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The Unnecessary Rationality in the Forest Martín Alfonso Mendoza

CONTEXT

Mexicans pride themselves in having a one of a kind country. This feeling blends itself in a rare mixture with the fact that the uniqueness in being Mexican arises from the deplorable conditions of the country. Public perception accepts that Mexico is so special that we can learn little from the world, and the globe has nothing to gain looking at Mexico.

The forest, as portrayed by government and analysts, is an archetypical case of the dual love and hate feeling that defines the Mexican collective identity. I would like to take exception to this. I will trust common sense, and I will see if the Mexican situation has some sound explanation that may enlighten some portion of the global scene.

The International Society of Tropical Foresters is a non-profit organization formed in the 1950s in response to a world wide concern for the fate of tropical and subtropical forests, ISTF is dedicated to providing a communications network for tropical forestry disciplines.

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THE FOREST AS SEEN BY MEXICANS

Just like in the rest of planet Earth, forest in Mexico is a kind of land defined by cultural features. There is no consistent way to assess when a piece of land is, or is not a forest. The key feature of a forest is the intention of seeking certain land uses in that space, regardless of objective attributes on the ground. In Mexico a piece of land is legally considered forest if authority says so. The Mexican authority in these matters is the National Institute of Statistics, Geography and Informatics (INEGI). This public agency has chosen a finite list of land covers to compose a forest land category (CONAFOR 2010). Plant covers making up the forest category meet vegetation, terrain, dynamic features and land use criteria in a definition marred by contradictions, so in the end forest is a designation made by INEGI.

The minimum polygon INEGI calls forest is the smallest forest land cover drawn in maps. Mexican forest law specifies that a forest is at least one hectare with more than 15% actual or potential woody crown cover (with a few exceptions), however, INEGI protocols do not register areas less than 1.6 ha, and that only in extreme cases (INEGI 2010).

There are other contradictions on top of INEGI's impossible criteria. Forest land is also a necessary component of legally declared rural lands (Ley Agraria; Cámara de Diputados 2010), as opposed to urban lands (i.e. developed). This mandate in practice reiterates that the essence of a forest in Mexico can not be objectively defined. There are no attributes on the ground that suffice to expect that a piece of land can hold a forest because forest is a cultural entity.

The nature of forest in Mexico requires land legally declared rural. Therefore, forest is understood as a place with a utilitarian, productive destiny for the exclusive benefit of the peasant social class, not society, not nature. Peasants are farmers under the paternal custody of agrarian public institutions. Support provided by these institutions is mandatory, there is no need to apply for it, nor can it be rejected.

The legal definition of rurality implies land tenure rights for individuals or groups (called ejidos and comunidades). There is no legal provision for other forms of tenure, such as free access (commons), public lands, nor corporate holdings.

Grounds developed for housing, industrial facilities, road infrastructure, and other artificial settings in rural lands are not considered urban nor developed but rural.

These ideas convey the fact that all rural lands in Mexico are legally considered natural, even when they hold extensive developed areas, such as urban zones. When ejidos and comunidades request incorporation of their urban developments into cities, that process cancels the rural condition and all its legal restraints. Incorporated lands then become private property in the legal sense, and if the entire ejido or comunidad is incorporated, the ejido or comunidad is extinguished.

There are no urban ejidos nor comunidades. They can not get involved in manufacturing, housing development, commercial, transportation, construction nor other kind of business. All ejidos and comunidades subsist from primary activities related to the land.

Theoretically ejidos and comunidades can invest in all sorts of economic segments, and they occasionally do so. For instance, in recent years ejidos and comunidades have opened hotel, restaurant and tourism businesses, though that is only inside their land, and as a component of other productive land uses; they are forms to profit from beautiful landscapes that appear natural. Ejidos and

comunidades also invest in commerce, transportation and industry when these businesses supplement the central task of living from the land.

Historically, a case of an ejido or comunidad closing down, and migrating out of the land to start up other economic activities not related to land resources, is an event that has not occurred. Individuals have, but no ejido nor comunidad have become bankers, industrialists, or any other businessman in any of the major economic activities that sustain the Mexican economy.

RURAL BECAME NATURAL

Pursuant to Agrarian law, forest land was declared natural environment. In fact all territory other than marine or aquatic environments is considered forest land if it is not already part of urban zones nor actively cultivated agriculture plots. For instance, in INEGI's criteria range lands other than artificial pastures are forest land. Range land can be forested, woodland, grassland or sustain other land covers, and still be forest land in legal terms. In contrast, all wooded grounds covered by fruit trees and coconut orchards, except oil palm and rubber trees, are agriculture lands. These definitions set conditions in which forest is a terrain category culturally defined by the specific set of intentions to use, just like it is in the rest of the world.

Rural legal definitions were drafted with clear intention that land must be developed in order to be used. Only a handful of exceptions are permitted, such as high risk zones, biosphere reserves, unproductive lands and similar cases.

The development of natural environments involves an intention to impose a productive use of land resources for utilitarian aims. Other forms of land use, such as free access (commons), social or public uses, are not legally permitted in Mexican territory. If at some point in time a piece of land were held in public hands, that must be considered a temporary condition. This situation terminates when a person or group places a claim in the agrarian reform office for that land. The claim must express the proponent's desire to develop that land for productive purposes. Agrarian authority then grants full dominion on available land.

There are other peculiar but minor features in the Mexican tenure system:

First, there is a maximum area that a person may own (private property) or hold (ejido or comunidad). The specific figure varies, though the extreme case it is only 800 ha per person for all forms of ownership. There is a legal scheme that permits several pieces of land to be managed as a single track; even in this latter case the summed area can not be so large to be seen as excessive monopolistic holding.

Second, corporations, individual firms, organizations and institutions can own rural land, but each one of them is treated as a single person, thus it is subjected to the same conditions and limitations of individuals.

Third, the State has a policy of retaining land indefinitely in minimal amounts, as required for military camps and other government facilities. Public or government possession of all other lands is for custody until that land is allocated.

Given these attributes, it might seem that the Mexican case is really a one of a kind scenario where

there are no public lands, and the huge political, legal, economic, institutional effort in liquidating all natural environments.

A careful exam into international forest trends reveals a conflict in Mexico: forests managed to optimize private forest owners' interests work against public institutions with a mandate to oversee society's interest in forests. Mexican forest agencies follow policies that stimulate reductions in the size of forest operations. These policies impose restraints to success of integrated firms if success leads to growth. Government policy expects that small tracts managed extensively are a sound means to secure the natural functions of forests.

Consequently, if there are no large intensely managed industrial timberlands in Mexico, nor any significant amount of public wildlands with environments close to natural, then existing forest lands show evidences of fragmented landscapes resulting from human activities.

ECONOMIC EFFICIENCY AND FORESTRY WISDOM

Let the potential value of timber land be a reference for rational forest management. In the USA there are reports with figures like US\$1400 per year per hectare value created in small private forests (Forest2Market 2009). In Mexico conservation easements have been possible when annual payments are close to US\$54, in lieu of stumpage income (FMCN 2007). The best timber firm known is Ejido El Balcón (Guerrero, Torres et al. 2005). This outfit generates US\$12 annual net income per hectare. El Balcón's figure include value added by logging, lumber manufacturing, and export sales. Stumpage alone is \$4.80 /ha/year.

The Mexican scene is better grabbed if we look into efficiency of private forest owners with multiple production objectives. These other cases are clearly superior to collective ownerships, though not enough to rival international performance standards of good management and responsible handling of patrimonial property, as expected from the social desire that justify collective ownership of rural lands in Mexico.

We can take as example the case of Potrero de Mulas (Jalisco). This ownership comprises four estates owned by a single family, adding to 2738 ha of timberland. Besides timber harvesting, Potrero de Mulas manages non timber forest products, and provides visitor services. The net value created in Potrero de Mulas is equivalent to a perpetual rent of US\$12 per hectare per annum. This performance clearly exceeds El Balcón net revenues, but it is still far behind any reasonable target yield.

Our analysis can close comparing actual revenues with the theoretical choice of liquidating all capital invested in forest land to reinvest in other areas of the economy. Suppose a private real long term discount rate of 5 % for patrimonial investments. At this rate El Balcón would be worth US\$140 per hectare, Potrero de Mulas reaches US\$220, and the average private non industrial forest in the USA would be worth US\$28,000.

Even allowing ample room to accommodate ecologic and market differences, the value breach is so wide we can be safe attributing a good portion of it to regulatory takings. For instance, a hectare of crop land near by Potrero de Mulas in Jalisco is selling for at least US\$20,000, while some places have reached prices as high as US\$100,000. Most agriculture lands sold recently include water rights and irrigation equipment worth some US\$2500. This is the reason why forest land immediately increases value when it is legally converted to non forest uses.

These facts portray a Mexican scenario where the essence of forestry is a lifestyle with a peculiar trend towards a slow stream of welfare benefits, a constant decline of patrimonial capital, and reductions in other forms of wealth owned by rural communities.

This scenario implies that law, institutions, and public policies focus on the peasant, but act in ways that necessarily diminish his wealth and development potentials, relative to conditions faced by silviculturists in other parts of the world. This apparent paradox also means that the Mexican forest is an artificial scenery legally named natural.

Thus we can now put forward the central idea in this essay: the historic destiny of Mexican forest land is conservation of artificial features of spaces intentionally covered by woody plants legally named forest species (i.e. distinct from cultivated varieties).

The forest situation is a welcomed addition to the set of symbols defining Mexican identity because it is a suitable ground for lamenting imaginary tragedies. The national forest sector is simply providing Mexican society what society demanded, and it is doing so at a reasonable cost well below budget limits, but with sufficient strength to support credible regret feelings.

Of course, regret expressions will never be loud and serious because they will run into contradictions. Public enemies Mexicans love to hate might vanish immediately at no cost by simple and effective mechanisms such as rewriting legislation; after all, today two thirds of Mexican territory is still susceptible of reconvertng to conditions near natural (CONAFOR 2010), if there were the will to do so. Hence, negation of reason is not a random chance, but a necessary conduct, and it is the central foundation of the entire Mexican forest universe.

The few similarities and many differences with forests in the rest of the globe can be tagged to the peculiar Mexican definition of forest land destiny. Outcomes could change if only social expectations of Mexicans would change.

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