Introduction

Property relations in the uplands of Vietnam have changed substantially after the government implemented the “Open Door” policy in 1986. Regarding forestry sector, the high rate of forest loss in the last several decades rang an alarm for government on environmental degradation. In the middle of the 1990s, the government enacted the Land Law and accompanying degrees promulgating forest land allocation to households. Five use rights have been granted to land recipients for long time period: right to exchange, transfer, lease, inherit, and right to use the land as collateral to secure loan from the bank. The government expects that by giving people clearly defined rights on land, people would have more autonomous on land and they would use the land according to their wish to accumulate capital. And simultaneously, forest resources would be protected by people. Yet this is not always the case.

This paper applies commodity chain framework developed by Ribot (1998) to study how the timber is extracted in the village and brought to the lowland market for sell. It examines who actually benefit from timber, and how. The paper shows that Dao (ethnic minority) villagers in a northern upland village locating in a critical watershed area are still heavily engaged in timber logging despite of the government policy which bans timber exploitation. Timber exploited from the village is brought to the lowland market, going through a variation of government checking points setting up to supervise transportation of timber. Along the chain where the timber passes, there are many different actors involved. There has been an unequal benefit sharing among these actors. In this process, villagers are the ones who invest most but benefit least. Controlling the timber market, wholesalers in the lowland are the ones who benefit most.

The paper questions the linkage between private property and the effectiveness of forest conservation in a post-socialist country. It shows clearly that the individual rights established through forest land allocation do not help protect existing forest resources as people in the village still perceive forest resources are common. This perception provides villagers relatively equal access to forest resources particularly to timber trees. In this legal pluralism context, access to timber of the household is determined not by property rights system, but by household productive assets, mainly water buffalo and labor. This paper provides empirical evidence to support the conclusion made by Ribot and Peluso (2003) that property right is only one mechanism among many which allows households to benefit from resources.

The paper is structured as follow. It first provides a brief background of the study village and implementation of forest land allocation (FLA). Secondly, it presents a commodity chain on
timber. In this section, vertical and horizontal benefit distributions are examined. Finally, the paper concludes by the conclusion part.

Background

The research is conducted in a small Dao village in Hoa Binh province. The village is located in North-west region in the uplands of Vietnam. There are 40 households in the village, making up a population of around 150 people. Though villagers have some wet rice land to cultivation, the area is too small (only 2.9 ha for all households) to provide enough staple food for households’ need. Consequently, people have to rely heavily on forest resources, particular on swidden cultivation for households’ food, and timber and bamboo shoot for cash income. Still, almost all households in the village lack food for 2-3 months per year.

FLA was implemented in the village in 1996. On average, each household received 15.6 ha of protection forest land. They also received the government land use titles for using the land in 50 years period. As stipulated by government policy, the land allocated to households is not for agricultural production purpose, but for forest regeneration and protection. By the law, households are not allowed to practice swidden on the land, nor are they allowed to cut timber in forest to sell.

Result and discussion

Vertical access relations

Though the government policy does not allow villagers to cut timber to sell, all households in Yen village are engaged in timber exploitation in some ways. Villagers cut the timber in the forest near the village and sell it to buyer. This buyer then brings timber from the village to Huu Bang – a lowland market in Ha Tay province -- to sell to wholesaler. This wholesaler then sells timber to retainers in surrounding villages. Figure 1 presents the commodity chain on timber

Figure 1. Commodity chain on timber
To bring timber from Yen village to lowland market in Ha Tay province, timber is gone through various checking points set up by government agencies to enforce market regulations. At village and commune, there are security guards, staff member of department of forest protection, commune officials. These are individuals in charging of enforcing market regulation on timber. At district, there are various agencies such as department of forest protection, police of traffic, tax management team. In the same manner, at the province, timber has to go through various checking points set up by department of forest protection, tax management, and policies. To get the timber goes through these various checking points the transporter has to bribe local officials. The transporter cannot bribe all agencies, but has to hire some other actors (X and Y) who have close relationships with the agencies to help him with that.

Benefit derived from timber is unequally distributed among different actors along the chain. Villagers have to spend a lot of labor, water buffaloes, and invest their knowledge on finding good trees in the forest. They may get accidents when cutting the timber in the forest, or when carrying timber from forest to village. Ironically, they are the ones who get least. For a hard working day, each strong male laborer can get only about 46 thousand Vietnam Dong (VND), or about $3USD. From the village to the final market in the lowland, 23 government agencies and individuals involving in the chain, getting about 7 million VND ($450USD). This is an unofficial payment paid by transporter in order to get a truck loading about 6 cubic meters of timber to pass through all checking points. Timber buyer who is also the transporter in this case, get 2.1 million VND (or $135US) as net profit per one timber truck when he buys timber from Yen village, brings it to lowland market, and sells there. Actor X and Y, or the “law makers”, in local language, are the ones who have close relationships with various local government agencies. The law makers act as middlemen between the transporters and government agencies to make sure that the truck would go through the checking points without being checked. These actors received about 1 million VND ($64US) per every timber truck. The wholesaler gains 4.15 million ($270US) as net profit for selling a truck of timber. This is the one who has strong financial asset, physical asset (house and store), and social asset (strong tie with retailers and transporters and government agencies). The wholesalers control timber market price. The vertical distribution of benefit derived from timber is presented in figure 2.

![Figure 2. Vertical benefit distribution among actors along the chain](image)

**Source:** survey 2005

**Horizontal access relations**

Cash income derived from timber is unequally distributed among villagers in Yen. How much income household would gain from timber depends on main laborers within the household, number of water buffaloes the household has, and age of household’s head. Size of forest land holdings that the household received under the FLA, household wealth status, and political power do not differentiate household income derived from timber. Table 1 presents value of Pearson correlation between household annual income derived from timber and household’s assets.
In the village, households with more main laborers and water buffaloes are likely to have more income derived from timber than the households with less main laborers and the limited number of, or do not have, water buffaloes. The reason for this is that timber logging requires strong male laborers to cut and saw timber inside the forest. And importantly, water buffalo is needed to bring timber after sawing from forest to village to sell. Without water buffalo, it is too hard for villagers to bring timber from forest to the village. Age of household’s head has significantly correlated with household timber income. The older the household’s head is the higher income household would gain from timber. This is because usually the old-headed households have abundant main laborers, thus being able to acquire more timber from forest.

Despite of government’s ban on timber, villagers would cut timber from anywhere in the forest where they find good trees. Villagers do not care about whose forest land on which the trees exist is. Also, the land owners those received the land under the FLA do not care about who get trees from their land. Villagers in Yen still perceive forest is common, and this provides villagers with relatively equal access to the trees on land. Because of this, size of forest land holdings household received does not make any contribution to differentiation in household timber income. Giving households individual property rights on land does not guarantee households’ benefit to the land. Assuming that establishing private property on the forest would help households to generate capital and protect forest resources is backfired. Property right in this case does not help to secure villagers’ benefit to forest resource in general and to timber in particular.

### Conclusion

Using commodity chain framework developed by Ribot (1998), this paper exploits the process which timber exploited from forest in an upland village is gone through before it reaches to final market in the lowland. There are different actors, including villagers, buyers, transporters, and local government officers involving along the chain. Because all actors get benefit from the chain, making the exploitation of timber in the forest, and transportation of timber from the upland village possible despite of government’s ban on timber logging in the forest, and transportation of timber.

Vertically, cash derived from timber long the chain is not equally distributed among actors. Villagers are those who invest large labor power and knowledge get least. Both transporter/buyer and wholesaler gain huge benefit derived from timber. This is because they are the one who control the timber market. Local government staffs are not responsive to their duties in enforcing market regulation, turning their blind eyes on violation cases, and getting a lot of money in return.
Horizontally, though all villagers are engaged in timber logging in some ways, benefit derived from timber is not equally distributed among villagers. Main labor available in the house, water buffalo, and age of household head differentiate household’s income derived from timber. Yet household wealth and political power do not make any significant contribution to the differentiation of household income from timber. The paper shows that securing individual property rights does not help household to benefit from forest resource. Neither does it help to protect forest resources. This study supports the conclusion made by Ribot and Peluso (2003) that property right is only a mechanism among many others that can help household to benefit from forest resources. What matter in this case is “ability” of the household to benefit from timber, and not a right to land on which timber trees exist. This paper shows a failure case of the neo-liberal notion on property those assume that private property is basis for capital accumulation.

Reference

Government of Vietnam. Decree 02/CP dated 15 January 1994 on the forest land allocation guideline