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CHAPTER 3

**FROM PUBLIC OWNERSHIP BACK TO
COMMONS.
LESSONS LEARNT FROM THE ROMANIAN
EXPERIENCE IN THE FOREST SECTOR**

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**From public ownership back to commons.
Lessons learnt from the Romanian experience in the forest sector /
Chapter 3**

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Abstract

This chapter is an analysis of the forest commons in Romania (in Romanian - „*obște*”, „*composesorat*”) as social solidarity economy organisations mainly looking at how the collective production of norms in these new (re-instituted after 50 years) organisations impacts the sustainability concerns in the collective management of natural goods and production of new goods and services of interest to the community. The chapter has four parts: the first part is offering to the readers a conceptual framework of common goods in order to better understand the particular situation of Romanian natural resources (forests, pastures) as common goods and their transition from public management to commons across time; the second part is a brief history of commons in Romania covering evolutions from 1948 to 2012 and including estimates of the size of surfaces they manage; the third part studies the commons as social economy organisations using key social and economic indicators of commons as SSE organisations from the Prometheus research project in which the authors were involved; and the last part assesses the disposition of the commons for a public, community interest mission and sustainable management of forests using survey data analysis. The chapter thus provides an in-depth analysis of commons as social solidarity economy organisations in Romania and of their capacity to provide a viable framework for sustainably managing the common resources under circumstances of significant economic pressure.

Keywords: social economy; social solidarity economy organisation; commons; forestry

JEL-Codes: A13, L31, Q23

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Introduction

In Romania, commons, re-instituted traditional forms of common ownership (in Romanian - „*obște*”, „*composesorat*”) administer significant natural resources, mainly forests and pastures which may also include hunting areas, fisheries, lakes, resources of strategic interest for sustainable development.

The commons were re-established as associations after the fall of communism, according to the Law no. 1/2000 (Lupu Law) and the Law 247/2005, in the context of the restitution of the above mentioned resources to the former owners, answering the need of a specific kind of organisation for the administration of such resources. Most of the Romanian restituted commons appeared around the year 2000 and few of them after, following over 50 years of public property and organisation of land and forests as public enterprises under the communist regime. There was a process of re-institutionalisation of community-based rules and procedures in a context which previously was governed in a non-participatory manner. The legal form of commons is that of a not-for-profit association but with particularities enshrined in the bylaws, such as permission of limited distribution of profit (in kind or in cash) among members. The main advantages of the re-establishment of the commons were allowing participatory management of the commonly-owned forest, access to the organisation’s products such as free or for very low-priced acquisition of wooden material.

In this chapter, we draw from Elinor Ostrom work in the field of common pool resources and we attempt an analysis of the forest commons in Romania as social solidarity economy (SSE) organisations mainly looking at how the collective production of norms in these new (re-instituted after 50 years) organisations impacts the sustainability concerns in the collective management of natural goods and production of new goods and services of interest to the community.¹ We start with a conceptual framework on common goods, review the changes incurred in property regimes of forests in Romania, and provide estimations regarding the surfaces of forests in question. We conduct an assessment of some key social and economic indicators of commons as SSE organisations starting from balance sheet data, we provide a comparative perspective of sustainability indicators such as illegal logging in public and common forests, and thus try to see how these hybrid organisations pursuing common and general-interest missions behave under commercial, economic pressures. Finally, we take an in-depth view on the sustainability concerns within the governance of these organisations through survey data.

¹ NYSENS, M., PETRELLA, F., “The Social and Solidarity Economy and Ostrom’s approach to common pool resources: Towards a better understanding of institutional diversity?”, in: J-L LAVILLE, D. YOUNG, P. EYNAUD, *Civil Society, the Third Sector and Social Enterprise: Governance and Democracy* (Routledge Frontiers of Political Economy), Routledge, Oxford, 2015.

1. Transition of common goods from public management to commons – the case of natural resources (forests, pastures) in Romania

In order to understand the role of Romanian commons we have to remember the two characteristics of goods in economics: excludability (the property of a good whereby a person can be prevented from using it) and rivalry (the property of a good whereby one person's use diminishes other people's use). Using these two characteristics, the goods can be divided in four categories: private goods – which are both excludable and rival, public goods – which are neither excludable nor rival, common resources – which are rival but not excludable, and natural monopoly – when a good is excludable but not rival. (Mankiw, 2015). In the case of the public goods, people cannot be prevented from using a public good, and one person's enjoyment of a public good does not reduce another person's enjoyment of it. In the case of the common resources, when one person uses resources, there are fewer resources for the next person to use. Yet these resources are not an excludable good because it is difficult to charge persons for the resources they use.

In the communist time in Romania, common resources (forests, pastures, fisheries, lakes, springs, etc.) previously held in traditional common property have been 'nationalised', transferred into public property and management, and have been thus managed for a period of approximately 50 years before 1989 and 10 years after up to 2000, when some of them have returned to communal property. Although 'public forests' are not public goods in the economic sense, they are faced with some similar free-rider problems, negative behaviours that have lasted until now affecting the sustainability of the natural resources and leading to deforestation through excessive exploitation, poaching, etc. Currently some of the forests, those traditionally held and managed as commons (in Romanian - „*obște*”, „*composesorat*”), have been claimed by the former owners before nationalisation, transferred in their property and are administered, “as shared resources which people manage by negotiating their own rules through social and customary traditions, norms and practices”. We consider these as social economy organisations as they meet all criteria for such a classification.

Vasile and Mantescu (2009) offered a very good explanation of the commons as they functioned and still function in Romania:

“According to the rights of access to the common property, one may find two types of „*obște*”: equalitarian and non-equalitarian. The equalitarian type means that everyone in the village has the right to equal shares of wood, and every man or woman over 18 has the right to elect the president of „*obște*” and the councillors in the village assembly. In other words: one man, one share, one vote. (...). The non-equalitarian type might also be called the genealogical type: only some villagers have the rights to access, if, and only if, the parents had shares in „*obște*”. In most cases of non-equalitarian „*obște*”, the resulting money from the surplus of wood extraction is divided between the owners of shares, as shares from a company. In both types, there is only one property title, the „*obște*” owns the forest. The difference is that in the first type „*obște*” means the whole village, while in the second one, only a part of it. However, in both cases the property is indivisible – one cannot fence his shares from the common property because one doesn't even know where these shares are located, and the surface of land cannot be sold outside „*obște*”, according to the law.”

The *composesorat* functions as a non-equalitarian or genealogical *obște*.

The distribution of rights (and, subsequently of the benefits for members and their voting rights) follows either a community-based rule or a heritage rule. Benefits can be either in kind – around 1 cubic meter of fire wood per hectare, or in cash – ranging widely across the country from 50 RON/hectare to almost 700 RON/hectare, depending on the size and management practices of the common. The community as a whole is usually also one of the beneficiaries of the common's activity, which contributes in cash or in kind in various works of public utility: roads maintenance, repairs in the church or school, sponsorship of various local events etc.² This is the kind of simultaneous property, a type of concurrent, ancient property under which we can speak of a coexistence of rights, which are not in competition but in complementarity. (Boidin, Hiez & Rousseau, 2008)

The common property regime in „*obște*” is characterised by the fact that access to the resource (forest, pasture) is restricted to traditional community members and the management of the resources is governed by a set of rules which also have in mind the conservation of the resource. The organisational form that this property-governing regime takes has to allow these rules to function effectively. It is not clear to what extent the legal form of an association taken by the commons re-instituted in Romania manages to capture the specific features of this regime. In the research conducted we used various indicators that may reflect the extent to which this organisational form generates efficiencies and sustainable use of the resources. (Ballet, 2008).

Ostrom *et al.* (1999) considered four broad types of property rights that evolved or are designed in relation with common resources: open access, group property, individual property, and government property. The considered empirical studies show that no single type of property works efficiently, fairly and sustainable to all common resources.

We are therefore in Romania in a situation in which we can compare some of the features of two organisational models of managing these common goods: group property or communal and government property. In the case of the common property resources it is difficult to exclude potential beneficiaries from obtaining benefits from its use, so it is possible to face the problem of congestion. (Casari, 2011). Common resources are susceptible to face the “Tragedy of the Commons” (Hardin, 1968) - the tragedy of the rational users of a common who are

² This information was gathered through a research project on the forest and pastures commons in Romania, whose final results and findings will be made available in the second half of 2017. The project named “Associative Environmentality: the Revival of Forest Commons in the Carpathians” is based at the Institute of Sociology, Romanian Academy and is supported by a grant of the Romanian National Authority for Scientific Research and Innovation, CNCS-UEFISCDI. Project number: PN-II-RU-TE-2014-4-2865. More information and some data extracts from all around Romania are available at this link: <http://romaniacommons.wixsite.com/project>.

caught in an inevitable process that leads to the final destruction of the common simply because they are thinking at utility 'to me'.

Casari (2011) pointed four ways out of the "tragedy of the commons": government regulations, individual ownership, informal cooperation (long-run relationship among the users) and self-governance among the users (contract among the users). We consider „*obște*” and „*composesorat*”, the traditional commons in Romania, established through commonly agreed bylaws, as a form of self-governance of users with a contract among them.

2. Recent history of commons (Romanian “*obște*”, “*composesorat*”) in Romania

In the case of Romania, the commons (“*obște*”, “*composesorat*”) as social economy organisations (an association of owners/users - a group property) are a specific kind of organisations that could answer the inevitable problems described above, a form of organisation based on cooperation and participatory governance of the owners (users) of the natural resources. Using data from research we conducted, we attempt to determine how good a solution these organisations were for getting out of the “tragedy of the commons”.

Forest and pasture commons in Romania have different names according to the historical region where they functioned and were re-established. Thus, the “*obște*” appears in Wallachia and Moldavia (in the counties Valcea, Vrancea, Gorj, Arges, Bacau, etc.), while the “*composesorat*” functions in the villages of Transylvania (Harghita, Covasna, Hunedoara, Arad, Baia Mare, Brasov, etc.) (Vasile & Mantescu, 2009). The two names define the same form of organisation.

According to the research report “The collective organizations of the owners of agricultural terrains and forests”, coordinated by Petrescu, C. in 2013, this type of social economy organisation benefits of a long standing tradition in Romania, being the most common form of managing the common property of forests in the free peasants’ communities. In addition to these historical possessions, other forests were either bought by communities from aristocrats, or received by the whole community as a compensation for guarding the borders, especially in Transylvania. They were first legally recognised in associative forms in Romania around the years 1900, the property being received by the villages through different ways. They functioned as juridical persons from 1910 until 1948, when all their properties were declared property of the state and the organisations were dissolved.

After the fall of the communist regime, it took 11 years until the adoption of a law (the Lupu Law - 1/2000) that allowed communities and juridical persons to claim their properties, based on old documents that proved their rights: property titles and succession documents for the members. Most of the villages had at least one person that kept the old records from 1948 and were able to claim their rights on the forests and restart the organisations, but only for the surfaces for which property and

succession documents were available. A second law, 247/2005 completed the restitution process and allowed the commons to also claim the whole surface they had with property title in 1948, whether it was claimed by successors or not.

Romania has a total surface of forest of 6.5 mil ha, representing approximately 27.3% of its territory. This surface weight is 5.1% below the European average.

Table 1 - Evolution of forest surface (ha) by type of property in Romania 1996-2014

Year	1996	2000	2005	2010	2014
Total	6,690,292	6,457,283	6,742,825	6,758,097	6,734,003
Public property	6,179,136	5,845,690	4,730,378	4,146,815	4,077,541
Private property including commons	511,156	611,593	2,012,447	2,611,282	2,656,462

Source: National Institute of Statistics, Tempo database.

According to estimates, the commons hold about 17% of the forests in Romania in 1948, having been restituted about 67% of surfaces they were holding in 1948 when nationalisation occurred. In 2012, the commons held 11% of the forests in Romania and 34% of the total private forest surface.

Table 2 - Evolution of ownership of forests in Romania 1948-2012

Owner	Surface 1948 (ha)	Weight in total 1948 (%)	Surface 2012* (ha)	Weight in total 2012 (%)
State public property	2,008,492	31	3,396,095	52
Public property of - municipalities	681,197	11	974,025	15
Churches and monasteries	467,605	7	146,785	2
Commons	1,106,273	17	742,523	11
Private property of individual owners - physical persons and public (share) companies	2,097,276	32	1,269,672**	19
Total forest surface	6,486,471	100	6,529,100	100
Total private forest surface	3,671,154	57	2,158,980	33

* according to the National Institute of Statistics.

** Property was restituted to physical persons only.

Source: *Forest assets situation – a report of the Court of Auditors of Romania 2013*³ – data processed by the authors.

Officially the total forest surface in Romania has increased over the period 1996-2014 with 43,711 ha, but there are though numerous independent reports that show the surface has in fact decreased in the last 20 years. For example, according to a Greenpeace report in 2012 a total area of 280,108 ha suffered deforestation and

³ Curtea de Conturi, *Sinteza Raportului de audit privind "Situăția patrimonială a fondului forestier din România, în perioada 1990-2012"*, 2013, <http://www.curteadeconturi.ro/Publicatii/economie7.pdf>

forest degradation in 2000-2011 (approx. 28000 ha per year)⁴, meaning that around 4% of Romania forest cover was lost or degraded in recent years.

3. Commons as social economy organisations managing common resources – socio-economic indicators

Commons were first studied in Romania from the perspective of social enterprises in the framework of PROMETEUS research project⁵ as a sub-sector of social economy associations with economic character (forest and pasture common ownership associations) and agricultural (i.e. farmers) associations. The project, conducted in cooperation by the Institute of Social Economy - Civil Society Development Foundation and the National Institute of Statistics in Romania, has generated aggregated data (number of organisations, fields of activity, regional distribution) and economic data (total revenues, economic revenues, fixed assets, employees, gross salary) of the main types of social economy organisations: cooperatives, associations and foundations, credit unions, commercial companies controlled by the social economy organisations. The main data sources used were the micro-data in the accounting balance sheets for the years 2000-2012 for the respective types of organisations, included in the Statistic Registry (REGIS) of the National Statistics Institute. These data were first published in the *Atlas of Social Economy*, publication of the Institute of Social Economy - Civil Society Development Foundation.

Table 3 - Number of commons legally registered in the National Registry of Associations and Foundations in Romania 2000-2012 and annual registration growth rates

Fields of activity	2000	2005	2005/2000 growth rate	2010	2011	2011/2010 growth rate	2012	2012/2011 growth rate
Commons/Forest	40	597	+ 1393%	1,106	1,195	+ 8.0%	1,326	+ 11.0%

Source: Extract from **Table no. 26: Fields of activity of Associations and Foundations registered during the period 2000-2012 – Atlas of Social Economy 2014** (data processed by IES-FDSC based on the INS 2000-2012 data, on NACE Codes in the balance sheets of AF, on the information included in the NGO Register from the Ministry of Justice).

According to the data from the Atlas of Social Economy (Barna *et al.*, 2014), in 2012 in Romania there were 921 active commons, meaning that not all registered commons were also active.

⁴ Greenpeace Russia GIS Unit. *Forest Cover Change in Romania in 2000-2011*, 2012. Retrieved from <http://www.greenpeace.org/romania/Global/romania/paduri/Despaduririle%20din%20Romania/Forestcover%20change%20in%20Romania%202000-2011.pdf>

⁵ Project: "PROMETEUS – Promoting social economy in Romania through research, education and professional training at European standards", POSDRU ID 57672, implemented by Civil Society Development Foundation in partnership with Institute of Quality of Life, University of Bucharest - Sociology Faculty, EURICSE-European Research Institute on Cooperatives and Social Enterprises (Trento, Italy), National Center for Training in Statistic, co-financed by European Social Fund, period 1 September 2010 - 1 September 2013.

The organisation of commons and the restitution were long processes in which the commoners had, in some cases, scarce legal or organisational assistance⁶. As such we see an average of around 60 new commons being legally registered yearly between 2005-2012 and thus in a legal capacity of taking back the assets.

Table 4 - Commons active yearly between 2000 and 2012

	Year of registration of balance sheet data							
	2000	2005	2007	2008	2009	2010	2011	2012
No. of active commons	33	508	612	720	810	898	854	921

(Note: active = registered balance sheets)

Source: National Institute of Statistics.

As we can see, not all the commons legally registered were economically active. Based on balance sheet data, we can identify how many of the commons were engaged in economic activity, namely production and sale of goods and services. As can be seen they were by far the types of organisations with the highest rate of economic activity among all the organisations in the social economy sector.

Table 5 - Frequency of economic activities among Associations (including commons) and Foundations in Romania by fields of activity (AF% with the economic activity in the concerned field)

	2000	2005	2007	2009	2010	2011	2012
Commons/Forestry	32%	76%	72%	61%	45%	53%	51%
Agricultural	19%	20%	29%	17%	13%	36%	31%
Professional	22%	18%	18%	10%	13%	12%	12%
Education	19%	20%	18%	12%	11%	10%	9%
Cultural	14%	14%	15%	9%	9%	10%	9%
Development/Tourism	19%	17%	19%	9%	9%	9%	9%
Religious	12%	12%	12%	8%	9%	8%	7%
Civic	18%	18%	17%	10%	9%	9%	9%
Health	13%	14%	15%	8%	8%	7%	8%
Environment	9%	12%	14%	7%	8%	8%	7%
Social/Charitable	9%	10%	11%	7%	8%	7%	7%
Sport	13%	11%	12%	6%	8%	7%	7%

Source: Extract from Table 38 Frequency of economic activities among AF by fields of activity of (AF% with the economic activity in the concerned field) Atlas of Social Economy 2014 (Source: processed by IES-FDSC based on the data from INS 2000-2012, on the NACE codes in the balance sheets of AF, and on the information included in the NGO Register from the Ministry of Justice).

The results of the survey (see part 4 of the chapter) show in fact that over 81% of the commons conduct some form of economic activity. Comparing with 2010 data (Petrescu, 2013), in 2012 there was a slight growth (+0,7%) of the number of the commons with economic activity. The commons had positive trends for the period

⁶ According to qualitative data gathered through the “Associative Environmentalism: the Revival of Forest Commons in the Carpathians” project, many presidents of commons in Romania reported that they had several challenges in finding a lawyer well prepared in the legal particularities of the commons. The same issue applies to finding a well prepared accountant.

2011-2012 for the main economic indicators: assets, number of employees, incomes from economic activities, number of employees for economic activities. The operational and economic performance of these organizations was remarkable: 60,48% of the commons obtained surplus in 2012, 36,70% obtained profit, and the profit rate was 21,55%.

At this point, it is worth explaining shortly the way in which operations are run in the commons. As stated before, members of each common (with very few exceptions) receive some form of benefit – either in cash or in kind (a certain amount of wood). The main source for the cash that enter the common comes from the logging and sale of the wood to different exploitation enterprises⁷. All this activity is registered in accounts as economic activity of the common.

Considering sustainability, we looked at one of the economic and sustainability indicators collected by EUROSTAT on forestry around European Union, namely round wood removals under bark by type of ownership.

The balance sheets contain little information on the particular type of economic activities that the commons are engaged in. The main indicator is Statistical Classification of Economic Activities in the European Community, Rev. 2 (2008) NACE. In the table below, we summarise the NACE that the commons have listed for their economic activity. As can be seen most have described their activity as activity of membership organisations. In addition, the following are the types of economic activities listed by some of the other commons in their balance sheets.

Table 6 - Commons main economic activity – Prometheus database of balance sheets

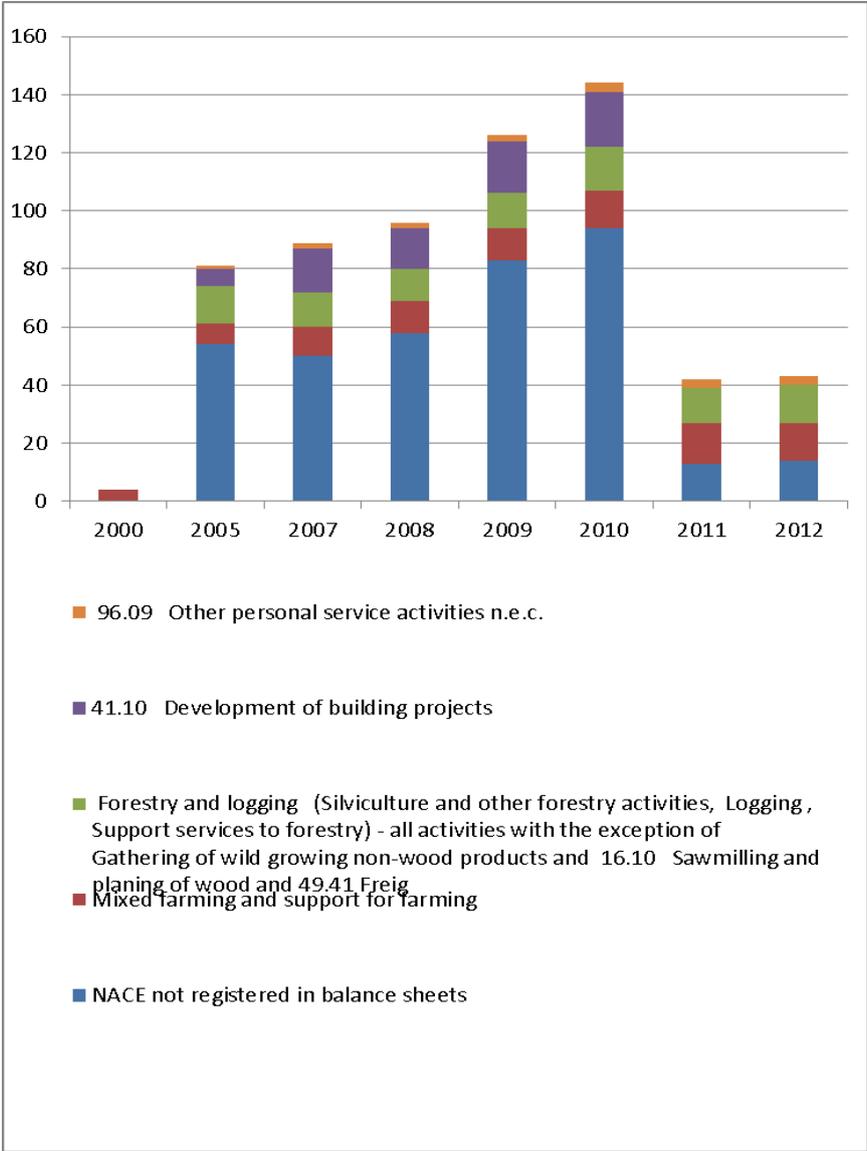
Statistical Classification of Economic Activities in the European Community, Rev. 2 (2008)	Year							
	2000	2005	2007	2008	2009	2010	2011	2012
NACE missing - not registered in the balance sheets	0	54	50	58	83	94	13	14
01.50 Mixed farming	4	6	9	10	10	12	12	12
1.61 Support activities for crop production	0	1	1	1	1	1	1	1
1.62 Support activities for animal production	0	0	0	0	0	0	1	0
01.70 Hunting, trapping and related service activities	0	0	1	1	1	1	1	1
02.10 Silviculture and other forestry activities	0	0	0	0	0	1	2	2
02.20 Logging	0	9	8	7	7	8	6	8
02.40 Support services to forestry	0	1	1	1	1	1	1	1
16.10 Sawmilling and planning of wood	0	3	3	3	4	4	3	2
41.10 Development of building projects	0	6	15	14	18	19	0	0
94.11 Activities of business and employers' membership organisations	1	13	14	15	15	17	18	17
94.12 Activities of professional membership organisations	0	1	1	1	2	2	3	3
94.91 Activities of religious organisations	0	0	0	0	0	1	0	0
94.99 Activities of other membership organisations n.e.c.	28	413	507	607	666	734	791	856
96.09 Other personal service activities n.e.c.	0	1	2	2	2	3	3	3

Source: processed by the authors from Prometheus project data IES-FDSC extracted from the National Institute of Statistics of Romania, on the NACE codes in the balance sheets of AF, and on the information included in the NGO Register from the Ministry of Justice.

⁷ According to qualitative data gathered through the “Associative Environmentality: the Revival of Forest Commons in the Carpathians” project.

It is not clear how the commons report their economic activity – the activities with members sometimes is also economic – e.g. sale of fire or construction wood at subsidised prices towards members would be “an activity of a membership organisation” or silviculture and other forestry activity, or logging. Main economic activities besides activities of membership organisations in which the commons have engaged in the period 2000-2012 are: development of building projects, mixed farming and support for farming, and forestry and logging (silviculture and other forestry activities, logging, support services to forestry) – all forestry and logging activities with the exception of gathering of wild growing non-wood products, and also sawmilling and planning of wood.

Figure 1 - No. of commons by NACE statistical classification of economic activities (2000-2012) – other than NACE activities of membership organisations



Source: processed by the authors from Prometheus project data IES-FDSC extracted from the National Institute of Statistics of Romania, on the NACE codes in the balance sheets of AF, and on the information included in the NGO Register from the Ministry of Justice.

Total revenues and the revenues resulted from economic activities have constantly increased for the commons in the period 2005-2012.

The revenues generated from economic activities (of which a significant part resulted from forestry activities) seem to have grown faster than the total industry at least this is what it results from compiled data on the sector private enterprises from the National Institute of Statistics data and for the commons from data in the Prometheus project. If we include all enterprises (including public sector), the sector revenues would be around 4 billion lei, and therefore the weight of the commons would be much less of below 2, 5%, below its weight in terms of forest surfaces.

By law, forest owners have to work with specialized forestry services to plan and maintain their forests. The areas owned by legal entities, in particular the commons, are more likely (81.7%) to hire specialized public forestry services which ensure responsible and sustainable management of the forest than individual owners (only 41,7% with a contract for dedicated services from public company Romsilva⁸).

Table 7 - Surface managed by the public company ROMSILVA forestry services

Owner	Surface 2010 (thousand ha)	Managed by the public company ROMSILVA forestry services	
		No. of contracts	Surface (ha)
Churches and monasteries	144,000	4,625	719,266
Commons	736,000		
Individual owners - physical persons	1,213,000	146,647	418,953

Source: Forest assets situation – a report of the Court of Auditors of Romania 2013⁹ - processed by the authors.

An official report from the independent auditing body of the Parliament estimated in 2013¹⁰ that 633.500 cubic meters of timber was cut illegally in the two decades since the fall of Communism, corresponding to a surface of 291.932 ha.

Table 8 - Illegal logging 2005-2012 of forests managed by the public company ROMSILVA forestry services – officially registered

Owner	Surface 2010 (ha)	Surface managed by Romsilva ha ¹¹	Illegal logging 2005-2012 of forests managed by the public company ROMSILVA forestry services – officially registered		
			Cubic metres	Estimated forested surface equivalent ha	% of surface affected
State and municipalities		4,370,120	438,900	202,258	4.63
Churches and monasteries	144,000	719,266	194,600*	89,674	7.88
Commons	736,000				
Individual owners - physical persons	1,213,000	418,953			

Source: Forest assets situation – a report of the Court of Auditors of Romania 2013¹² - processed by the authors.

* Only aggregate figures for private sector which includes churches and monasteries, commons and physical persons were published.

⁸ They may still work with private forestry services companies.

⁹ Curtea de Conturi, 2013, *op. cit.*

¹⁰ Idem above.

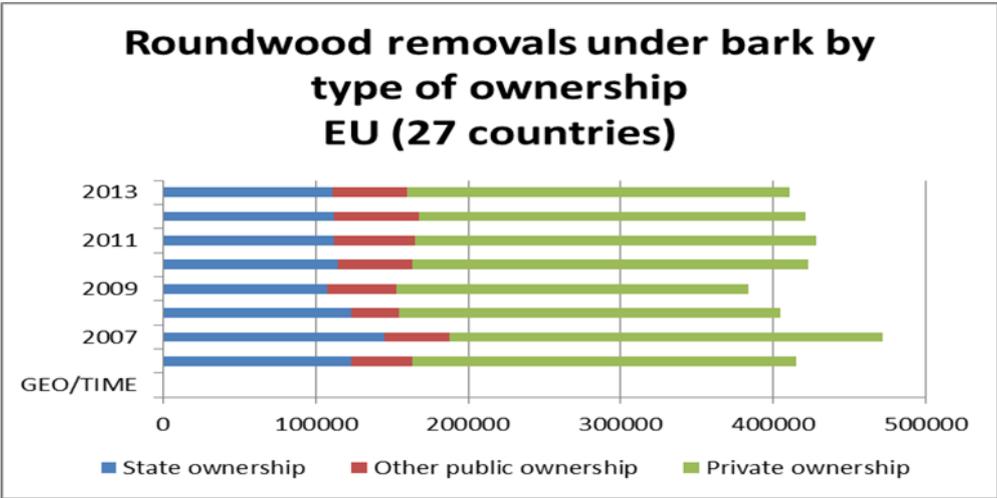
¹¹ under forestry contract.

¹² Curtea de Conturi, 2013, *op. cit.*

Official figures and estimates vary significantly; it is though clear that illegal logging is a process that affects the forests in Romania. Same official report shows that most illegal logging is happening in public forests – owned / controlled by municipalities which have received forests during the property restitution process. A Greenpeace publication in 2015 based on official data reports 34.870 cases of illegal logging in one year only, an increase from the previous year.¹³

The private sector which includes the commons seems to have a lower importance in Romania than at the level of European Union as a whole in wood production as the EUROSTAT figures on round wood removals under bark by type of ownership show.

Figure 2 - Round wood removals under bark by type of ownership in EU



As we can see, the proportion of wood being removed from the private forests was smaller in Romania compared to EU total.

4. The dispositions of the commons for a public, community interest mission and sustainable management of forests – survey data analysis

Further in-depth investigation was carried out of which we can draw data on the social and environmental (in terms of sustainable management of the natural resource) performance of the commons in Romania. A field survey was conducted on a representative probabilistic multistage sample, stratified by region of development and residential areas, representative for all the types of entities, 556 of commons having been surveyed. The approach taken was the following: to identify and measure the extent to which the organisations which by legal form respect the social economy principles internalise and operate in practice by these principles. The questionnaire was applied face to face by interviewers to the social enterprises’ representatives. The dimensions of the research were decided considering EMES definition criteria of a social enterprise: a permanent activity of production or commercialisation of products or services, assuming economic risks, the existence of

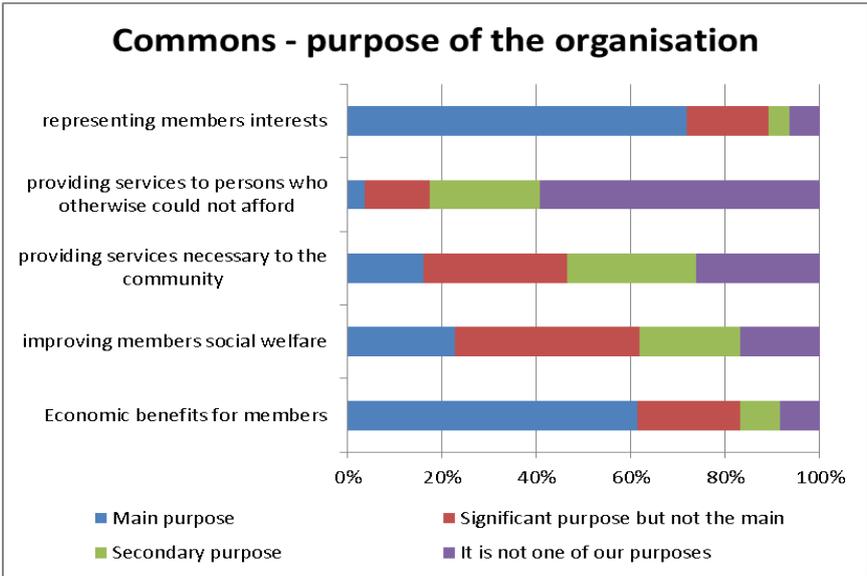
¹³ Greenpeace România, *Tăierile ilegale de arbori din pădurile României*, 2015.

a small number of employees, a social aim which is helping the community or a group of persons, the organisation’s founding as a result of a collective initiative of a group of citizens or of some civil society organizations, limited distribution of the surplus, autonomy, democratic governance based on the principle “one man, one vote”, implication of different stakeholders (users, clients, representatives of the other community institutions, etc.) to the decision making process (Defourny & Nyssens, 2012). These data have been further analysed in 2016 using an analytical tool designed by the Belgian Section of CIRIEC (International Centre of Research and Information on the Public, Social and Cooperative Economy) in the framework of the SECOIA project that looked at tools to assess the social impact of social economy enterprises. The indicators chosen to measure the specific social impact of these enterprises were: the democratic governance and the surplus allocation principles.

In our research we tried to measure the disposition of this type of social economy organisations to meet the needs of sustainable development, considering its three dimensions: economic, environmental and social. It is an original approach, as in the Romanian literature we can find only historical and anthropological studies regarding commons. More specifically our objectives were: to identify the role of the commons in achieving sustainable management of natural resources, and the weight that sustainability has in the governance of the commons.

We have looked first to how leaders identify the main purpose of the organisation and its community role. Commons, re-created in Romania starting with 2000, were seen by the leaders 10 years after their recreation, mainly as organisations representing members’ (commoners’) interests, mainly economic interests, but also their social welfare. Almost 50% of them have also considered providing services to the community as main or significant.

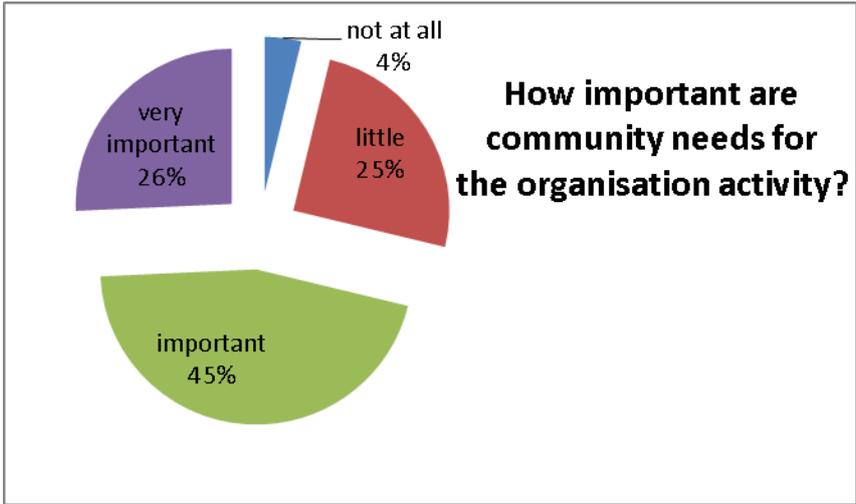
Figure 3 - Main purpose of the organisation as seen by the leaders of the commons



Source survey conducted in Prometheus project in 2011 on a representative sample of commons - answered by commons CEO/President results.

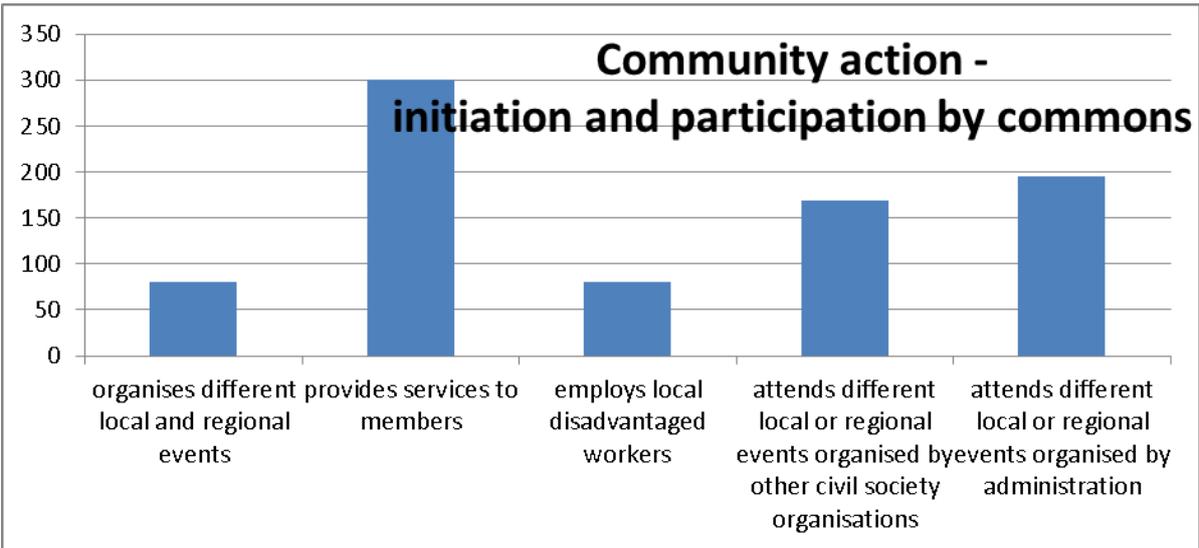
Most of the commons' leaders are aware about their history, although there were respondents who said that the commons did not exist before. To substantiate the community development impact of the commons, their role in meeting the commoners' needs and how the development objectives are balanced with the sustainability concerns; commons seem quite concerned about members and community needs.

Figure 4 - Importance of community needs for common's activity – survey conducted in Prometheus project in 2011



Although they have an important community role, commons tend to participate rather than initiate community meetings and events, and keep a focus/orientation on service provision.

Figure 5 - Prometheus survey 2011 results – initiation and participation in community actions of commons



Assessing the participatory governance and how it reflects commoners’ needs is not an easy task. The commons are participatory organisations at least formally engaging significant number of members – the 554 commons surveyed have stated a total of 162,554 members, an average of 292 by common. One other aspect measured was the evolution of membership: membership was increasing constantly, this could be due to lack of clarity in files and archives, members still finding out about their ancient rights.

The commons have boards – board membership is of five in 50.9% of cases, in 30% of the cases they have more than 5 members. Boards meet quite often, in 70% of the cases they meet at least as often as 4 times per year, and in 38% of cases they meet at least monthly, or more than 12 times a year.

Table 9 - Prometheus survey 2011 results - Frequency of board meetings per year

Frequency of board meetings per year	%
less than 4 times	29.5
4 times	10.6
between 5-11 times	21.6
12 times - monthly	29.9
more than 12 times	8.5

The respondents’ assessment is that the common has made a significant impact on its members. When asked to identify the aspects which contribute to this impact the respondents had the following relative assessment.

Figure 6 - Prometheus survey 2011 results – Impact of the common on members

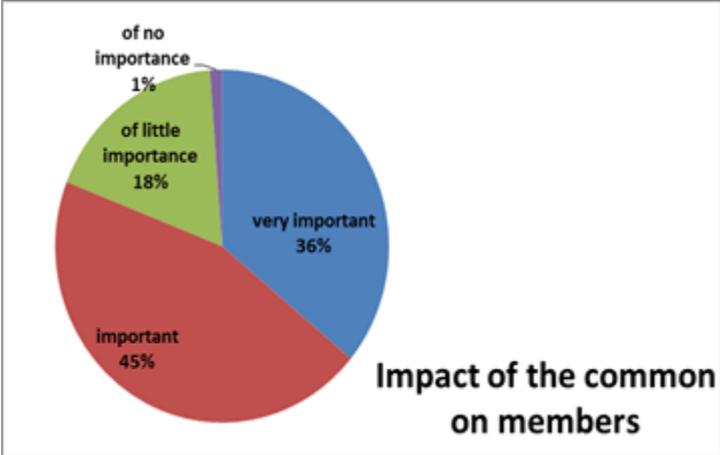
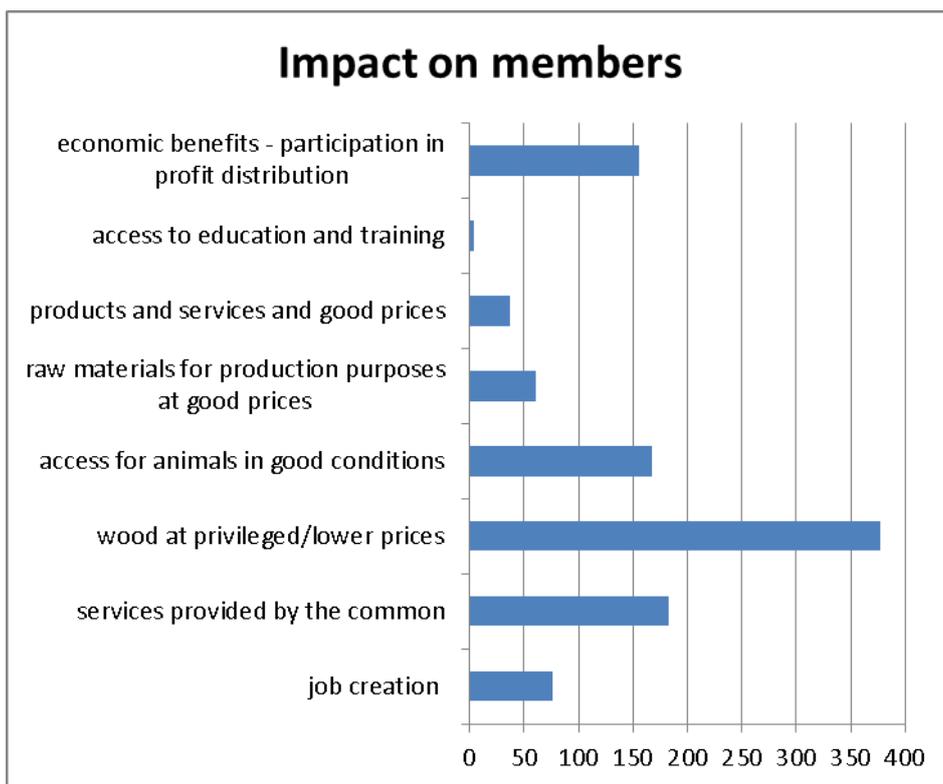
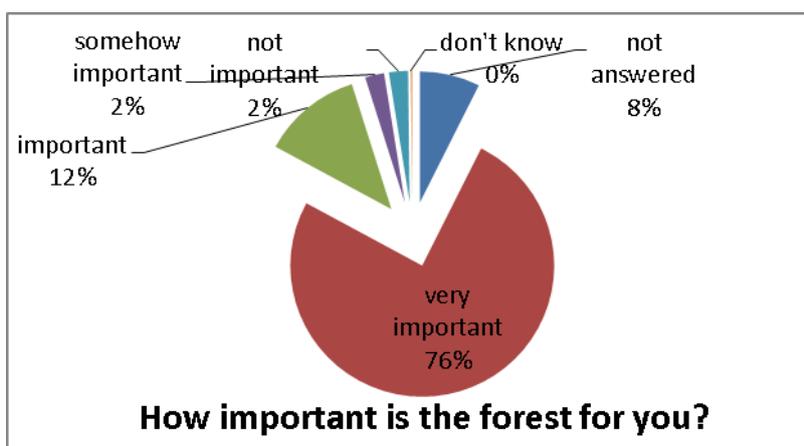


Figure 7 - Prometheus survey 2011 results – Impact on members



Another research objective was to identify the production functions and how the resource is used by commoners in meeting personal needs and to measure the extent to which environmental and sustainability concerns and the logic of the general interest and sustainable development are internalised in commons. It resulted that the forest is important and very important to most commoners.

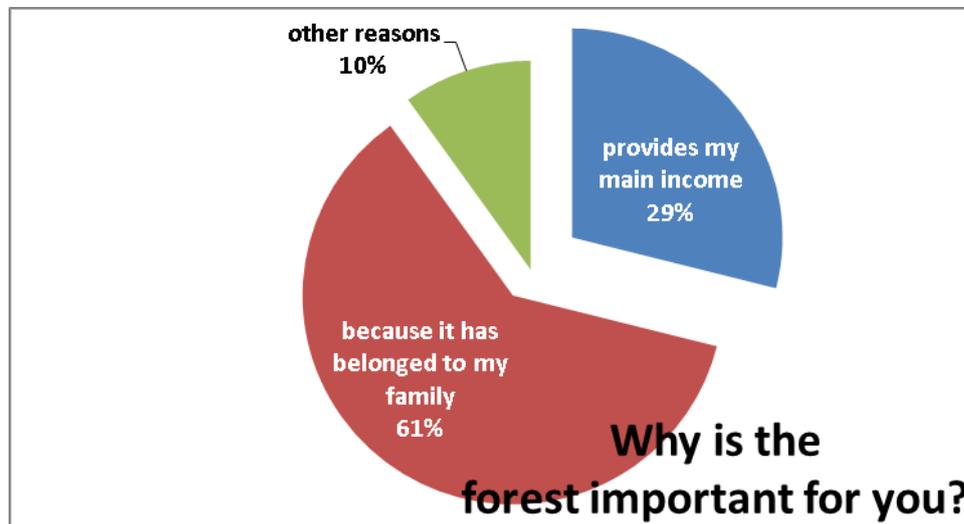
Figure 8 - Prometheus survey 2001 results – Importance of forest for common's leadership



When asked why they consider the forest important, the heritage and tradition seem to be the most significant factor. The economic value is also important but only for 30% of the governors of commons questioned. The respondents have also identified

the environmental value of forests, 7% of respondents have considered this as main factor for the importance of the forest to them.

Figure 9 - Prometheus survey 2011 results – Importance of forest for common's leadership



We illustrate the issues presented above using some extracts from the *Case Study of Obstea Viisoara (Vrancea county, Romania)* quoted from the report "The social economy in the context of local development", coordinated by Petrescu, C. in 2013. *Obstea Viisoara* is of egalitarian type and owns around 3000 hectares of forest and forested pasture, having members from the village of *Viisoara* and two smaller ones – *Balan* and *Catun*. The business model of *Obstea Viisoara* is not very complex, the main sold product being the wood lodged from the forest owned. The selling process by auction is organised in close collaboration with the forest district that also decides the quantity and the specific trees that should be exploited. Each year *Obstea Viisoara* can exploit around 4500 cube meters of wood, but around 20% of it is kept as a safety margin in order to ensure sustainability (Petrescu, C., 2013, p. 157, 159). In this case, one can observe a dedication of the association and their members to provide goods both for themselves and for the community as a whole. By 2012, the association had the following contributions to its members and community: fire and construction wood distributed each year to the members, according to their rights and also by request for different constructions; repairs of some of the villages' roads and bridges; renovations of the school and church; building a headquarters for the association that has dedicated spaces for a meeting place, events hall, kindergarten, medical office, informatics lab for the youth; acquisitions of three forest machineries; setting up TV cable for the whole community; etc. Considering the relations of the association with the environment, the property of 3000 ha is administrated, according to the Law in force, by two specialised forestry services: 1508 ha by one and 1492 ha by the other one. This kind of administration protects against irrational exploitation of the forest and ensures the sustainability of the exploitation. For the administration services (forest guard, marking of the trees to be cut, hygiene and

phyto-sanitary protection, etc.), the forestry services receive a sum of money in base of the contracts concluded with the association. (Petrescu, C., 2013, pp. 160-161)

Conclusions

In this chapter we have analysed the transition of the management of some of the forests in Romania as commons from government property to group property and what type of opinions shape the collective norms in these new (re-instituted after 50 years) organisations through survey data, considering also the reflection of sustainability concerns in the collective management of these natural goods and production of new goods and services of interest to the community.

The commons in Romania have recovered less of the forests than the surface previously owned. The forest economy in Romania in the period 1990-2014 is marked by changes in property regime and rising economic pressures leading to more intensive exploitation than before. Available data and reports do not show the phenomenon of overexploitation of forests in the case of the commons, these organisations generally appearing to ensure responsible and sustainable management of the forests, working to a higher extent than other types of private owners with specialised forestry services.

The social and economic indicators of commons as SSE organisations starting from balance sheet data show that commons were by far the type of organisations with the highest rate of economic activity from all organisations in social economy sector in Romania in 2000-2012. Having as main economic activities - activities of membership organisation, developing of building projects, mixed farming and support for farming etc., the commons succeed to balance economic performance with impact in community - social and environmentally.

On the basis of preliminary data on ad-hoc sustainability indicators such as illegal logging in public and common forests we have tried to see how commons, these hybrid organisations pursuing common and general-interest missions satisfy commercial, economic pressures. The analyse shows that illegal logging is happening in public forests - owned / controlled by municipalities, and, very important, the proportion of wood being removed from the private forests (including commons) was smaller in Romania compared to EU total.

Finally, we have taken an in-depth view on the sustainability concerns within the governance of these organisations through survey data, using a set of indicators composed by: main purpose and community role, importance of community needs for common's activity, initiation and participation in community actions, governance and commoners' needs, importance of commons on members, importance of forest for common's leadership. Commons, a special type of social economy organisation, an indivisible group property, according to the data from the survey conducted have the disposition to meet the needs of sustainable development, considering its three dimensions: economic, environmental and social.

Therefore, considering the results of the quantitative and qualitative research developed in the Prometheus project analysed above, the reports, official statistics and specific regulations on commons consulted, in our opinion, in Romania, the commons (“obști”, “composesorate”) could be considered a good solution for sustainably managing the common resources.

The story of the Romanian commons is in fact only starting to unfold, and could be an example of how social economy organisations could be the real engines for the sustainable development. An example of how people could find sometimes good local collective answers to their economic and social needs and to old global challenges in the same time. The long-run relationship among the users even interrupted by 50 years of changed property regime – nationalisation – enabled the community to generate self-governing rules among the users that ensure proper care for social and sustainability issues.

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