Contesting forest neoliberalization: recombinant geographies of ‘illegal’ logging in the Balkans

Saska Petrova
School of Environment, Education and Development
University of Manchester
Oxford Road, M13 9PL

saska.petrova@manchester.ac.uk

Highlights

- Offers a conceptual and theoretical contribution to the understanding of forest sector neoliberalization
- Illuminates the complex geographies of legality involved in forest exploitation
- Connects scholarship on ‘recombinant’ capitalism with wider questions of environmental governance
- Scrutinizes the role of the state in supporting ‘roll back’ neoliberalism in the forestry sector
- In-depth case study of the relationship between neoliberalism and illegal logging in the Balkans

Abstract

Although the political and economic strategies through which forests have become targets for the expansion and deepening of neoliberal agendas are relatively well researched, comparatively less is known about the reflections of such dynamics at the level of everyday life within communities and households. This is particularly true in the post-communist states of Southeastern Europe, which have seen the transformation of formerly centralized and hierarchical integrated monopolies in the management of forest resources into a myriad of diverse commercial enterprises outside the control of the state. With the aid of on-site research undertaken in Macedonia, therefore, this paper investigates the connection between illegal logging and the neoliberalization of the Balkan forestry sector. The experiences and aspirations of individuals implicated in such practices are used as a basis for interrogating the privatization and marketization of forest resources, and the rise of corruption. The broader purpose of the paper is to explore the ‘recombinant’ (Stark 1996) nature of capitalism in the Balkans, thanks to which neoliberalism is ‘challenged and changed by its encounter with nature’ (Duffy and Moore 2010).

Introduction

Forest resources are gaining growing importance across the world, primarily in the context of climate change mitigation and adaptation, and as a tool for poverty alleviation. At the same time, forests have become targets for the expansion and deepening of neoliberal economic and political agendas. The relationship between neoliberalism and forest governance at the community level, however, remains relatively marginalized within the academic literature. This is despite the fact that social scientists have repeatedly insisted that scholarship on neoliberalism needs to make the connections between top-down projects and everyday life (Barnett, 2005).

There is a pronounced need to understand the role of forest management in the rise of ‘actually existing neoliberalism’ – commonly termed ‘neoliberalization’ – in the micro-level implementation of forest policies (also see Munck, 2005; Bakker, 2010; Peck et al., 2010; Castree, 2011; Pokorny et al., 2012).

The inadequate understanding of everyday articulations of forest neoliberalization is particularly felt in regions undergoing rapid dynamics of socio-economic and technological change. Such is the case with the post-communist states of Southeastern Europe (SEE, also known as ‘the Balkans’), which have seen the extensive entry of neoliberal economic practices in the management of the forestry sector. In most cases, the formerly centralized, hierarchical, vertically and horizontally integrated monopolies responsible for the management of forest resources in this part of the world have been transformed into a myriad of diverse commercial enterprises outside the control of the state (Stahl, 2010a). However, the restructuring process has exerted a major impact on the livelihoods of local populations whose day-to-day existence is highly linked with forest governance. In part, this is due to the fact that forests account for more than 40 per cent of the total landmass of some SEE states, while representing a valuable economic resource in economically marginal regions.

One of the consequences of the neoliberalization of the forestry sector – and the subsequent curtailment of everyday informal economic practices in this domain – has been the widespread rise of ‘illegal’ logging. For the purpose of this paper, I understand ‘illegal logging’ to mean the removal of wood in contravention with the relevant regulatory acts applying to the territory where such a practice is undertaken, while noting that the academic literature has frequently challenged the notion that a single legality around natural resource exploitation exists in the articulation of everyday life (Casson and Obidzinski, 2002; Brown, 2006). Understood in the narrow legalistic sense at least, illegal logging is particularly common in SEE, to the extent that in some instances it has even been accompanied by local armed conflicts that have been reported in the local media (Kanal5, 2005; Inpres, 2009; Nova Makedonija, 2011). The expansion of clandestine forest exploitation – in its multiple guises and forms – has been intensified by the increase of energy prices in the region, as a result of which growing numbers of households have been forced to rely on illegally supplied fuelwood in order to maintain thermal comfort in the home (Buzar, 2007). Understanding the political economy of illegal logging, as well as the discourses and institutions that frame it, can therefore provide important insights into the micro-scale performance of neoliberal policies in the management of natural resources (Stahl, 2010a).

Using interviews¹ and secondary data undertaken in the Republic of Macedonia – a country that occupies the centre of the Balkan region and thus emblematic of wider conditions in the area (see Buzar, 2007) – this paper explores the neoliberalization of the forestry sector in the context of illegal logging practices during post-communism. The opinions and aspirations of individuals – forestry officials, experts, local people,

¹ A total of 25 interviews with experts, decision-makers, employees of forestry companies and state agencies, as well as households involved in illegal logging in the Eastern part of Macedonia, were undertaken during April 2011. Not all interviews have been cited here, and many institutional affiliations and all names have been left out in order to ensure confidentiality.

NGO activists – affected by, and implicated in such activities are used as a basis for interrogating the different ways in which the privatization and marketization of forest resources have been enmeshed in the ‘articulation of multiple resource extractive processes, which the state has been incapable of entirely capturing within its regulatory vision’ (Staddon, 2009, p. 173). In a broader sense, I am interested to know how and to what extent neoliberalism is ‘challenged and changed by its encounter with nature’ (Duffy and Moore, 2010), in the context of local forestry management. Inspired by Stark (1996) and Watts (1998), I rely on the notion of ‘recombinant capitalism’ to explore the institutional context of forestry governance, while investigating how neoliberalism has been implicated in dynamics of privatization, corruption and contract outsourcing.

The paper commences with a brief exploration of some of the main academic debates on the neoliberalization of nature and forestry more generally. I then move on to the ramification of these processes for post-communist forest policies in the Balkans. Having overviewed the recent restructuring of the forestry sector in the Republic of Macedonia, the paper provides an account of the institutional processes of forest neoliberalization by examining the multiple ways in which ‘market’ relations have entered the domain. The discussion then moves onto perceptions of the constitutive dynamics of corruption – whose intensification, it can be argued, is a specific by-product of recent reforms in the sector – as well as the components and implications of illegal logging, whose emergence in post-communism is seen as a practice of contestation and resistance towards the path chosen by the state in restructuring the forestry sector. The conclusion of the paper highlights, *inter alia*, the diverse and multi-sited economies (Smith et al., 2010) associated with neoliberal forest management policies in the Balkans.

Nature, neoliberalism and forestry: Micro-level processes matter

To date, the neoliberalization of nature – sometimes termed ‘green neoliberalization’, ‘market environmentalism’ or ‘environmental marketization’ – has mainly been explored from the disciplinary viewpoints of political ecology, geography and environmental economics (Bakker, 2004; Liverman, 2004; McCarthy, 2004; Peck, 2004; McCarthy, 2005; 2006; Heynen and Robins, 2005; Castree, 2008a; 2008b; Pinkerton et al., 2008; Fletcher, 2010; Maxwell, 2011). Many of these approaches tend to conceptualize the relationship between neoliberalization processes, on the one hand, and nature, on the other, as one governed by a distinct set of interactions between economic and political processes and the biophysical world. The emergence of multiple ‘socio-natures’ stemming from this association has been examined in a wide range of thematic contexts, including tourism (Duffy, 2008; Duffy and Moore, 2010), forestry (McCarthy, 2005; 2006), agriculture (Mutersbaugh, 2003; 2005), water management (Bakker, 2003; Perreault, 2004; Furlong, 2010), biodiversity (Staddon and Cellarius, 2002) and ecosystem management and conservation (Robertson, 2004; Igoe and Brockington, 2007). However, it is sometimes emphasized that a more nuanced understanding of the role of neoliberalization in producing socio-natures is necessary (Bakker, 2010). This would allow the debate to move away from the view that nature is a non-human resource that can be considered a ‘primary commodity’ while giving a more prominent voice to, *inter alia*, ‘cyborg’ and ‘hybrid’ socio-natures (ibid).

Castree (2008a) suggests that attempts for the neoliberalization of nature in capitalist societies can be seen as ‘environmental fixes’, which entail the institution of a standardized set of measurements and practices – privatization, marketization and capital accumulation – through the conservation, exposure or degradation of natural resources and ecosystems. He also points out that some ‘fixes’ involve the relegation of state responsibilities to the private sector and/or civil society, by ‘hollowing out’ the role of the state, or taking a ‘minimal state’ attitude (Castree, 2008a, p. 149). This chimes in with Bakker’s (2003) argument that the state’s attempt to off-load its responsibilities as the owner or manager of natural resources and ecosystem services can be understood as ‘state failure’. According to her, the existence of such developments means that governments are financially and administratively incapable of delivering goods and services at a price and standard acceptable to their citizens. However, the same author also points out that the ‘minimal state’ stance is a myth, since governments are rarely ‘neutral’ in relation to the marketization of nature (Bakker, 2003; 2007). It should also be pointed out that although the neoliberalization of nature is often perceived as an environmental hindrance and disadvantage for marginalized populations (Gibson and Koontz, 1998; Mutersbaugh, 2003; 2005; McCarthy, 2004; 2005; Heynen and Robbins, 2005), recent studies reveal that this is not always the case (Bakker, 2004; 2010; McCarthy, 2006; Castree, 2011).

Such findings have been accompanied by attempts to distinguish between ‘roll-out’ and ‘roll-back’ neoliberalism in environmental governance. While the former is mainly used in the context of more aggressive and interventionist attempts to marketize the regulation of environmental policies and practices, the latter offers a framework to capture policy attempts associated with the withdrawal of state intervention so as to promote ‘market rule’, privatization and free trade (Peck and Tickell, 2002; Lockie and Higgins, 2007). Similarly, Pinkerton et al. (2008) argue that roll-back neoliberalism ‘affords political space for the assertion of rights and the use of strategies and tools to build co-management’ (page 353). They emphasize, however, that the expansion of such possibilities is deeply embedded in local cultural and regulatory contexts. This chimes in with Roth and Dressler’s (2012) insistence on the importance of place in the articulation of neoliberal nature conservation policies. Having introduced a set of papers focused on the ‘history, practice and contradictory outcomes of market-oriented conservation’ (page 365), they outline some of the ways in which ‘the particularities of place disrupt the implementation of new governance models’ (ibid). This includes local people’s contestation of neoliberal conservation approaches, as well as the excessive levels of state intervention and policy effort needed for the functioning of such measures (ibid, and also see Büscher and Dressler, 2012; Fletcher and Breitling, 2012; Higgins et al., 2012; McElwee, 2012; Pokorny et al., 2012).

The international mechanisms and policies for the large-scale economic development of forestry practices – especially regarding biodiversity protection and climate change mitigation and adaptation – are largely the product of neoliberal thought (Humphreys, 2009). For example, the forest precepts of the United Nations Conference on Environment and Development (UNCED) encourage the national and international integration of environmental costs and benefits into market policies and practices, in order to achieve sustainable development and forest conservation (United Nations, 1992). The proposal of the Framework Convention on Climate Change parties for ‘avoided deforestation’ – viewed as an opportunity for developing countries to receive

credits that can be sold to developed states in a global carbon trading scheme by avoiding deforestation over and above an agreed background baseline – indicates the further expansion of market-based governance of the forestry sector (United Nations, 2007). This process stimulates the voluntary involvement of the private sector on the trading market, rather than instituting legally binding commitments.

Based on the existence of the principles of marketization, an enhanced role for the private sector, and deregulation and voluntarism, Humphreys (2009) identifies some of the main international bodies whose forestry programmes and policies reflect neoliberal policies. These include the tradeable emission permits system adopted under the (post)Kyoto Protocol and the European Union's Emissions Trading Scheme, as well as the Intergovernmental Panel on Forests (IPF) and its descendant, the Intergovernmental Forum on Forests (IFF), which values forests in accordance with market values. He also categorizes the Forest Stewardship Council (FSC) in this group, thanks to its development of a model of governance that focuses on the supply chain of private timber, in order to motivate voluntary forestry conservation. Also featuring in his classification is the Decision of the Parties to the Convention on Biological Diversity for the development of public– private partnerships in order to engage the private sector and stimulate private investment in protected areas.

Supplementing such globally-oriented work on the neoliberalization of forestry is the wide body of more geographically focused research about the local implications of forest neoliberalization (see, for example, Staddon, 2001; 2009; White and Martin, 2002; Prudham, 2007; Stahl, 2010b). While Heynen and Robbins (2005) investigate the reasons for, and consequences of, the privatization of public forests in ‘post-Fordist’ Milwaukee, McCarthy (2005; 2006) has been studying ‘community forestry’ – an approach that involves giving local communities the power to manage nearby forest areas, as opposed to state or private ownership and management – in the US and Canada. Although this practice predates the expansion of neoliberalism, its principle of self-management can be understood as operating within the spirit of this paradigm. McCarthy (2006) reports that the concept has been successful in British Columbia but is often strongly criticized in the United States, due to the fear that it might eventually facilitate corporate access to national forests. Despite such critiques, this author argues that community forestry does not have to be conceptualized through a neoliberal prism, as it can also represent ‘struggling steps toward a more democratic and sustainable future, evidence that communities have learned better than to leave their social and ecological destinies in the hands of overweening and self-interested states’ (McCarthy, 2006, p. 100). More recent work has drawn attention to the numerous social, technical and economic difficulties associated with top-down efforts to involve poor forest managers from the Bolivian, Brazilian, Ecuadorian and Peruvian Amazon in the functioning of global value chains and markets (Pokorny et al., 2012).

Overall, the everyday articulations of neoliberalism in the domain of social reproduction and alternative economic practice – persuasively researched by authors such as Jarvis et al. (2001) and Smith et al. (2010) in the context of the household-level reproduction of everyday life – remain insufficiently explored with respect to the utilization and management of nature more generally, and forest resources more specifically. Building on the arguments made by, most recently, Roth and Dressler (2012), there is a need to further investigate how market-based environmental policies

become simultaneously integrated in, and challenged by local community practices and livelihood strategies in the forestry sector. Connecting such micro-level performances of neoliberalism with the operation of state and private institutions at different scales of forestry governance also affords the opportunity for exploring dimensions of distributional and procedural justice, as well as the mechanisms through which constructions of legality are used towards the promotion of particular patterns of social exclusion.

Setting the context: The forestry sector in the Balkans and the Republic of Macedonia

The Balkan region has a significant forest stock and a uniquely high – for the European context, at least – presence of virgin and old growth stands. This is a reflection of its mountainous topography, relatively low population density, as well as the below-average intensity of economic exploitation. As a result, woodlands are considered a key natural resource and forestry is a significant economic sector in this part of the world. Under communism, Balkan states treated forest areas as important national heritage and an economic asset, with the state acting as the sole and ultimate owner and manager of the entire forest fund (Avdibegović et al., 2010; Stahl 2010a). This was supported by the widespread nationalization of forest land after World War Two.

The abandonment of communist central planning and one-party rule resulted in wide and complex socio-economic changes during the 1990s. The promise of EU membership became a *leitmotif* and driving force of the extensive transformation of these countries. The process was accompanied by the establishment of an entirely new set of political, economic and environmental policies and management practices (Tickle, 2000; Buzarovski, 2001). It was expected that the restructuring of the forestry sector would start with the restitution of forest areas to their previous owners. State economic enterprises were often privatized (in Bulgaria for example, see Staddon, 2001), opening new opportunities for the entry of private capital into the forestry market. Consequently, new relationships were generated in the form of reshaped networks of forestry actors, leading to the redistribution of commitments, risks and liabilities (Stahl, 2010b; 2010a).

Avdibegović et al. (2010) have argued that newly-established forestry legislation in most former Yugoslav countries is not adequately suited to the emergent ownership and management conditions, being predominantly oriented towards the administration needs of state owned forests. This is despite the fact that the share of private forests is significant at both the national and regional level (for example, in Serbia 47 per cent of the forests are private, while the same share reaches 23 in Croatia and 20 in Bosnia and Herzegovina). At the same time, the restructuring of the forestry sector in these countries has created new uncertainties, especially for those rural communities who were traditionally highly dependent upon locally-obtained timber and non-timber forest resources (Tickle, 2000; Staddon, 2001; Kluvánková Oravská et al., 2009; Petrova et al., 2009; Petrova et al., 2011). This is because the new laws and the change of ‘traditional’ property rights have limited such communities’ access to nearby woodland areas.

These issues have been particularly felt in the Republic of Macedonia, a country

situated in the central part of the Balkan Peninsula – sharing borders with Greece to the south, Bulgaria to the east, Albania to the west and Kosovo and Serbia to the north. Approximately one third 37 per cent of Macedonia's territory is covered by forest land, including 910 000 ha of production forests (MAFWE, 2006), although a large proportion of this is made up of low-quality broadleaf forests or maquis occupying formerly degraded or agricultural land. Timber-grade broadleaf and coniferous forests can be found only in upland mountainous areas (above 1000 m above sea level) and represent approximately a third of all production forests.

It is little known that the management of natural resources – including forests – at the current territory of the Republic of Macedonia was legally regulated already from the nineteenth century, when this region was part of the Ottoman Empire. According to Özden and Birben (2012) the first Ottoman Law on Forestry was adopted in 1870; it classified forests in accordance with land tenure as either public forests owned by the state, endowment forests (e.g. forests given to trusts, churches and monasteries); coppices owned by towns and villages, and private forests. All forest owners were issued '*tapi*' – formal documents confirming their title to the land. While local people were able to use public forests either for free or for a very low price before 1870, the new regulation enforced tax collection, commitment and concession in state owned forests. The alienation of the rights and access of local people towards state owned forests led to the accelerated devastation of many forest areas, especially as many state forests were leased or auctioned for logging to the highest bidder. In order to achieve greater revenues the contractors often cleared the surrounding forests as well. At the end of the lease, many forest areas would be completely degraded (ibid).

In 1922, Macedonia became incorporated within the newly-established Kingdom of Serbs, Croats and Slovenians (SCS), as part of a larger regional unit – the *Vardarska banovina*. Forest governance in the SCS Kingdom was regulated by a special Law on Forests, which transferred most of the responsibilities for, and the benefits from, the forests to the local and regional levels. This period also saw the creation of the first forest cadastre, in which forest areas were registered as either privately or state owned.

With the creation of Yugoslavia after World War Two, Macedonia became a separate federal republic with an autonomous legal framework. This period also heralded the establishment of a centrally planned economy; the governance of forests under this regime commenced as early as 1940, being marked by the wholesale nationalization of forest land. However, it was only in 1975 that the country saw the establishment of elaborate forest management plans. In a reversal of previous trends, this was the time when 30 local state owned forestry enterprises were created, allowing for forestry management to become possibly the only decentralized activity in communist Yugoslavia. The enterprises ran local forests in accordance with ten year plans, guided by experts and practitioners. It has been argued that this approach not only professionalized the forestry sector, but also helped introduce environmental sustainability in the governance of forests (Avdibegović et al. 2010).

Macedonia managed to increase its forest cover significantly after World War Two. In part, this was due to the establishment of the National Afforestation Fund, which was responsible for the planting of more than 200 000 ha of woodland between 1950 and 1980. Also contributing to the expansion of forests was the abandonment of rural

areas, as a result of declining agricultural production and urbanization. As a result, the country's forest cover increased by 9.4 per cent between 1991 and 2005 (MAFWE, 2006). Several of my interviewees pointed out that forests have continued to expand in recent years, despite several extensive fires (particularly in 2007), as well as the slowing down of urbanization processes and the expansion of illegal logging.

The post-1991 legislative framework for forest management in the Republic of Macedonia has centred on the Law on Forests and the National Strategy on Forests. Other important regulatory acts include the Law on the Environment and the Law on Nature Protection, as well as the Law on Fire Fighting. This legislation has led to the disbandment of local forestry enterprises, and the renewed centralization of forest management in the country. The government now manages state-owned forests through the Ministry of Agriculture, Forestry and Water Economy (MAFWE), as well as the Ministry of Environment and Physical Planning, the 'Makedonski Shumi' (or 'Macedonian Forests') Public Enterprise, the National Parks and Hunting Service, and the 'Jasen' Public Enterprise. MAFWE has 33 regional units that are poorly staffed in the forestry sector (as most of their employees are within the agriculture domain) and enjoy very little autonomy in relation to the central government. The Ministry also contains the Forestry and Hunting Inspectorate – whose 5 regional offices and 18 employees mainly control technical compliance with relevant legislation – and the Forestry Police Department, which employs 109 forestry police officers at 19 local stations. The lack of human resources in the forestry sector – especially in relation to the absence of active local administrative representation by the policy-making structures of MAFWE – was identified by several interviewees as one of the main inhibitors of effective communication between local people and the state.

The Forestry and Hunting Inspectorate is also in charge of regulating the Makedonski Shumi state-owned enterprise, which is the only organization in charge of the day-to-day management of forests. This company owns a range of fuelwood reselling depots, while also employing private subcontractors for cutting and transporting biomass, based on the judgements made by its engineers. This means that most local and regional planning activities in the forestry sector are organized by Makedonski Shumi. The price of fuelwood set by this company in its reselling depots is usually significantly lower than that in the private sector depots, and the company also offers fuelwood to low-income households at an even more reduced rate.

Approximately 90 per cent of the forests in Macedonia are formally owned by the state; the remainder are private (SSO, 2010). At the same time, Makedonski Shumi manages both private and public forests. An active process of restituting nationalized property to its former owners has been underway since 1990; as this is not yet complete, it is expected that the percentage of privately owned forests will reach approximately 14 per cent. The country also has a significant share of forests that were owned by religious communities before the communist era – they are also part of the restitution process. Yet there has been no further privatization of forest land, mainly due to the lack of an up-to-date Forest Cadastre, and issues around the current tenure of land owned by religious communities.

Forest activities and the forest industry are a pivotal component of the national economy, providing a key source of employment in rural areas. It is difficult to estimate the number of people employed in forestry activities, because all official

statistics jointly refer to the broader ‘sector of agriculture, forestry and fishing’. Having said this, it should be mentioned that the total workforce in Macedonia in 2012 was 943,055, out of which 69 per cent were officially employed. Out of this figure, 112,623 people (or 11.9 per cent) were engaged in the ‘agriculture, forestry and fishing sector’ (SSO 2012). Estimates provided by Savic et al. (2011) suggest that the number of people employed in the forestry sector only represented approximately 0.8 per cent of the total labour force in 2008. Yet it is thought that forestry-related activities indirectly provide job opportunities to an additional 35 to 40 thousand people through a range of economic multiplication effects. Considering that 40 per cent of the population is estimated to live in rural areas and more than 30 per cent of the demographically active population is formally unemployed – with agricultural households being particularly vulnerable to income poverty – it is evident that forestry can play an important role in determining the quality of living standards in the country (Buzar, 2007; SSO, 2010).

Processes and practices of neoliberalization

As noted above, the forestry sector in the Republic of Macedonia was highly localized during communist central planning; it consisted of 30 municipally-managed public enterprises, which – while relying on similar natural resource management approaches – achieved widely differing financial results. The restructuring process that was completed in 1997 placed all these firms under the umbrella of a single company (Makedonski Shumi) responsible for operating the entire forestry market in the country. The 1997 reforms, therefore, led to a process of centralization and homogenization, while significantly reshaping the distribution of resources and profit. They also meant that wood and timber prices were unified across the country, although the operating costs of the enterprises were the same. According to one of the experts who I interviewed:

‘The merger of the previous local enterprises under the Makedonski Shumi turned the whole forestry sector in the country on its head. While the numbers of administrative staff were unnecessarily increased, those of technical staff were considerably reduced (Interview held on the 29th of April, 2011).

One of the most significant aspects of the 1997 reorganization was the privatization of collective capital (including sawmills, machines, vehicles and tools) and outsourcing of all woodcutting activities. Basically, woodcutters formerly employed by the 30 local enterprises were offered voluntary severance, accompanied by the provision of publicly-owned tools and equipment. Such individuals then were able to establish small private companies, continuing to work for Makedonski Shumi on a contractual basis. This situation transpired despite the fact that Makedonski Shumi still continued to monopolize the sale, and dictate the price, of fuelwood and timber. As explained by one of my interviewees:

‘Woodcutting, hauling and transport are organized and implemented by private contractors now. However, operations above 1000 euro must be tendered out via a formal procurement process, in accordance with the Law on Public Enterprises’ (Interview held on the 20th of April, 2011).

As such, the restructuring process bears many of the typical hallmarks of ‘roll back’

neoliberalism (Lockie and Higgins 2007). But the outsourcing of wood exploitation has meant that Makedonski Shumi sometimes struggles with finding contractors for woodcutting activities. The interviewees from the administration of the enterprise thought that the lack of private firms with good quality equipment and well-trained staff was one of the main reasons for this situation. They also emphasized that the employment of small private companies for wood resource supply purposes is not new to the Macedonian forestry sector, since wood cutters from Bosnia – widely regarded as ‘the best’ in the former Yugoslavia – would have been especially brought for contract-based logging in Macedonia long before Makedonski Shumi was established. The lack of indigenous capacity and skills, it was pointed out, is partly a result of this legacy.

Yet the views of management staff in Makedonski Shumi were not matched by those held by the owner of a private logging company:

‘I am not very satisfied with the co-operation with Makedonski Shumi, as after my firm undertook some woodcutting related activities for them ... and although we had a contract, they did not pay me on time, but instead they offered me some fuelwood as compensation’ (Interview held on the 16th April, 2011).

At the same time, some of the interviewees complained that the current management model – whereby logging activities are not meant to be outsourced locally – has led to a situation in which several companies close to the top management of Makedonski Shumi or MAFWE obtain most of the contracts throughout the country. Although 1997 reforms also introduced market relations to the distribution of fuelwood and timber, Makedonski Shumi also controls practically all post-cut sales. This company monopolizes the entire wood market, as it is the exclusive supplier of timber to the households, the wood industry, and a large number of small privately owned companies (Savic et al. 2011).

At the same time, non-industrial demand for wood dominates wood consumption in the country – two thirds of the total wood consumption is for fuelwood, and around 25 per cent for sawn wood (ibid.). While private depots are able to resell the resources provided by Makedonski Shumi, they are also obliged to procure fuelwood at a centrally regulated price. This was deemed too high by the owner of a private furniture making company. He pointed out that:

‘The timber prices are too high. For my company, it is sometimes cheaper to buy timber from Bulgaria than from Makedonski Shumi’ (Interview held on the 17th of April, 2011)

Thus, the silent unbundling and privatization of parts of the sector, combined with the existence of state capital and management means that Makedonski Shumi is neither a true public state owned enterprise nor a private company. The company basically controls the entire wood supply chain in the country; a situation further reinforced by the fact that most logged wood is sold at the national market (as Macedonia is still organizing the regulation on certification, wood export has been very limited).

Interviewees stressed that the current organizational structure of the enterprise,

accompanied by the flow of resources and finance within different parts of the country, has turned it into a 'buffer' for solving regional social problems. As explained by an expert who was formerly a representative of an international organization, and currently manages a forestry think tank:

'In its current state, Makedonski Shumi, with all its pros and cons, is just a compensation mechanism for wider systematic problems, including the lack of strategic planning and human resources in MAFWE' (Interview held on the 29th of April, 2011)

It is also worth noting that although many private forests were nationalized during socialism, some areas stayed in private ownership. With the restitution of the 1990s the percentage of private forests was increased to around 10 per cent of the total forest area. However, unsolved ownership issues and the uneven geographical distribution of private forests prevented private owners from becoming equal actors in the protection and management of forests in the country. This is perhaps one of the reasons why some of the interviewees from the state sector, especially from the Forestry and Hunting Inspectorate, thought that government control over forest areas should remain unchanged.

According to a former representative of the World Food Organization, the main problem is not the governance of forests, but the lack of investment in the sector – including the modernization of equipment – and the inadequate education and training of management and technical staff:

'Despite the need for improvement, Makedonski Shumi functions well and it is good that it regulates the management of both state and private forests. There is no need for deep ideological transformation. In terms of the management of the forests, we should think well before accepting new ways of regulation' (Interview held on the 29th of April, 2011).

However, members of the Association of the Owners of Private Forests and international organizations present in the country had diametrically different standpoints. They argued that the state – embodied in MAFWE and Makedonski Shumi – treats the owners of private forests as an encumbrance and obstacle, rather than a partner. The management of the forestry sector, according to them, favours the interests of the state as represented, in particular, by Makedonski Shumi, which sometimes acts rather like an inadequately managed private company than a social agent. Members of an NGO that campaigns for sustainable forestry development argued that:

'Makedonski Shumi sometimes behaves like a private company. For example, in regions as Delchevo, Berovo and Ohrid, where the ratio between private and state owned forests is 50-50, Makedonski Shumi marks the trees for logging in the private forests later than in the state ones and in that way lessens the competition and controls the price of the fuelwood' (Interview held on the 26th of April, 2011).

According to some of my interviewees, one of the most problematic issues is the erasure of the concept of 'communal forests' by the Law on Forests in 1997. The

historical background of these areas, as explained above, dates back to the time of the Ottoman Empire, when municipalities and villages were given rights to use nearby coppices. Although such entitlements were formally taken away in 1920, the informal practice of collecting resources from public forest areas near human settlements persisted more or less until the post-communist restructuring of the forestry sector. Changes instituted in the late 1990s alienated local people from forests in their immediate environment, and decreased the amount of care for, and attachment towards, such areas. As noted by an academic expert:

‘The right to use nearby forests strengthened the connections between local people and forests. Residents felt a sense of ownership and stewardship over the forests, and took better care of them. During socialism, this helped reduce antagonism between rural dwellers and forestry enterprises’ (Interview held on the 25th of April, 2011)

Thus, the entry of neoliberal regulation in 1997, while failing to lead to full fledged privatization, created a specific regulation regime in which a centralized national company acted as a sole mediator, embodiment and regulator of relations between the state and the market. This led to the emergence of a new set of institutional conditions conducive to the rise of alternative economic practices, corruption and illegal logging.

The causes and consequences of corruption

While the confines of this paper – and the background research that led to it – do not allow for an in-depth investigation of the complex corruption practices in the Macedonian forestry sector, it is important to consider the role that some of these activities have played in the broader post-communist restructuring of this area of activity, especially in terms of shaping local people’s perception of forest management. Many of my interviewees pointed out that corruption has been both the catalyst and outcome of recent structural changes in the forestry sector. Indeed, corruption scandals involving employees from Makedonski Shumi are regularly reported in the national media, and have been on the rise in the recent decade (Kanal5, 2005; Inpres, 2009; Nova Makedonija, 2009; 2011). Many of the experts who I interviewed thought that such trends were a good indicator of the deeper issues faced by the enterprise. The most commonly identified reasons for this situation were the legal status and management structure of Makedonski Shumi, which it was felt, are mainly there to serve the political and economic interests of governing elites. It was pointed out that most of the personnel and management of both MAFWE and Makedonski Shumi are drawn from the ranks of the political parties in power; some interviewees went as far as alleging that even the sub-contracting companies used for woodcutting activities are also connected to the circles that exercise economic and political control in the country:

‘When the government changes, regardless of whether the staff are good or not, most of them get fired immediately. This opens the opportunity for new governments to make the same mistakes. In a way is almost impossible to have adequately trained and educated – and most importantly of all, loyal – staff to the company. They do not see their employment as a long-term opportunity and want to maximize their profit from the company, in the shortest possible time’ (Interview held on the 30th of April, 2011).

A further issue identified by the interviewees (and as pointed out above) was that the National Forest Cadastre has not been updated since 1979, which makes it difficult for the state to determine the precise ownership of particular area – thus acting as a source for corruption. This is supplemented by the lack of an updated national forestry plan, as the previous document of this kind expired in 2009. Interviewees kept pointing to the centralized and rigid legal and management system as the main source for corruption in the sector:

‘The firm, inflexible attitude of the state and Makedonski Shumi, and the high administrative costs for getting formal permission make people believe that is easier to give some money to an engineer or an administration staff from MAFWE or Makedonski Shumi and to get what one wants. Unfortunately that it is how it goes very often’ (Interview held on the 20th of April, 2011).

Further reasons for the rise of corruption identified by the interviewees included the manner in which by the 1997 and 2009 Laws (MAFWE, 2009) – which have declared all forests either state or private – regulate the traditional rights for the management of forests. According to this legislation an individual can submit a request to cut up to 1 per cent of the nearby forest for personal usage – this usually does not exceed 12 cubic meters of fuelwood. However:

‘We have registered cases where one individual from a village asks more local people to submit woodcutting requests despite the fact that they do not have any intention to cut or use the wood. After the approval of such demands by the MAFWE, the individual person cuts the wood sells it as fuel in cities, for quite a respectable profit’ (Interview held on the 28th of April, 2011).

The majority of my interviewees did not believe that corruption will proceed unhindered without substantial changes to the system. However, there were different opinions about what the scope and nature of the transformations required. While some of the interviewees emphasized the need to improve the state’s capacity to exercise its control, administrative and technical functions, others talked about a movement towards greater transparency, decentralization, openness and a further entry of private capital. The representative of an international organization working in the country underlined that:

‘What forestry needs is a revitalized system of responsibilities, involving the improvement of management mechanisms and an integrated approach towards forestry, rural development and tourism’ (Interview held on the 29th of April, 2011).

Interviewees from the MAFWE forestry police had a similar attitude and pointed out that it is very important that the state maintain its regulatory and managerial role. They believed that the modernization of technical equipment (including remote sensing) can help prevent and trace illegal activities in the forests. Academic experts, however, felt that local people should be encouraged to open small and medium sized enterprises. This would help increase competition on the forestry market and reduce the monopolistic position of Makedonski Shumi, especially since

‘Forestry and furniture making companies constitute only 2 per cent of all firms in the country. There is a wide spectrum of forestry activities that can be profitable, such as the trade of non-forest products’ (Interview held on the 18th of April, 2011).

Many of my interviewees from the NGO sector shared this opinion, emphasizing the role of private forests in helping reduce corruption. They frequently stressed that private forests are managed in a more sustainable way than state-owned ones, where clearcutting is more common. It was argued that the state is concerned about losing control over the forestry stock, as a result of an entrenched belief that the owners of private forests will revert to aggressive management practices in the absence of state control. With legal changes expected in the near future, however, Makedonski Shumi will only be responsible for nursing forests, and all other activities will be undertaken by privately subcontracted companies. This shift was welcomed by many private sector interviewees, who thought that it will open new opportunities for the entrance of private capital and the improvement of the forestry market in the country. However, representatives of state organizations – and surprisingly, many local people as well – feared that this might create the space for further corruption.

The rise of multiple corruption practices in the forestry sector is thus indicative of broader trends. It points to some of the reasons for, and consequences of, the state’s neoliberalization of the forestry sector by ‘stealth’: A situation that has created a recombinant public-private company via the privatization of collective capital, and the outsourcing of most technical activities. Many corruption activities can be attributed to the exclusive position of this company in the forestry sector, both in terms of its ability to regulate and plan most forestry activities, and its position as the dominant economic actor in this domain.

Contesting neoliberalism: The rise and character of illegal logging

The 1997 Law on Forests does not provide a clear definition of illegal logging, as it only lists that forest-related activities are considered criminal when they ‘negatively affect land fertility and endanger forest production or silviculture, or the survival of the forests and their multiple benefits ... including extensive woodcutting, intensive selective logging and any action causing weed growth or erosion of land by water or wind’ (MAFWE, 2009). There is a dearth of official statistics on the phenomenon, other than the figure that possibly up to 30 per cent of all woodcutting is illegal; it should be pointed out that this only includes activities related to illegal logging (ibid). Nevertheless, all of my interviewees insisted that multiple forms of clandestine forest exploitation have dramatically expanded during the past 20 years; on average, they estimated that between 30 and 50 per cent more forest resources are being exploited in this manner compared to the situation at the onset of the post-communist transformation.

The majority of interviewees emphasized that there are major differences in the types of illegal logging that occurs, in relation to the scale of wood exploitation, its environmental consequences, as well as the nature of the socio-economic forces and agents behind it. It was often argued that the least ecologically damaging illegal logging is when individuals cut dry branches or trees with diameters up to 8 cm. The main reason for this practice, according to the interviewees, was the need for

obtaining fuelwood in order to heat homes. As such, it plays an important role in the articulation of alternative economic practices, as the individuals who exercise such woodcutting have limited financial incomes. The state generally tolerates this behaviour, as its perpetrators are rarely pursued by the MAFWE and Makedonski Shumi police. Most interviewees thought that it is a common part of everyday life in almost all rural areas within the country.

Also present is the logging of wood in formerly ‘communal’ forests that lie in the immediate proximity of villages. As was discussed above, the use of villagers’ ‘traditional rights’ to cut trees from such areas was not considered illegal until 1997. However, the regulatory shift that prohibited this practice did not necessarily translate into a change of behaviours. A number of interviewees emphasized that most villagers still believe that they have rights to use ‘their’ forests for ‘their’ needs, deciding to cut the wood for personal use as they see fit, despite frequent conflicts with the forest guards working for Makedonski Shumi (relations with MAFWE’s forest police seem to be more cordial) and the threat of legal action. These conflicts have also led to a range of more serious problems, as:

‘The local villagers sometimes start fires in the nearby forests ... not just because they resent the fact that we curtail their activities, but also because the price of wood from burnt forests that is then sold on the market is six times lower than the regular price’ (Interview held on the 23rd of April, 2011).

According to several interviewees, the most environmentally damaging type of illegal logging takes place in remote mountainous areas and is undertaken by well-trained, highly organized gangs, which sometimes operate across national borders. These groups cut as many trees as possible with the aim of illegally exporting the timber, or reselling it down the commodity chain. According to the individuals I interviewed, however, most of the wood harvested in this manner is eventually used by households for heating. This is because the groups in question lack the technical knowledge to generate construction- or furniture-grade timber. An employee of the forest police emphasized that:

‘Some of the groups who practice this type of activity are very dangerous and armed. It is very difficult to control them – we don’t have enough manpower. They sometimes work together with local crime gangs and bosses’ (Interview held on the 22nd of April, 2011)

A specific case of illegal logging exists in the case of ‘administrative’ woodcutting. This is a situation when private owners engage in cutting their own forests without formal permission. Many of my interviewees argued that this practice is a result of the existence of a bureaucratic and centralized system of forest management. As Makedonski Shumi is the manager of both publicly and privately owned forests, private owners cannot cut any wood without valid permission from them. In order to obtain such clearance, they have to prepare a documentation file with information confirming the ownership of the forest (if there are more than one owner a verified statement from them is required as well) together with a plan outlining which trees will be felled. A payment of stamp duty is also required in order to submit the request. Given how lengthy and cumbersome this procedure can be, one of my interviewees strongly defended the formally illegal woodcutting that takes place when it is not

followed:

‘It is not fair for the private owners not to get any benefits or compensation for not cutting their forests, and to be considered criminals if they use it even for their own needs. Let owners manage and control their own property’
(Interview held on the 26th of April, 2011)

A representative of the MAFWE forestry police emphasized that if a given forest area has multiple owners, all of them must sign the request for logging; otherwise such an activity is considered illegal. He also mentioned that if the private owners do not have adequately equipped storage spaces as mandated by the technical requirements in the relevant laws, they can only use the wood from their private forests for personal needs; further re-selling is illegal.

There was a lack of consensus among my interviewees regarding the path of forthcoming reforms in the forestry sector; while some of them believed that the state should not loosen its control and regulation of forest areas, others insisted that private owners should be given the freedom to be completely responsible for their forests. Although it was felt that Makedonski Shumi can potentially be much more economically efficient, this will continue to be hampered by the tendency of politicians in government to perceive it as a shelter for their political party clientele, resulting in an excess of administrative personnel and a lack of appropriately educated and trained staff. The situation is further exacerbated by the inadequate level of communication between the main actors in the forestry sector, and the absence of an integrated rural development framework. The latter is, in part, a result of the lack of co-ordination between the Ministry of Environment – which is institutionally responsible for rural development matters – on the one hand, and MAFWE, on the other.

Conclusions

In its entirety, this empirical investigation of the relationship between illegal logging and the ‘roll back’ neoliberalization of the Macedonian forestry sector has revealed the existence of multiple, parallel and sometimes mutually conflicting practices of forest use in the country. This situation is emblematic of the wider conditions in the Balkan region, where the start of the post-communist transition was deeply influenced by the decade-old legacy of ‘hybrid’ forest economies characterized by, as argued by Staddon (2009, p. 172) a ‘state monopoly over formal tenure and the advanced transformation of the natural forests of the early twentieth century into highly managed and technologized industrial assets ... existing alongside the continuation of local forest uses more redolent of an essentially pre-industrial ‘peasant’ subsistence economy’. The economic, political and environmental processes unfolding during the past 20 years have added a new range of practices and relations to this complexity, involving the emergence of a centralized forest management enterprise in charge of not only the state-owned sector, but many aspects of privately-owned forest management as well. This enterprise operates at the boundaries of public sector and business interests, resulting in the emergence of a range of *de jure* and *de facto* illicit practices. In other words, it is possible to see the existence of multi-sited, diverse and recombinant economies of forest management, where the building of organizations and institutions has taken place ‘not on the ruins but with the ruins of communism’

(Stark, 1996, p. 995)

It is in this set of developments, alongside the state's attempt to curtail traditional forest use rights, that I locate the rise of practices of illegal logging in the given context. More specifically, their appearance can be traced back to a series of decisions made within the restructuring process of the early 1990s. This involved the restitution of formerly nationalized forest areas in the early 1990s, and attempts to create quasi-market relations by outsourcing the woodcutting business to former employees of Makedonski Shumi. Despite losing their job security, such individuals were forced to act as small-scale entrepreneurs in conditions where informal economic practices were pervasive, and there was little experience with running and managing small-scale companies in a market-based environment. The dispossession of public resources stimulated the expansion of corruptive behaviours, while introducing a form of privatization by 'stealth'.

The restructuring process also created a state-run monopoly, which acted as the main contractor and regulator of the forestry market. The clientelistic character of this enterprise – alongside its role as a social policy mechanism thanks to its employment practices and pricing policies – points to the 'strategically selective' (Jessop, 2001) role played by the state in the post-communist transformation process: the government enables certain types of market relations while pursuing distinct distributional goals. Illegal logging is a clear result of this 'forest of contradictions' (Robbins and Frasier, 2003), having emerged at the nexus of alternative market behaviours, shadow economies, and mixed state-business relations. As such, it plays a significant role in sustaining practices of economic and social reproduction at a variety of scales. In some respects, clandestine forest exploitation can be seen as a bottom-up attempt to challenge the distributional justice implications of the forestry reform process. It brings forth the multiple and contested geographies of legality in relation to natural resource exploitation, where state-led statutory delimitations are problematized by place-based contingencies and practices, creating a regulatory space outside the boundaries of government policy. This 'grey' regulatory realm, however, also encompasses more extensive forms of institutionalised corruption, which involve the wholesale exploitation and extraction of rents from the material assets owned and managed by the state. As such, our findings closely match Robbins' (2000) identification of the extra-legal network of nature-society relations that gives rise to corruption in the Indian context, although the ecosystem implications of such practices in our case remain unclear.

As was pointed out above, the rise of illicit logging practices expresses the presence of a specific case of 'roll back' neoliberalism, where the state – despite retaining its formal ownership and overall control of the sector – has withdrawn from the *de facto* management and ownership of forest resources in favour of private interests and quasi-market relations. The entrance of corruptive and clientelistic relationships has disenfranchised many local communities, who have used illegal logging as a livelihood strategy. Despite the extensive nature of clandestine forest exploitation, the current situation is qualitatively not very different from what existed under communism, when the reliance on traditional rights meant that forest resources played a key role in the articulation of alternative economic practices. Still, increasing resource demands – accompanied by conflicts related to illegal logging – may exacerbate pressures on the environment in future years, while further alienating local

communities from the governance of forests.

References

- Avdibegović, M., Nonić, D., Posavec, S., Petrović, N., Marić, B., Milijić, V., Krajter, S. Ioras, F., Abrudan, I. V., 2010. Policy options for private forest owners in Western Balkans: a qualitative study *Notulae Botanicae Horti Agrobotanici Cluj-Napoca* 38, pp. 257-261.
- Bakker, K., 2003. Archipelagos and networks: urbanization and water privatization in the South. *The Geographical Journal* 169, pp. 328-341.
- Bakker, K., 2004. *An uncooperative commodity: Privatising water in England and Wales*. Oxford University Press, Oxford.
- Bakker, K., 2007. The 'commons' versus the 'commodity': Alter-globalization, anti-privatization and the human right to water in the global South *Antipode* 39, pp. 430-455.
- Bakker, K., 2010. The limits of 'neoliberal natures': debating green neoliberalism. *Progress in Human Geography* 34, pp. 715-735.
- Barnett, C., 2005. The consolations of "neoliberalism". *Geoforum* 36, pp. 7-12.
- Brown, D., 2006. Rights and natural resources: contradictions in claiming rights. In: O'Neil, T. (Ed.), *Human Rights and Poverty Reduction: Realities, Controversies and Strategies*. Overseas Development Institute, London, pp. 77-90.
- Büscher, B., Dressler, W., 2012. Commodity conservation. The restructuring of community conservation in South Africa and the Philippines Bram Büscher. *Geoforum* 43, pp. 377-376.
- Buzar, S., 2007. *Energy Poverty in Eastern Europe: Hidden Geographies of Deprivation*. Ashgate, Aldershot.
- Buzarovski, S., 2001. Local environmental action plans and the 'glocalisation' of post-socialist governance. *GeoJournal* 55, pp. 557-568.
- Casson, A., Obidzinski, K., 2002. From new order to regional autonomy: Shifting dynamics of 'illegal' logging in Kalimantan, Indonesia. *World Development* 30, pp. 2133-2151.
- Castree, N., 2008a. Neoliberalising nature: the logics of deregulation and reregulation. *Environment and Planning A* 40, pp. 131-152.
- Castree, N., 2008b. Neoliberalising nature: processes, effects, and evaluations. *Environment and Planning A* 40, pp. 153-173.
- Castree, N., 2011. Neoliberalism and the Biophysical Environment 3: putting theory into practice. *Geography Compass* 5, pp. 35-49.

- Duffy, R., 2008. Neoliberalising nature: global networks and ecotourism development in Madagascar. *Journal of Sustainable Tourism* 16, pp. 327-344.
- Duffy, R., Moore, L., 2010. Neoliberalising Nature? Elephant-back tourism in Thailand and Botswana. *Antipode* 42, pp. 742-766.
- Fletcher, R., 2010. Neoliberal environmentalism: Towards a poststructuralist political ecology of the conservation debate. *Conservation and Society* 8, pp. 171-181.
- Fletcher, R., Breitling, J., 2012. Market mechanism or subsidy in disguise? Governing payment for environmental services in Costa Rica. *Geoforum* 13, pp. 402-411.
- Furlong, K., 2010. Neoliberal water management: trends, limitations, reformulations. *Environment and Society: Advances in Research* 1, pp. 46-75.
- Gibson, C. C., Koontz, T., 1998. When "Community" Is Not Enough: Institutions and Values in Community-Based Forest Management in Southern Indiana. *Human Ecology* 26, pp. 621-647.
- Heynen, N., Robbins, P., 2005. The neoliberalization of nature: governance, privatization, enclosure and valuation. *Capitalism, Nature, Socialism* 16, pp.
- Higgins, V., Dibden, J., Cocklin, C., 2012. Market instruments and the neoliberalisation of land management in rural Australia. *Geoforum* 43, pp. 377-386.
- Humphreys, D., 2009. Discourse as ideology: neoliberalism and the limits of international forest policy. *Forest Policy and Economics* 11, pp. 319-325.
- Igoe, J., Brockington, D., 2007. Neoliberal conservation: A brief introduction. *Conservation and Society* 5, pp. 432-449.
- Inpres, 2009. Бесприваната сеча во Македонија во нагорна или надолна линија?! . pp. Accessed on 20th July 2011.
- Jarvis, H., Pratt, A. C., Cheng-Chong, W., 2001. *The Secret Life of Cities: the Social Reproduction of Everyday Life*. Prentice Hall, Harlow.
- Jessop, B., 2001. Institutional re(turns) and the strategic - relational approach. *Environment and Planning A* 33, pp. 1213-1235.
- Kanal5, 2005. Ј.П. „Македонски шуми“: Количината на нелегално отсечени дрва ќе достигне до 50 илјади кубни. pp. Accessed on 20th July 2011.
- Klůvanková-Oravská, T., Chobotova, V., Banaszak, I., Slavikova, L., Trifunovova, S., 2009. From government to governance for biodiversity: the perspective of Central and Eastern European transition countries. *Environmental Policy and Governance* 19, pp. 186-196.
- Liverman, D., 2004. Who governs, at what scale and at what price? Geography, environmental governance, and the commodification of nature. *Annals of the*

- Association of American Geographers* 94, pp. 734-738.
- Lockie, S., Higgins, V., 2007. Roll-out neoliberalism and hybrid practices of regulation in Australian Agri-Environmental Governance. *Journal of Rural Studies* 23, pp. 1-11.
- Maxwell, K., 2011. Beyond verticality: fuelscape politics and practices in the Andes. *Human Ecology* 39, pp. 465-478.
- McCarthy, J., 2004. Privatizing conditions of production: trade agreements and environmental governance *Geoforum* 35, pp. 327-341.
- McCarthy, J., 2005. Devolution in the woods: community forestry as hybrid neoliberalism. *Environment and Planning A* 37, pp. 995-1014.
- McCarthy, J., 2006. Neoliberalism and the Politics of Alternatives: community forestry in British Columbia and the United States *Annals of the Association of American Geographers* 96, pp. 84-104.
- McElwee, P., 2012. Payments for environmental services as neoliberal market-based forest conservation in Vietnam: panacea or problem? *Geoforum* 43, pp. 412-486.
- Ministry of Agriculture, Forestry and Water Economy (MAFWE), 2006. *Strategy for Sustainable Development of Forestry in the Republic of Macedonia*. MAFWE, Skopje.
- Ministry of Agriculture, Forestry and Water Economy (MAFWE), 2009. Law on Forests. *Official Gazette* pp. 64/2009.
- Munck, R., 2005. Neoliberalism and politics, and the politics of neoliberalism. In: Saad-Filho, A., Johnston, D. (Eds.), *Neoliberalism: A Critical Reader*. Pluto, London, pp. 60-69.
- Mutersbaugh, T., 2003. Ethical trade and certified organic coffee: The implications of agricultural product certification for Mexican producer households and villages. *Transnational Law and Contemporary Problems* 12, pp. 89-107.
- Mutersbaugh, T., 2005. Fighting standards with standards: Harmonization, rents, and social accountability in certified agrofood networks. *Environment and Planning A* 37, pp. 2033-2051.
- Nova Makedonija, 2009. Дрвокрадците сечат, несовесни службеници помагаат. pp. <http://www.novamakedonija.com.mk/NewsDetal.asp?vest=121791034264&id=12&setIzдание=21864>. Accessed on 20th July 2011.
- Nova Makedonija, 2011. Во „Македонски шуми“ потрошиле 6,5 илјади евра за виски. <http://www.novamakedonija.com.mk/NewsDetal.asp?vest=12811834475&id=9&setIzдание=22192>, Accessed on 20th July 2011
- Özden, S., Üstüner, B., 2012. Ottoman forestry: socio-economic aspect and its influence

- today. *Ciência Rural* 42, pp. 459-466.
- Peck, J., 2004. Geography and public policy: constructions of neoliberalism. *Progress in Human Geography* 28, pp. 392-405.
- Peck, J., Theodore, N., Brenner, N., 2010. Postneoliberalism and its malcontents. *Antipode* 41, pp. 1236-1258.
- Peck, J., Tickell, A., 2002. Neoliberalizing space. *Antipode* 34, pp. 380-404.
- Perreault, T., 2005. State restructuring and the scale politics of rural water governance in Bolivia. *Environment and Planning A* 37, pp. 263-284.
- Petrova, S., Bouzarovski, S., Čihař, M., 2009. From inflexible national legislation to flexible local governance: management practices in the Pelister National Park, Republic of Macedonia. *GeoJournal* 74, pp. 589-598.
- Petrova, S., Čihař, M., Bouzarovski, S., 2011. Local nuances in the perception of nature protection and place attachment: a tale of two parks. *Area* 43, pp. 327-335.
- Pinkerton, E., Heaslip, R., Silver, J. J., Furman, K., 2008. Finding 'space' for comanagement of forests within the neoliberal paradigm: Rights, strategies, and tools for asserting a local agenda. *Human Ecology* 36, pp. 343-355.
- Pokorny, B., Johnson, J., Medina, G., Hoch, L., 2012. Market-based conservation of the Amazonian forests: Revisiting win-win expectations. *Geoforum* 43, pp. 387-401.
- Prudham, S., 2007. Sustaining sustained yield: class, politics, and post-war forest regulation in British Columbia. *Environment and Planning D: Society and Space* 25, pp. 258-283.
- Robbins, P., 2000. The rotten institution: Corruption in natural resource management. *Political Geography* 19, pp. 423-443.
- Robbins, P., Frasier, A., 2003. A forest of contradictions: producing the landscapes of the Scottish Highlands. *Antipode* 35, pp. 95-118.
- Robertson, M., 2004. The neoliberalization of ecosystem services: wetland mitigation banking and problems in environmental governance. *Geoforum* 35, pp. 361-373.
- Roth, R. J., Dressler, W., 2012. Market-oriented conservation governance: The particularities of place. *Geoforum* 43, pp. 363-366.
- Savic, N., Stojanovska, M., Stojanovski, V., 2011. Analyses of the Competitiveness of Forest Industry in the Republic of Macedonia. *South East European Forestry* 2, pp. 13-21.
- Staddon, C., 2001. Local forest-dependence in postcommunist Bulgaria: a case study. *GeoJournal* 55, pp. 517-528.
- Staddon, C., 2009. Towards a critical political ecology of human-forest interactions:

- collecting herbs and mushrooms in a Bulgarian locality *Transactions of the Institute of British Geographers* 34, pp. 161-176.
- Staddon, C., Cellarius, B., 2002. Paradoxes of conservation and development in postsocialist Bulgaria: recent controversies. *European Environment* 2, pp. 105-116.
- Stahl, J., 2010a. *Rent From the Land: A Political Ecology of Postsocialist Rural Transformation*. Anthem Press. London and New York.
- Stahl, J., 2010b. The rents of illegal logging: the mechanisms behind the rush on forest resources in Southeast Albania. *Conservation and Society* 8, pp. 140-150.
- Stark, D., 1996. Recombinant property in East European capitalism. *American Journal of Sociology* 101, pp. 993-1027.
- State Statistical Office (SSO), 2010. *Statistical Yearbook of the Republic of Macedonia*. SSO, Skopje.
- State Statistical Office (SSO), 2012. *Labour Force Survey*. SSO, Skopje
- Tickle, A., 2000. Regulating environmental space in socialist and post-socialist systems: nature and landscape conservation in the Czech Republic. *Journal of Contemporary European Studies* 8, pp. 57-78
- United Nations, 1992. *A/CONF.151/6/Rev.1. Non-Legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests* United Nations, New York.
- United Nations, 2007. *Decision 2/CP.13. Reducing emissions from deforestation in developing countries: approaches to stimulate action. FCCC/CP/2007/6/Add.1. Report of the Conference of the Parties on its Thirteenth Session, held in Bali from 3 to 15 December 2007*.
- Watts, M., 1998. Recombinant capitalism: State, de-collectivisation and the agrarian question in Vietnam. In: Pickles, A., Smith, A. (Eds.), *Theorising Transition. The Political Economy of Post-Communist Transformation*. Routledge, London, pp. 450-505.
- White, A., Martin, A., 2002. *Who owns the world's forests?: forest tenure and public forests in transition*. Forest Trends and Centre for International Environmental Law, Washington DC.