

*Internet Forum on Common Property*  
*Summary of Theme 1: CPRs and Poverty Reduction*

The discussion of our first theme, CPRs and Poverty Reduction, yielded a dozen comments, particularly on the issues of commercialization and elite capture of benefits from CPR use. Main points of this discussion include:

- In looking at trends in commercialization of CPR use, outside investment is seen to be associated with greater access to state institutions, policy- and decision-making processes, as well as outright corruption and abuse of power. Non-compliance with regulations and partial (or non-existent) implementation of laws may contribute to both elite captures of benefits from commercial use of CPRs, as well as environmental degradation (examples given from Peru, Indonesia and Kenya).
- In cases where commercialization is prompted by outside investment in resource exploitation, local residents may benefit economically, but largest share of benefits is enjoyed by outside investors. Without access to large-scale capital, investment opportunities for local residents may be limited; this creates economic leverage for outside investors when negotiating agreements with local CPR users.
- Commercialization of common forest resources, in particular, may not benefit women. In Indonesia example, while women play important role in agriculture, timber and logging industries tend to be male-dominated. Capital-intensive commercialization in the forestry sector therefore shifts benefits out of women's hands and into men's – which can have negative impact on household livelihood.
- Elite capture within communities may also occur, e.g., cases in Indonesia where village heads were responsible for distribution of benefits received from investors - natural resource benefits are not shared equally within communities. Better-off migrants who live in areas where CPRs are present may benefit more greatly than members of indigenous communities. Generally, though, comments to the forum note more the power imbalances between local residents and outside investors, rather than within communities.
- Improving the security of tenure over common property resources may contribute to poverty reduction, by limiting encroachment and strengthening local residents' bargaining position vis-à-vis outside interests. Access to other common resources besides land (e.g., water along with grazing land) should also be ensured in areas where these are complementary in local production.
- The poor often rely on common property resources for as a safety net against extreme poverty. Nonetheless, increasing tenure security to natural capital on its own may not be enough to reduce poverty. Access to other productive assets – human, physical, financial and social capital – is also a critical ingredient.