharto to draft a new forestry law based on the MOF’s "Academic Manuscript." A new commission deliberated and, after perfunctory participation by invited academics, representatives of provincial governments, local NGOs, regional MOF offices, and professional forestry organizations, it crafted a forest bill that differed little from the 1967 law.88 The commission framed its proposal in the rhetoric of biodiversity and conservation issues, eco-tourism, the role of regional governments, community participation, and research and development, but included few substantive changes.

In the absence of presidential, legislative, or external pressure, a lack of institutional cohesion within the MOF kept even this bill, with its more or less cosmetic changes, from reaching the parliament. Many senior MOF officials opposed submitting any new forestry bill to Parliament. They worried that opening the debate might cause the MOF to lose large areas of land to the Ministry of Land Use. The MOF controlled land use in all areas officially zoned as forested, which cover 73 percent of the country. However, extensive deforestation left much of that land denuded and the Ministry of Land Use claimed jurisdiction. Because many MOF officials felt the Ministry of Land Use might prevail in the legislature over this issue during forest bill deliberations, in February 1997 the MOF formally postponed submitting a new forestry law to Parliament indefinitely.89

Policy Formulation (1998–September 1999)

A sharp downturn in the Indonesian economy in 1997, a democratic opening in the political system in 1998, and changes in the structure of the forest sector’s bureaucracy disrupted the old alliance between government and the private timber interests. In a period of less than eighteen months between 1997 and 1998, the Indonesian currency lost 70 percent of its value, President Soeharto resigned, and the economy contracted by 10 to 15 percent.90 These conditions

strengthened the ability of the World Bank and environmental NGOs to influence forest policy reform and the government could no longer ignore their pressure on the topic. A decision by the new president of Indonesia to move responsibility for tree crops to the Ministry of Forestry, which became the Ministry of Forestry and Estate Crops (MoFEC), also greatly reduced concerns in the Ministry of Forestry that forest law reform might lead to a reduction in its power.

The World Bank and the International Monetary Fund took advantage of the crisis to impose the forestry policy revisions they had unsuccessfully promoted for almost a decade. Under pressure, the Indonesian government agreed to lower forest product export taxes, increase resource rents and stumpage fees, allocate new concessions through auctions, eliminate the plywood producer association’s export cartel, and reduce land conversion targets to sustainable levels.91

In addition to promoting these decrees, the World Bank made a new forestry law a precondition for a US$500 million structural adjustment loan. Indonesia could ill-afford to reject the loan as it had in the past. Accordingly, the new minister of Forestry and Estate Crops, who also believed in a more egalitarian approach to forest policy, established a committee to reform the forest law in June 1998. Many people who had been associated with community forestry groups and their NGO supporters participated in the reform committee. The committee then drafted a reform bill in September 1998 that both incorporated the World Bank’s market-oriented policy recommendations and promoted community forestry.92 However, there was controversy over the government’s commitment to community forestry because it essentially limited communities to noncommercial uses of the forest.

Bigger controversies followed. MoFEC bureaucrats produced their own bill, largely modeled on past efforts, and convinced the minister of Forestry and Estate Crops to support it. Alarmed, the World Bank and several bilateral development aid agencies convinced Indonesia’s minister of finance to keep that bill from going to the legislature for a vote.93 A compromise was reached with respect to administrative decentralization, creating competitive markets, promoting corporate responsibility, regulating land use, and peasant community rights to development.

Nevertheless, the bill that was signed into law in September 1999 slanted towards MoFEC interests and away from World Bank and environmentalists’ recommendations.94 On paper, it promotes decentralization by giving local administration greater autonomy in forest management. This should generate more competition by opening opportunities in managing forest resources to cooperatives and companies owned by provincial governments. However, the law leaves concession size to regulation where large-scale industry and its allies in

the MoFEC have far greater influence than other actors. Each timber company is limited to 100,000 hectares per province with a nation-wide cap of 400,000 hectares total. Given their preferential access to MoFEC large-scale timber firms will probably find a way to crowd new competitors out. The law also weakly incorporates some elements from the conservation and social forestry paradigms in its protection against unsustainable land use changes. First, concessionaires must provide a performance bond or bank guarantee commensurate with the potential yield of each concession. Second, class action suits may be filed against companies and parties charged with damaging forests and causing losses to local peoples. Third, concession holders will be held responsible for forest fires (a common means of clearing land for agriculture). Lastly, the law recognizes the rights of local peoples (impoverished communities and peasants) in granting concessions, although the interpretation of those rights is left to local administration.

**Comparative Conclusions**

The case studies confirm that the main actors framed their policy positions in terms of the major policy paradigms, and that the extent to which policy incorporated ideas from particular discourses depended on the power resources of the actors that articulated them. For the most part, policy debates and new forest laws were framed more in terms of the market-friendly and the technocratic planning approaches than conservation and social forestry. This reflected the greater resources of the World Bank, USAID, timber industries and their allies, and public forestry bureaucracies as compared to NGOs, small-producer and indigenous organizations, local governments, and other bilateral aid agencies. Costa Rica’s emphasis on environmental services, steeped in the conservationist paradigm, proved a partial exception, as did the adoption of some social forestry measures in Bolivia and Costa Rica. This suggests conservationist forces, local government, and social organizations had more impact in those two cases than in Indonesia and Cameroon.

These broad outcomes depended on variation in three conditions that affected the power resources of the principal actors: the importance of timber for the national economy, the length of time timber had been under intensive exploitation, and the strength of national state and social actors versus international ones. The strong focus on technocratic planning in Indonesia resulted from the fact that timber exports had been a significant source of foreign exchange for many decades and the Indonesian state, with its focus on industrial policy, built-up powerful state agencies with the mission of developing nationally-owned private timber companies. In short, interconnected state actors and timber interests possessed substantial economic and institutional power. In

Cameroon, long-established international companies dominated the timber sector and state institutions were comparatively weak, which explains the market-oriented elements of the law. However, the nationalistic, technocratic planning emphasis of the law is explained by the weakness of state and international actors in relation to the legislature, which supported those positions in defense of constituents and political considerations. By contrast, timber had only recently become important for Bolivia’s economy, consequently state institutions and national timber companies were not sufficiently developed institutionally and economically to keep local government, social groups, and international organizations from effective participation in the policy process. Thus, Bolivia’s law offered something substantial to every actor. Finally, timber was not economically important in Costa Rica, tourism based on a reputation for conservation was. Under these circumstances, a weak Ministry of Environment in conjunction with conservationist forces—that included pro-conservation legislators—and strong bilateral aid agencies (mainly USAID) passed a market and conservationist-oriented forest policy law. We would expect cases with similar conditions to have similar outcomes.

These outcomes must be distinguished from the fact that the debates and the forest laws themselves were cloaked in the rhetoric of sustainability, biodiversity, conservation, community forestry, participation, and decentralization. Moreover, in many cases conservationist and social forestry issues received substantial attention as multilateral and bilateral organizations, NGOs and academics championed their cause. However, actual incorporation of those measures into law requires strong support from political leadership, especially in the executive, and sufficient resources for implementation. In these times of the shrinking state, reduced development aid, and emphasis on the market and the private sector neither of those two conditions are present. Conservationists may have a slight edge due to the construction of international regimes around the Biodiversity and Global Climate Change conventions.97

Of course outcomes—the content of the forest laws—were more complex than the broad distinctions mentioned above. As we saw, new forest laws drew from more than one paradigm, even in the cases of Indonesia and Cameroon. What factors aided the actors that advocated them? Exploring these nuances may offer research organizations suggestions and strategies for more effective action to get their recommendations included in policy.

A significant finding was that forest policy reform is a long, drawn out process in which actors who dominated the policy initiation stage did not necessarily fare well in the policy formulation stage. This was because in the policy initiation stage the institutional setting was comparatively cohesive and relevant actors were few in numbers and self-selected to frame an agenda for future deliberation. The final outcome frequently differed because the policy formulation stage involved other powerful actors with different interests. This suggests

that policy research organizations and other actors involved in the early stages of the policy process should cultivate actors involved in later stages. They will need their support.

State and international actors dominated the policy initiation stage of the policy process. This held true even when legislatures initiated policy reform. In congressional committees they were key advisors to legislators with little expertise in the issue. State actors were invariably line ministries or agencies responsible for the forest sector. Whether the principal international actor was the FAO, the World Bank, USAID, or some other bilateral aid agency depended on the history and location of the host country (USAID has more prominence in Latin America than in Africa or Asia). Clearly, which of these was involved had significant impact on the orientation of draft bills.

Moreover, not all relations between state and international actors were harmonious at this stage of the policy process nor were international actors always present. Harmonious relations occurred when domestic actors initiated policy reform and invited international actors to participate (Bolivia). They were tenser when international actors exploited host country weaknesses in order to press their agenda on them. This occurred when the policy initiation stage was comparatively fragmented, as evidenced by Costa Rica where fragmentation allowed USAID and the minister of environment to counter the Forest Department and FAO who had at first dominated the policy initiation stage. It also occurred when countries were in the midst of economic crisis, which weakened state agencies in relation to multilateral or bilateral aid agencies. This was the example of Cameroon and World Bank initiatives. By contrast, if state institutions and the economy are robust, line ministries in the forest sector may be able to resist international pressure, as was the case in Indonesia and the World Bank through the mid-1990s.

Actors who dominated the policy initiation stage often lost control during the policy formulation stage because conflicts erupted when actors who had been excluded maneuvered to protect their interests. The final products frequently bore little resemblance to early drafts. What can we conclude from our cases about the factors that conditioned actor effectiveness in this stage? First, the cohesiveness or fragmentation of state institutions in the executive and legislative branches of government was a significant factor. Second and thirdly, whether the country was in economic crisis and the political strength of the president were also important. A fourth variable was the institutional, organizational, and/or economic power of the actors themselves.

In the three democratic cases—Bolivia, Cameroon, and Costa Rica—the formulation stage of the policy process took place in the Congress. The principal new actors were timber interests, local government, forest peoples’ organizations, and environmental organizations. Of these the first two were more significant politically, not the least because their economic and administrative power resources connected them to legislators who were important new actors in their own right: they commanded the votes necessary to pass or block legis-
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<tr>
<td><strong>Political Regime</strong></td>
<td>Democracy</td>
<td>Democracy</td>
<td>Democracy</td>
<td>Authoritarian</td>
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<tr>
<td><strong>Policy Venue</strong></td>
<td>Congress: Committee</td>
<td>State: Min. of Env. &amp; Forestry</td>
<td>Congress: Committee</td>
<td>State: Min. of Forestry (MOF)</td>
</tr>
<tr>
<td><strong>Forest Sector Conditions</strong></td>
<td>Recently significant for the economy</td>
<td>Long significant for the economy</td>
<td>Scant significance for the economy</td>
<td>Long significant for the economy</td>
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<tr>
<td><strong>Economic Conditions</strong></td>
<td>Stabilized economy, moderate growth</td>
<td>Economic crisis</td>
<td>Stabilized economy, moderate growth</td>
<td>Strong economic growth</td>
</tr>
<tr>
<td><strong>Political Conditions</strong></td>
<td>Politically secure president</td>
<td>Politically weak president</td>
<td>Politically weak president</td>
<td>Politically secure president</td>
</tr>
<tr>
<td><strong>Cohesion/frag. of Policy Conditions</strong></td>
<td>Moderately cohesive</td>
<td>High cohesion</td>
<td>Fragmented</td>
<td>High cohesion</td>
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<tr>
<td><strong>Main Actors and Power Resources</strong></td>
<td><strong>Legislature</strong></td>
<td><strong>State</strong></td>
<td><strong>Legislature</strong></td>
<td><strong>State</strong></td>
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<td></td>
<td>Comarena and its members initiate policy reform. Have moderate autonomy, power of votes, but need majority to proceed.</td>
<td>MINEF, a weak ministry, initiates policy reform under pressure from World Bank.</td>
<td>Ag. &amp; Nat. Resource Committee. Votes &amp; power to select participants in initiation process.</td>
<td>MOF, powerful ministry because of significance of timber for the economy. It internalizes the interests of the Indonesian large-scale timber industry, its main client. MOF ignores critics such as the World Bank, NGOs, and forest communities.</td>
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<td></td>
<td><strong>State</strong> Senma, has technical expertise but new agency and low in ministerial hierarchy.</td>
<td>Mainly World Bank, has loan conditionality and technical expertise. Also: Canadian Forestry Project, FAO, and WWF and their technical expertise.</td>
<td>MIRENEM: weak because low in cabinet hierarchy and divided. —DGF: Independent, nominally under MIRENEM, opposes latter.</td>
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<td></td>
<td><strong>International</strong> FAO, technical expertise.</td>
<td>International</td>
<td>International</td>
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<td></td>
<td><strong>Social Groups</strong></td>
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<td></td>
<td>— Timber interests: growing economic power and connections to legislators. — Environmentalists: watchdog capacity and technical expertise.</td>
<td>— Timber interests, economically weak but increasing organizational power. — Environmentalists (CCF) policy research org. with technical expertise and political connections.</td>
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<td></td>
<td>State:</td>
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<td></td>
<td>MOF, powerful ministry because of significance of timber for the economy. It internalizes the interests of the Indonesian large-scale timber industry, its main client. MOF ignores critics such as the World Bank, NGOs, and forest communities.</td>
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<tr>
<td><strong>Winning</strong></td>
<td>Comarena majority with FAO and Senma supported indirectly by local government and smallholders via legislator on the Comarena and directly by environmentalists.</td>
<td>“Forced coalition” of MINEF and International actors, principally the World Bank.</td>
<td>Semi-winning</td>
<td>MOF with timber industry.</td>
</tr>
<tr>
<td><strong>Losing</strong></td>
<td>Timber interests and supporting legislators</td>
<td></td>
<td>Semi-losing</td>
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<td></td>
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<td></td>
<td>MOF with timber industry.</td>
<td>DGE, FAO</td>
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<tr>
<th>Outcomes</th>
<th>Comarena crafts a bill based on policy prescriptions of FAO and Senma that includes interests of local government and smallholders.</th>
<th>MINEF crafts a bill based mainly on World Bank policy prescriptions.</th>
<th>Compromise bill more favorable to market approach to forestry policy reform but with elements of technocratic planning and social forestry.</th>
<th>MOF crafts a bill with minor changes to existing technocratic planning oriented legislation. Bill tabled due to inter-ministerial rivalries.</th>
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<tr>
<td><strong>Political Regime</strong></td>
<td>Democracy</td>
<td>Democracy</td>
<td>Democracy</td>
<td>Transition to democracy</td>
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<tr>
<td><strong>Policy Venue</strong></td>
<td>Legislature and State</td>
<td>Legislature</td>
<td>Legislature and State: Ministry of Environment (renamed MINAE)</td>
<td>State: Min. of Forestry &amp; Plantations (MFP) and Legislature</td>
</tr>
<tr>
<td><strong>Forest Sector Conditions</strong></td>
<td>Recently significant for the economy</td>
<td>Long significant for the economy</td>
<td>Scant significance for the economy</td>
<td>Long significant for the economy</td>
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<tr>
<td><strong>Economic Conditions</strong></td>
<td>Stabilized economy</td>
<td>Economic crisis</td>
<td>Stable economy, low growth</td>
<td>Economic crisis</td>
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<tr>
<td><strong>Political Conditions</strong></td>
<td>Stable presidency</td>
<td>Weak presidency</td>
<td>Weak presidency</td>
<td>Weak presidency</td>
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<tr>
<td><strong>Cohesion/Fragmentation of Policy Conditions</strong></td>
<td>High fragmentation</td>
<td>High Fragmentation</td>
<td>High Fragmentation</td>
<td>Fragmentation in MFP</td>
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<tr>
<td><strong>State</strong></td>
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<tr>
<td>— The president, appoints top cabinet positions and advisors; pressures legislature, keeps own party in line.</td>
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<tr>
<td>— MDSMA, authority to craft executive branch version of law and negotiate with legislature.</td>
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<tr>
<td>— Civic committees, local government, have support of key legislators.</td>
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<tr>
<td><strong>International</strong></td>
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<tr>
<td>USAID/Bolfor, good office reputation &amp; technical expertise.</td>
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<tr>
<td><strong>Legislature</strong></td>
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<tr>
<td>Deputies and Senators control votes and are beholden to constituents.</td>
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<tr>
<td><strong>Social Groups</strong></td>
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<tr>
<td>— Timber interests (CNF), economic power and support of key legislators.</td>
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<tr>
<td>— Environmentalists (LIDEMA), ties to Bolfor.</td>
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<tr>
<td>— Smallholders and native peoples, indirectly through civic committees and NGOs.</td>
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<tr>
<td><strong>State</strong></td>
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<tr>
<td>— President does not intervene.</td>
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<tr>
<td>— MINAE, stronger than MIRENEM by overcoming internal divisions.</td>
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<tr>
<td><strong>Legislature</strong></td>
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<tr>
<td>Congressional committee controls votes. Stronger than MINAE due to lack of presidential involvement.</td>
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<tr>
<td><strong>Social Groups</strong></td>
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<tr>
<td>— Timber interests’ organization CCF much stronger than before and politically well connected with the MINAE.</td>
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<tr>
<td>— Smallholders, organizationally stronger through creation of Junaforca, but politically isolated with dismantling of the DGF.</td>
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<tr>
<td><strong>State</strong></td>
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<tr>
<td>— President intervenes only to appoint new minister with broader interests than in past and to fuse two ministries.</td>
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<td>— MFP, divided between Reform Committee and career bureaucrats. More authority than MOF but also vulnerable because of economic and political conditions.</td>
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<td><strong>International</strong></td>
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<td>World Bank, more influence due to economic and political conditions.</td>
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<td><strong>Social groups</strong></td>
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<td>— Environmental NGOs. More influence due to connection to World Bank.</td>
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<td>— Local communities, ditto and linkages to legislators.</td>
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<tr>
<td>— Domestic timber industry, still economically powerful, connected to MFP bureaucracy and legislators.</td>
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<td><strong>Legislators</strong></td>
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<td>control votes.</td>
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### Table 2 (continued)

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<td><strong>House of Deputies</strong></td>
<td>Winning President, MDSMA with co-opted CNF officials, Bolfor neutralize rest of actors that do not form coalition.</td>
<td>Indirect coalition President navigates interests of international, legislative, and domestic actors.</td>
<td>Partial CCF and Junaforca on maintenance of subsidies. Mostly each actor out for itself and forced to compromise with legislators.</td>
<td>Semi-winning MFP career bureaucrats, domestic timber interests, supporting legislators. Semi-losing World Bank, environmental NGOs and local communities.</td>
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<tr>
<td><strong>Senate</strong></td>
<td>Compromise between winning coalition of Deputies and rest of actors.</td>
<td><strong>Indirect coalition</strong> MPs and domestic social groups and local communities</td>
<td><strong>Partial</strong> CCF and Junaforca on maintenance of subsidies. Mostly each actor out for itself and forced to compromise with legislators.</td>
<td><strong>Semi-winning</strong> MFP career bureaucrats, domestic timber interests, supporting legislators. <strong>Semi-losing</strong> World Bank, environmental NGOs and local communities.</td>
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<tr>
<td><strong>Outcomes</strong></td>
<td>New forest law contains key policy prescriptions advocated by all of the major actors.</td>
<td>World Bank proposal largely defeated. Law draws more from technocratic planning approach to benefit international firms, domestic timber interests, smallholders, and local government.</td>
<td>Compromise bill more favorable to market approach to forestry policy reform but with elements of technocratic planning and social forestry.</td>
<td>Market and technocratic planning orientation with some incorporation of conservation and community forestry concerns.</td>
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tive initiatives. Given the fragmented character of the policy process, whether the president of the republic became involved in the policy process and whom the president supported was significant for actor effectiveness. In Bolivia, intervention by a politically secure president assured that a significant portion of the agenda of state agencies (Ministry of Environment) and the international actor they invited to help them (USAID) were incorporated in the law. Timber interests also gained influence because the president supported private enterprise. He gave them positions within the Ministry of Environment to enable them to press their agenda in a constructive rather than strictly defensive manner. By contrast, international organizations (the World Bank) and state agencies were less successful in Cameroon, where a politically weak president (perhaps reluctantly) supported economically powerful international timber companies somewhat at the expense of the joint policy recommendations of the Ministry of Forestry and the World Bank. Meanwhile, Costa Rica suggests that when the president does not intervene to resolve differences, the actors who had focused on the executive as the locus of policy-making and ignored the legislature may find their efforts go to ground on those issues in which the congressional committee and the line ministry disagree. This was especially true for the timber interests and small-scale producers. Moreover, only unilateral administrative restructuring of the Ministry of Environment to destroy the department of forestry voided the congresses’ effort to strengthen the technocratic planning component of the bill and to weaken its market orientation.

Another general conclusion is that efforts by international actors and timber interests to influence legislation that concentrated almost exclusively on the executive branch of government often fared poorly. To prosper, they needed to involve legislators and other interest groups, as was the case in Bolivia. There, the USAID project (BOLFOR) worked closely with all major actors, facilitating negotiations between the executive, the legislature, the timber association, and others. Bolivian timber interests allied with sympathetic legislators who forced compromise because they controlled key votes. These experiences underscore the fact that in all cases no one actor was powerful enough to unilaterally impose their preferences. Achieving success required building alliances and compromise.

The cases also revealed that in democracies the policy formulation stage also involved environmentalists, indigenous groups, peasants, small-scale timber producers, and local government. Whether they participated depended on their degree of organization and their desire to do so. Whether they allied with members of congress, the executive, or international organizations was a matter of strategy and connections. Democracy clearly afforded them political space to make their voices heard, even though they were not usually the dominant voices. Thus, in democracies the new forest laws all gave something for community forestry and to conservation. In Bolivia, environmentalists and local government worked with specific legislators to incorporate some of their views in the forest law; indeed, peasants and indigenous peoples were content to let
those two actors represent their interests. In Costa Rica, small-scale producers participated in alliance with large-scale ones and the upper echelons of the Ministry of Environment in the interest of deregulation. Costa Rican environmentalists waited far too long to join the fray in congress; they did not choose to act until the final floor debates. By that time all substantive issues had been settled. Indigenous peoples were absent throughout. In Cameroon, members of congress represented the interests of their constituents: domestic timber producers (large and small) and local communities.

Ironically, conservationists had their biggest victory in Costa Rica despite the fact that environmental NGOs were not the vehicle for those gains. Their achievements were the product of the market-oriented conservationist paradigm of key policy-makers in the Ministry of Environment. These policy-makers were loyal to the minister and opposed to the technocratic planning group in the forest service and the TFAP. Their main defeat was at the hands of the Costa Rican congress when it whittled away at clauses that institutionalized the private sector’s participation in forest policy-making in the executive. They might have suffered more had the minister not taken unilateral action to destroy his principal opponent: the forest service.

The Indonesian case is highly instructive, even more so for the value of the comparison across two periods of its political and economic history. It highlights the significance of political systems, state cohesion, and economic stability for the power of relevant actors. Soeharto headed a pro-business authoritarian regime that excluded most of civil society from decision making. Policy-making was not a transparent deliberative process. Sustained, rapid economic growth—to which the timber industry contributed—bolstered his government further. Under these conditions, with the president’s permission, middle level functionaries in the Ministry of Forests initiated forest law reform behind closed doors. But the lack of state cohesion stifled advancement to the policy formulation stage. The highest levels of authority in the ministry feared ceding powers to another ministry and refused to send the bill forward.

Things changed drastically with economic shocks, the ouster of Soeharto, the advent of democracy, and greater state cohesion in backing for forest law reform. The new regime could not afford to reject World Bank loans. The presidency also ensured the Ministry of Forests no longer need fear a rival ministry. The president combined the two into the Ministry of Forestry and Estate Crops. Thus, the Ministry of Forestry no longer had to be concerned about losing control over deforested land. After that, as befitting the context of democratic transition, which encourages political participation, the policy formulation stage was broadly inclusive, with the notable, direct participation of environmental organizations. However, the minister supported MoFEC career officials who had a more technocratic planning outlook and who, to some extent, supported forest communities. Consequently, the final law emphasized the former, included the latter, and adopted some of market-oriented recommendations related to competition (although it still gave great influence to established firms).
On average, then, the most effective actors tended to be those of the state, international development agencies (especially the World Bank and, in Latin America, USAID), and national and international timber interests. The FAO advised the Bolivian, Cameroon, and Costa Rican governments but had little clear influence. With respect to the state sector, forestry ministries and departments had more influence where these institutions had greater status and resources and when the presidency supported them. International development organizations had greater influence when presidents or state agencies invited their participation or when the country was in economic crisis. Timber interests, when economically powerful, obtained mixed results. They achieved major victories, but also suffered important defeats. Environmental organizations can take some credit for some of the laws’ conservationist rhetoric, but for the most part their participation in the legislative debates was sporadic and indirect, frequently relying on international actors to articulate their views. Given the diversity of environmental groups they often found it difficult to speak with a common voice and they had few close ties with government officials or legislators and limited capacity to present well-documented reports or detailed proposals. The only countries where indigenous people and small-scale timber producers participated in the forestry law debates were Bolivia and Costa Rica where they had the organizational resources and connections to do so. The most unexpected finding was that legislatures played a significant role in all the democratic cases. Consequently, legislators were active participants in formulating forestry legislation, particularly those who were members of commissions or came from forested regions, and they did not always follow the party line.

In the final analysis, research organizations and NGOs spend considerable effort to generate data with an eye to influencing forest policy debates. But unless they obtain support from powerful political, economic, or social actors their ideas are unlikely to have much impact, unless, of course, they are powerful, politically well-connected institutions in their own right. This suggests that research organizations should have some knowledge of the policy process so they may get their ideas to the actors most likely to use them. In most situations, given the complexities and different stages of the policy process, reliance on a single actor will not suffice. Cultivating as wide a range of connections among international development organizations, state agencies, organized social groups and, especially, legislators, seems to be the most effective strategy.

Appendix 1

Acronyms
BOLFOR: Bolivia Sustainable Forest Management
CCF: Costa Rican Forestry Chamber
CNF: National Chamber of Forestry
COMARENA: Natural Resources and Environment Committee (Bolivia)
DGF: General Directorate of Forestry (Costa Rica)
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