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Shifting Governance in Slovensky Raj National Park.

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Abstract

This paper explores the role of social capital and governance in rural development within Slovensky Raj National Park. Based on the theory of common pool resources and network governance, the case study explores the external and internal influences on cooperation. Current decision making in the Park is still affected by post socialist relations. In particular inefficient institutional design and non-robust governance of the resources have resulted in over-exploitation of natural resources and treating common property as open-access. Evidence emerged of domination of interpersonal trust and failure of institutional design. These were found as barriers for the National Park to be viewed by various actors as an asset. Concurrently, municipal and tourism networks reveal that cooperation is gradually moving from being externally to internally driven, while displaying characteristics of bottom-up development. A hierarchical governance structure is thus slowly opening up, shifting towards networks.

Keywords: Network governance, common pool resource management

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Introduction

Generally, it is accepted that totalitarian regimes destroy social capital (Paldam & Svenson, 2000; Putnam, 1993) and that low social capital leads to a number of dysfunctions. It was also proven (Putnam, 1993) that there is a correlation between the duration of a dictatorship and deformation of trust and cooperation. Within democratic countries of Europe, low social capital has been identified as one of the major reasons for the inefficient local governance (Banfield 1958; Putnam 1993). In contrast with western European countries, the regulatory processes of former command and control economies of central and eastern European countries (CEECs) can be characterised by closed, unidirectional decision-making with the domination of elites lowering trust to formal institutions. Transition to a market economy cannot be understood as a free evolution, since both democratisation from 1989 and EU integration in 2004 were driven externally, resulting in the transposition of formal norms and rules without either sufficient change in the institutional environment or the evolution of social capital to build internal norms. Evidence of growing participation and cooperation in transition countries of the CEE has been reported by several authors in this issue. Against this backdrop, the situation of governance in the Slovakian Slovensky Raj National Park (SRNAP), is addressed in this paper.

Democratisation since 1989 and EU integration since 2004 form the key drivers in our study. Under investigation are the property rights regimes, in particular the failure of the State in managing natural resources, in de facto open access regimes. Determinants studied within EU integration are the effects of EU membership on the rural context, in particular trust building and emerging institutional innovations such as multilevel governance. Such drivers are considered as key factors of bottom-up development, with effects on cooperation. The general objective of this research is to analyse processes of cooperation in rural development and multi-actor interactions in the Slovensky Raj National Park (SRNAP). In particular the role of multiple drivers in institutional change and how they interact within a multilevel governance of SRNAP is analysed in a case study form. This paper tests the hypothesis that regardless of whether cooperation was initiated by external drivers, it gradually moves towards being internally driven. This allows the establishment of a robust governance structure for common pool resource management. Diverse methods for data collection were adopted. These methods were semi-structured interviews which were conducted in the period of May-July 2005. In total 28 actors were approached and 26 interviews completed. The average length of interview varied from 30 to 90 minutes. Secondary data sources were also employed and interview records of primary data gathered for

another case study on tourism activities within SRNAP were consulted. Data collected were analysed in qualitative way.

The next section describes the evolution of governance in the Slovak Republic. Following this, the theoretical framework is elaborated. This is novel as it integrates two interlinked trajectories: the role of trust and learning in cooperative processes; and how social mechanisms can influence multilevel governance and effective management of common pool resources. The empirical section examines barriers for network governance, and introduces a taxonomy of actors in the SRNAP, defined by markets, hierarchies and networks. Processes undertaken to increase trust and community cooperation, improvement of management and governance are demonstrated.

Governance in the Slovak Republic

Despite commonalities found in former communist states, the situation in the Slovak Republic may be unique. Firstly, the Slovak Republic, historically a part of a larger political unit (Austro-Hungarian empire 1300-1918, Czechoslovak Republic 1918-1993), was generally under-represented at both the policy and decision-making levels, and as such was very seldom governed by its own representatives². Thus, in comparison with neighbouring countries (Sauer 2005, Jílková 2003, Romancikova 2004) that built their national or regional governance structures themselves, there is an evident lack of skills in such institutions in Slovakia. Secondly, Slovak society is largely based on rather closed rural Roman-Catholic communities, with anti-reformist behaviour. The above-mentioned factors, add to the overall status of social capital in Slovakia. Furthermore, informal cooperation is also hindered by “grey/black” networks.

Prior to EU membership, most decisions were taken at the level of district administration. Harmonisation with the EU legislation introduced a shift of competencies from administration at former district offices to municipalities and the newly established elected regional governments, meaning more power to the regional and local level. In the area of environmental protection, the Ministry of the Environment serves as a central body at the national level, coordinating most responsibilities in nature conservation under the State Nature Conservation agency. The system of nature conservation territories was established in 1948, the main stress being on conservation. Because of the absence of a market economy, outdoor recreation was limited by the State, who controlled visitors. Today national parks

2 Prior to 1945, most public representatives including teachers, attorneys or public servants were from Hungary (up to 1918) or the Czech Republic (1918-1939).

in the Slovak Republic are greatly increasing their tourist numbers, creating pressures for investment, and thus parks are also being viewed from competing interests. The existing governance structure in nature conservation has not adequately adapted yet. The Park Administration acts as the first contact point in rural development processes, but paradoxically, it has only an advisory position to the 'hierarchy', who formally makes decisions (State Nature Conservation agency and regional administrative units). This results in various institutional weaknesses such as failure to adopt proper zoning of the parks, or compensation for removal of opportunities for non-state owners within protected areas. To make matters worse, an effect of transformation is that several cases of institutional miss-interplay can be recorded, especially those falling under the responsibility of the Ministry of Agriculture³. Failure of the State to manage natural resources in an effective manner resulted in a de facto open access resource regime (Ostrom, 1990). It is too early to analyse the effect of decentralisation of environmental governance as the process was initiated only in 2002, and is still not fully effective.

The Concept of Social Capital and Governance

Social capital can be characterised according to the variety of different views or dimensions that have originated in the interdisciplinary character of this concept. This study endorses a rational choice theory approach, while also acknowledging the importance of social and political engagement or network approach. The rational choice theory sees social capital as a set of informal norms that promotes cooperation to make effective market transactions (Fukuyama, 2000). Using political or social engagement theory, social capital is viewed as the social ties or communities of association. According to Putnam (1995) social capital is represented by features of social life, norms and trust that enable actors to cooperate. Ostrom and Ahn (2003) define social capital as rules used by those governing, managing, and using the system and those factors that reduce the transaction costs associated with the monitoring and enforcement of these rules. Despite variations in the origin and differing definitions of social capital, the concept has common characteristics based on the formation of social networks. We see this as crucial for understanding the transformation of social capital in transition countries of CEE. An approach based on community bottom-up

3 For example, the Act on Nature Conservation declares the protection of nature as a fundamental priority within protected areas; however, the Act on Forests allows timber production within areas of nature conservation, even providing subsidies for activities in areas with extreme climatic conditions.

cooperation linked to social capital is seen as important for later stages of policy reform, in particular for countries in transition from directive to democratic regimes (Valentinov, 2004). The concept as adopted in our study is based on a network definition of social capital and endorses the notion of social capital as the nature of relationships between people and the social networks that they form (Murray, 2005). Trust as a major determinant of social capital is framed within the context of interpersonal trust (informal governance), which is developed through learning processes into the institutional trust (formal governance).

This paper argues that through the process of repeated interaction and learning, individuals are willing to cooperate (Brehm and Rahn 1997). Here the learning process can be understood as long-lasting change of behaviour that is founded on change in knowledge. Within the process of learning, past experiences in the situation of cooperation can affect subsequent behaviour and attitudes toward cooperating (Murray, 2005). In the context of the emerging multilevel governance structure, governance is shifting to new ways of conceptualization where the citizen is playing an active role (Goodwin, 1998) and boundaries between and within public and private sectors have become blurred (Stoker, 1998). New European official policy statements now emphasize the role of partnerships and networks beyond the formal structure of governance (notably in the Cork Declaration 1996, and more recently in the Rural Development Regulation 2007-2013) characterized by informal social systems rather than by bureaucratic structures. Such a concept of governance has gained widespread attention across many scholars (Williamson, 1979, 1991; Stoker, 1998; Jones *et al* 1997; Goodwin, 1998; Gulati, 1998) and is known as network governance. The concept implies that governance is a complex and multilevel institution, partially usurping competences from the central State (Jessop, 1995) and relying on networks of interconnected actors such as private, public or non profit rather than a hierarchy dominated and defined by the State (Stoker, 1998). This shift has the potential of increasing the role of actors from outside the formal decision making boundaries and therefore greater participation in the governance process. Our approach integrates a general theory of network governance (Jones *et al.* 1997) and the new concepts from common-pool resource theory (Ostrom, 1990 and 2004).

It asserts that this type of governance, by using different social mechanisms other than authority, bureaucratic rules, standardization, or legal resources enhance cooperative behaviour and at the same time enable local actors to organise collective arrangements that will promote their locality (Goodwin, 1998). Jones *et al.* (1997) defined these alternative social mechanisms as the: restriction of access,

collective sanctioning, macroculture⁴ (norms, routines, conventions) and reputation. Restricted access limits the number of actors, macroculture reduces transaction costs of communication and coordination among actors, reputation provides information about participants' actions and credibility, and collective sanctions discourage participants from yielding to incentives for short-term opportunistic behaviour. The above social mechanisms within network governance dovetails with Putman's (1993) approach to conditions that favour cooperation (the number of actors are limited, information about each person's past behaviour is available, as well as graduated sanctions against violators) as well as Ostrom's (2004) analysis of the attributes of communities, that affect cooperative behaviour of actors. Moran and Ostrom (2005) identify the values of behaviour generally accepted in the community norms, the level of common understanding that participants share about the structure of the action situation, size of the community and distribution of resources among those affected. The ways in which small-scale communities negotiate access to resources by setting up self-organized systems of participation and control are seen as more effective than government imposed regulations (Ostrom, 1990). Thus in our understanding the social mechanisms derived from the theory of network governance reflect Ostrom's theory of long term robust institutions for governing the common pool resources (Ostrom 1990) defined by a set of general principles⁵ that increase performance of institutional design and robust governance of the resources and at the same time safeguard sustainable use of common-pool resources. The principles together help to solve core problems associated with free riding and subtractability of use. Governance of the resources (Williamson 1979, 1991; Ostrom 1999; Vatn 2005) may lead to an open access regime which may have tragic consequences in the overuse or unregulated management of natural resources and biodiversity values. In the lack of appropriate institutional design, network governance can be seen as dynamic process of organizing transactions, by explaining the influence of social processes over the costs of transaction exchange.

Thus in our empirical study we develop a framework for understanding the interplay of those social mechanisms and design principles - especially

4 Macroculture is a system of widely shared assumption and values comprising knowledge that guide actions and create typical behaviour patterns among independent entities and is shared by all participants not only top managers. In general, macroculture are enhanced by close geographic proximity, because of the increased likelihood and ease of interaction (Jones, et al 1997).

5 There are the following: clearly defined boundaries, proportional equivalence between benefits and cost, collective-choice arrangements, monitoring, gradual sanctions, conflict resolution mechanisms, minimal recognition of right to organize and nested enterprise.

macroculture, reputation and conflict resolution - that can affect durable networks, and increase cooperation between rural actors while at the same time preventing tragedy of the open access.

Presentation of the Region and Problem Situation

The Slovenský Raj ('Slovak Paradise') national park SRNAP – with an area of 19,760 ha was established as a protected area by law in 1964, and in 1988 its status was changed to that of 'national park'. The most valuable natural aspect of the park is the relief that comprises of deep canyons, waterfalls, and small rivers, thus making it scenic and of value for tourism. The economic situation in the SNRAP region is considered disadvantaged. The regional disparities are due to poor infrastructure, geographical barriers and an under utilisation of human resources, leading to recent expansion of tourism. This is especially the case in areas with high biodiversity, which have the potential of income generation for the local population. Slovenský Raj is the only park in the country aiming to join European network of protected areas 'Pan Parks'⁶. Two major problem areas related to rural development and nature conservation can be identified in SRNAP, namely property rights and conflicting user interests; inefficient governance structure leading into the lack of cooperation .

Property Rights and User Interests

Property rights and regimes represent the fundamental barrier to nature conservation in the Slovak Republic. As documented in all former communist CEECs, State property was promoted against private and common property. The government failed to manage the Park in an effective manner (design and implementation of effective rules limiting access and defining rights and duties) and created *de jure* State property but *de facto* open access (Ostrom, 1990), with all the inherent effects such as free-riding and overexploitation. The privatisation of land in the 1990s, oriented more toward moral and political targets rather than effectiveness, resulted in an increase of land fragmentation and market failure which has been called the 'tragedy of the privates' (Hann, 2000). The present ownership structure in the Slovak national parks is diverse, with almost 50% held

6 The mission of the Pan Parks project, initiated by WWW International, is to promote synergy between nature conservation and local development through sustainable tourism in protected areas. See www.panpark.org

in either private or community hands. An absence of appropriate incentives to encourage sustainable behaviour of non-State owners⁷ and an absence of robust governance of the resources has resulted in the expansion of unsustainable economic activities, namely intensive tourism and timber extraction. The key question today revolves around who will control the local assets, either generating decent revenues in the long term (if managed in a sustainable way) or much greater short-term benefits based on natural resource exploitation.

Governance Structure

The park territory is held under the competence of numerous mainly hierarchical authorities and divided between more administrative units. Such multiple decision-making structures without proper governance rules have a significant effect on the coordination of responsibilities, resulting in various conflicting responses to forest fires, resource overuse, illegal activities in the park or the ignoring of several legal provisions. For example, the general territorial competences presiding over the park are shared by 15 municipalities and two regional governments; specific competences are held by several State organisations, such as the water management, fire and forest authorities. The Nature Conservation Administration lacks any legal power but is responsible for preserving biodiversity, and thus is heavily limited in carrying out its responsibilities. As a result, unique park territories have been seriously affected by fire and/or by uncontrolled numbers of visitors. The existing governance structure seriously affected cooperation in rural development. Innovative policy incentives (financial or institutional) have not been sufficient to motivate cooperation. An illustrative example is the difficulties in implementing the Pan Parks certification, in particular, a ‘Sustainable Tourism Development Strategy’ that requires multi-level actor’s cooperation.

Presentation and Clustering of Actors

The selection of actors for our analyses was based on previous experience and knowledge from SRNAP and on the impact/importance approach. With the latter

⁷ The Act on Nature Conservation, adopted in 1995, introduced compensation for the removal of opportunities for the loss of potential income generation by private and municipal owners. The governmental order to administrate such a right came into force at the end of 2001 and the application process is very complex, not transparent and is lacking State support. By the end of 2002 only two owners were able to get compensation but none of them from SRNAP.

approach, 'importance' is gauged by the actors' role in the community, for example how powerful actors are in influencing action situations in the community. 'Impact' is determined by the effect of action situation on actors or how strongly they are influenced by a particular action situation. Using the concept of network governance described above, actors were clustered according to types of governance (Williamson, 1991), into the following three groupings of: the 'hierarchies'; the 'market' and the 'networks' (Figure 1). Cooperation between the groups, the interaction of formal and informal institutions and the role of trust in the adaptation process for multilevel governance formed the major attributes of clustering.

Hierarchies

The 'hierarchical' cluster is composed of organisations with formal responsibilities in a specific field of expertise. Their cooperation relates to their exercise of these responsibilities by means of formalised institutions. None of them are economically active in the regions. The cluster comprises of the State agriculture authority, forest authority, the park administration and the regional government.

The State agriculture authority (the Chamber of Agriculture) coordinates, informs and supports the implementation of State agricultural policies. Agro-tourism is seen as an economic opportunity for underdeveloped regions. Due to the cross-over of responsibilities with the Ministry of the Environment and several controversial provisions in the legal setting⁸ the State agriculture authority and forestry authority have an antagonistic relationship with the park administration. Relationships with other actors are regarded as rather neutral.

The regional government, enforced in 2001 by EU regional policy, received major responsibilities in regional development, environmental protection as well as social policies. This body is rather new in the regional executive, therefore analysis of the impacts of its activities in the region is not yet possible. The administration of the Slovenský Raj National Park, with its limited competences in nature conservation, serves as the State expert body for the management of protected areas and holds a very delicate position in this grouping. Due to this position, the park administration suffers from a relatively poor reputation in the region, perceived as presenting a barrier to economic development. However, its initiative to certify the park under the Pan Parks scheme is unique and goes beyond both its formal responsibilities and standard practice in other Slovak national parks. It is possible to state that the park administration on one side acts as hierarchical actor fulfilling legal obligations given by State, on the other side, elements of network

8 Conflicting categorisation of the forest resulting in adverse subsidies for timber within nature protected forestland.

approach can be identified. Such an initiative is based on interpersonal trust to key representatives.

Market

The 'market cluster' consists of non-state agricultural and forest land owners, with different, often competing economic interests within the park territory and its buffer zone. A common characteristic of the cluster is their exclusion from the decision making process. The Nature Conservation Act (1995) restricted their private property and user rights, and the State failed to compensate them for the restriction of income generation potential. Thus willingness for cooperation outside the group is largely affected by these factors.

The grouping of farmers is relatively diverse with respect to orientation and type of activity, but the farmers tend to be rather passive in terms of cooperation outside of their grouping. More dynamics are associated with those farmers intending to adopt rural innovations, for example rural tourism, as they began to form rural-tourism associations, of which some of them are founder members. They also declared an interest to cooperate with the tourism network. Another type of landowner belonging to the market cluster is forest owners (state forestry, city forestry, cooperatives and individual owners). They have economic interests mostly in the forest industry. In summary, the market cluster is characterised by competing, mostly economic interests and formalised cooperative rules applied exclusively within each group.

Networks

The final cluster is that of the 'networks', which are voluntary groupings of individual or collective actors with rural interests, whose actions are based mainly on informal rules, in contrast with bureaucratic structures within firms (market) and formal contractual relationship (Jones *et al* 1997). Open-ended contracts within 'networks' are not derived from authority structures or from legal contracts. However, some members may establish formal contracts, but these do not define the relationship among all of the members (Jones *et al*, 1997). Their voluntary character and rural interests determine their relative dynamic activities in the region. The process of institutionalisation of some informal rules into their operation, such as access to information, mechanisms of conflict resolution and costs sharing, is specific to this grouping. Two actual networks represent this cluster: the tourism network and the self-government municipal network.

The self-government municipal network is based on municipal activities, has voluntary membership and was formed through a bottom-up process. The Group consists of two actors Microregion Slovenský Raj ('Microregion') and the Association of Municipalities of SRNAP ('the Association'). These two actors

integrate municipalities located around the park boundary, three of these located directly within the territory of the park itself. The original motivation for their formation was due to concern over the execution of the new competence of several municipalities. This was given to them in the early stage of decentralisation, and now they have exclusive competencies in the maintenance of technical equipment (wooden and iron ladders and steps) owned by municipalities. Thus they control access to the park. 'The Association' was established in 1992, using existing experience and heritage of the former regime's tourism agency. Due to this, cooperation was mostly restricted to the original competence, which was the maintenance and upkeep of pathways in the park; funding for this activity was controlled by the most powerful member municipality. Based on dissatisfaction of several members, 'Microregion' was established in 2003 as an entirely new structure with new rules of operation derived from partnerships and experience obtained during the transition process (1989-2003). In contrast with 'the Association', its aims were to support the joining of PAN Parks, support nature conservation in SRNAP, diversify cultural activities, support traditional crafts and cooperate in the provision of tourism services. These groups represent the first informal partnerships and cooperative processes in the region.

The tourism network is based on a specialised interest. The grouping is composed of different kinds of actors with mixed interests and activities connected to tourism. There are formal agencies, operating on formal- post socialistic rules. Two associations of tourist entrepreneurs are new organisations, based on voluntary paid membership of independent entrepreneurs offering various tourism services. The main benefit of being a member of that kind of association is reducing transaction costs for promoting individual tourism.

Shifting governance in SRNAP

In general, trust between actors was observed on an individual level, based on interpersonal attitudes and relations between individuals. There were low levels of trust expressed in formalised networks, evidence of this came from the low levels of membership. There are still a considerable number of actors who display opportunism and behave as free-riders (not being a member). Membership in regional or local non-hierarchical groupings was perceived in positive terms as representing a benefit for members' activities. They especially appreciated the possibilities for cooperation, the realisation of common projects and information dissemination. Only two representatives, both from municipalities, declared an eventual loss (or costs) of membership in the case of non-realised projects; as well

as this, the subscription fee was assessed as a loss in the case of formal membership.

The study concluded that the more local the governance, the higher the trust; or that interpersonal trust prevails in the SRNAP community. A reciprocal relationship between trust and cooperation was evident in our case study.

Most of the actors declared a degree of reservation in trusting the park administration, which, despite limited competences, is misperceived as the State representative for nature conservation in the park. The governance structure currently in place has resulted in the inefficient use of resources and the treatment of common property as though it were open-access. Thus it is possible to argue that it is the failure of the national government in creating adequate institutional support for rural development regarding nature protection.

This weakly established governance structure creates various barriers also to market development. At present, decision-making allows the development of power games, in which individual interests prevail over the public: actors often behave strategically in order to put themselves in more powerful positions with information and control over ongoing processes. In contrast, those whose positions are not strong enough can be characterised by a loss of interest, apathy or even opportunism. In-depth interviews disclosed that many actors were not able to assess the competitiveness of their activities on the market, and that the role of active marketing was generally underestimated. Thus the national park is not understood as a product of regional economy but rather as an economic barrier to the execution of private or common property rights and rural policies.

Based on our findings, it is possible to say that the absence of appropriate formal institutions to govern common pool resources hinder cooperation and market development in the region. Low trust in certain formal institutions (hierarchies) allows for the emergence of new ways of governance in which State and market can be integrated to provide effective coordination, new structures, more efficient and more effective blend of governmental and nongovernmental forces (Goodwin, 1998).

The initiative of SRNAP to introduce the Pan Parks scheme serves as a good example, offering sufficient economic incentive and marketing instruments to support the local economy via biodiversity values in the park and thus promoting synergy between nature conservation and local development through sustainable tourism. Moreover the Pan Park scheme promotes cooperation within the park community. It joins the activities of park administration and the tourism association while the park administration membership (as an observer) in the municipalities' network, shifts the park administration towards a network governance structure. Such kinds of associations allow actors to interact with one another more frequently and to use open-ended contracts. This enables social

mechanisms such as macro-culture (common values and norms shared across actors), reputation and conflict resolution to improve coordination and thus better cooperation in multi-actors situation such as SRNAP community.

The presence of macroculture in geographically concentrated areas enhances the likelihood of network governance emerging and thriving (Goodwin, 1998). This was also proven in our case study where actors declared that due to geographic distance and thus different common set of values of the communities, cooperation and establishment of one common tourism network within the territory of the park is not possible. As a consequence three different tourism networks have emerged in the territory of the national park.

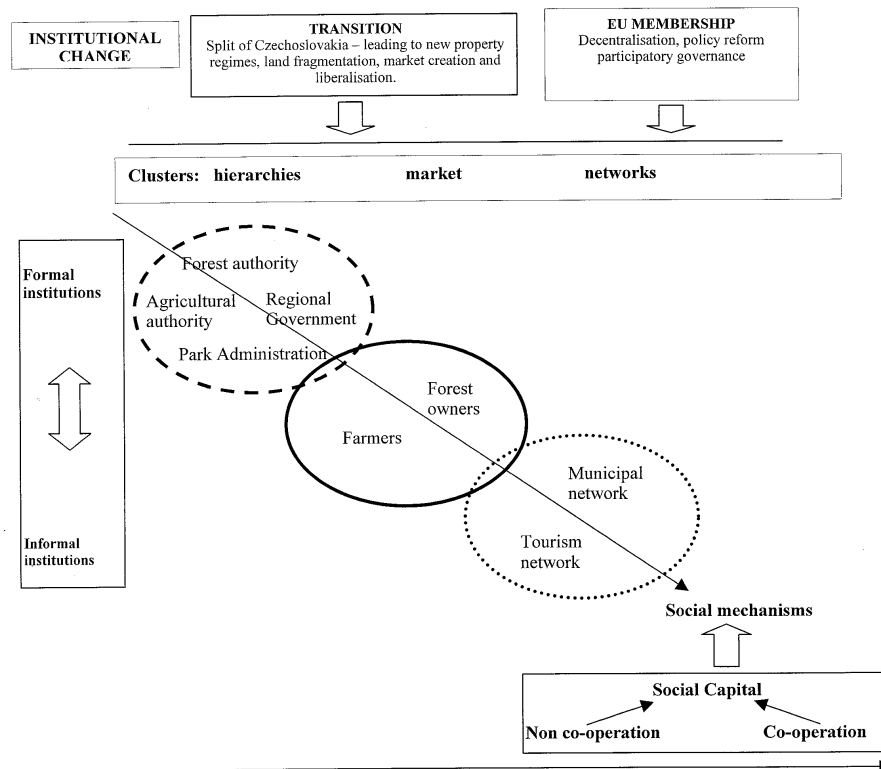
Reputation together with previous experience in cooperation and interpersonal trust emerged as the two key factors essential for actors' cooperation. One of the examples is the association of tourism entrepreneurs, which exists for almost 15 years. Trust and reputation developed within this association, increased the willingness for collective problem-solving and thus increased the potential for cooperation (to attract more guests to their guesthouses, they support infrastructure construction and improvement of tourism services within the region). Another example is the establishment of 'microregion' as a consequence of negative experience in 'the association'. Now 'microregion' is concentrated on coordination of different tourism activities, publishing of advertising tourism brochures and utilising EU funds.

Social mechanisms for cooperation have not been fully developed yet. Thus we may conclude that cooperation within hierarchies and imperfect markets is not understood as a vital part of governance, nor as a mechanism to reduce transaction costs. Such evidence was exhibited in our analyses where questions related to the costs of meetings and extra costs borne in building cooperation such as time and effort. These were not taken into account or were underestimated by almost all actors.

To sum up, trust based on interpersonal relations dominate this case study. This is not trust of the organisation as a whole; it is trust of known representatives. The State plays a central role in the issue of trust, although in this case, it is only perceived in a negative sense due to inefficiency in the prevailing governance. However, behaviour of newly established actors shows openness to discussion and formalisation of modern institutional components into their rules of operation. The hierarchical post-socialistic system, with a limited exchange of information, is slowly opening and allowing the emergence of network forms of governance. The use of social mechanisms enhances co-operative processes amongst particular actors as manifested also in Figure 1. The most visible evidence of this can be observed within networks, where the character and intensity of cooperation is rapidly growing. Further dynamics of this grouping may generate additional

expansion and increase the potential of the community to facilitate self-organisation and shift to multilevel governance.

Figure 1: Shifting governance in SRNAP



Conclusion

The governance structure in place is still traumatised by post socialist relations, particularly inefficient institutional design and non-robust governance of the resources. It has resulted in inefficient use of resources and treating common property as open-access. Trust observed in our case study was relatively high, but dominated by interpersonal relations. This is not trust in an organisation as a whole; it is trust of known representatives. Thus the level of general trust in

formalised rules lags behind interpersonal trust. The State plays a central role in the issue of trust, in particular failing to ensure a robust governance structure for common pool resources in protected areas under the multilevel actors situation and market economy. This was found as a barrier for market development and prevented the national park being viewed as an asset. Instead it was seen as an economic barrier to the execution of private or common property rights. Therefore we summarise, that there is a reciprocal relationship between civic participation and interpersonal trust, but no evidence of causal relationships relating to confidence in the government, which is a crucial component of social capital. Revealed low trust in formal institutions determines the establishment of complex, and multilevel networks of interconnected actors, rather than hierarchical governance defined by the central State. The theoretical foundation applied in our study integrated a general theory of network governance and common-pool resource theory by using different social mechanisms or design principles in order to manifest the positive effect of such structures in enhancing cooperative behaviour. The use of social mechanisms, such as macroculture, reputation and conflict resolution enhances co-operative processes and the learning process amongst particular actors. The most visible evidence of this can be observed within the networks cluster, where the character and intensity of cooperation is rapidly growing. Participatory governance is forming the new institutional setting and establishing rules of cooperation. Thus there is a shift in governance structures within the Slovensky Raj national park. Further dynamics in this grouping has the potential for community self-organisation and a shift to multilevel governance.

Cooperation is gradually moving from being externally to internally driven. The hierarchical governance structure is slowly opening up and enhancing coordination and cooperation between various actors. But radical changes in governance structures and management of the park are required in order to safeguard the high natural values of the Slovensky Raj national park as well as the expansion of a sustainable rural economy.

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