

Chapter 21 There has been a tendency for the expectations of policy makers to exceed the capacity for effective implementation of C&I (page 443).

There is a lot of contemporary talk about “triple bottom line accounting” but the bottom line for this reviewer is that our environment in 100 years’ time is sure to be markedly different, for better or for worse, regardless of any human intervention. During this period, an army of researchers, administrators and lawyers will continue to agonise over the concepts, technicalities, and usefulness of C&I. If the reader is one of these people, this book is strongly recommended.

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## RECREATIONAL AND ENVIRONMENTAL MARKETS FOR FOREST ENTERPRISES

by U. Mantau, M. Merlo, W. Sekot, and B. Welcker

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2001. 544 pages. ISBN 0 85199 480 6. £75.00 (US\$140.00)

No matter what our personal interests or circumstances, a better understanding of the markets for forest-based recreational and environmental services is probably going to be essential. This need for improved understanding isn’t simply knowledge-for-knowledge’s sake but is much more serious, as it is likely that more and more we are going to be called on to reach for our wallets and pay for these services. So, unless the idea of handing over blank cheques appeals, a sharper understanding of what one could be asked to pay for and how the worth of these “goods” can be determined is warranted. A book about forest environmental and recreational markets is therefore timely.

Timely not just for the consumers but for producers/suppliers too. Although the idea of a blank cheque might appeal, realistically most growers don’t expect to get too many of these — not without a fight. A strong, defensible case quantifying costs and benefits is more likely to ensure adequate compensation for recreational and environmental services, and an adequate income from tree growing. A case is certainly better than hoping that some consumer of tree-based recreational and/or environmental benefits will hand over whatever is asked to justify the investment in tree growing, with no questions asked.

For both growers and consumers then, one of the interesting propositions of this book occurs in the very first paragraph. The proposition is that, for a lot of countries, growing trees simply for wood is uneconomic — *in many countries worldwide, the income received from forestry is insufficient*. Interestingly, the authors imply that this little problem is going to get worse not better — so much for ideas along the lines of “the world is running out of wood” or the hope that the sector can get by on a narrow “creative wood-based solutions” focus, unless of course that is code for some very creative accounting. The authors also tell us that that the economic problem is being aggravated by extra costs incurred in providing

recreational and environmental facilities and by politically motivated restrictions on the management of forests — a claim that in this country would no doubt be echoed by a number of West Coasters.

This book is one output from a European Union-funded project on recreational and environmental services (RES). RES began from a relatively simple premise — namely, that although growing trees just for the wood may be uneconomic, provided the institutional framework and marketing instruments were “right” forest owners should be able to earn a lot more from sale of forest outputs other than wood. In the view of the RES researchers, while these other services of forests are acknowledged and recognised, too often they are (wrongly) regarded as “public goods” for which no charge can be levied. Get the institutional framework right and ... well, the possibilities increase dramatically.

Like all good EU projects, RES involves collaborators from a number of countries. In this project four universities from Germany (Hamburg), Italy (Padua), Austria (Agricultural Sciences, Vienna), and the Netherlands (Wageningen) were involved. The authors of the volume come from Germany, Italy, and Austria and have laboured to produce a book of some 541 pages divided into eight chapters. The first of these gives a project overview and conclusion. The other seven chapters are devoted to case studies; strategies for product transformation; marketing; contracts; multifunctional forest management; property rights; and (finally) studies of public acceptance of RES products. While the logic of this division is sometimes a little obscure, a much greater concern relates to the language of the volume. This can only be described as “European”. It certainly isn’t English — not as it is written or spoken in this country, anyway. The book needs a good editing.

It is probably easiest to cite a couple of examples to give a feel for the language issue:

*“This leads to lower growth in these markets or even shrinkage, which means the increasing infrastructural costs will be charged to decreasing cubic metres of wood” (p.1).*

*“Values are invisible and non-touchable entities. It is important to ‘materialize’ values. The advertisement of a sponsor of a ‘biotope’ shows the ‘biotope’ in the background ... Most forest landowners are ‘no-names’. For the marketing of values, it can be put as simply as this: no name, no money! (p.8).* (This reviewer must confess that he hadn’t even heard of the biotope, and Mr. Gates’s thesaurus was of no help either. Actually biotope sounds like some sort of parasite — one can’t help but wonder if it is not something that should be of interest to “Max Beagle” of bio-security fame).

And just for those of you who have decided that the reviewer probably gave up about p.8—

*“Respondents who do not know any forests where the user has to pay refuse making a payment to 56% and only agree with a such contribution to 18%, while respondents who had already used forests where they were liable to pay the costs refuse a payment only to 41% and admit to being ready for payment to 36%” (p.504).*

In most places one can work out what the authors are trying to say. Their English is certainly much better than this reviewer’s comic book German and Italian, but it shouldn’t be like that. The editors of a book costing £75 (NZ\$260.00) could be expected to have done a lot more to make sure that the storyline was pertinent to the targeted audience and the

writing idiomatic. A more ruthless approach to the editorial task may have reduced the length of the book 20 to 40% but in the process it would have enhanced readability and value by at least 200%.

Already I have intimated that this is a very euro-centric book. The viewpoint is resolutely European, and central European at that. German and Austrian issues and management are well described. However, the gulfs between Europe and the rest of the world (in some cases very significant), and between the particular of the case studies and the general, are not well bridged. In many cases, in fact, gulfs remain as un-bridged and yawning chasms. One cannot help feeling that this book is a little too narrow in its perspective. While one should not expect to find examples (case studies) from outside Europe in a book of this ilk, one could reasonably hope to find discussion of other types of forestry and the relevancy of RES to these. One should also expect to find a wider coverage of property rights issues than that subsumed by German, Italian, and Austrian forestry law. For even the most minimally market-orientated economist brought up in the Anglo-Saxon tradition, German legislation is probably more an example of how *not* to do things.

Property rights are a real bugbear and Chapter 7 "*Delimitation of Property Rights*" is a killer. There are 54 pages of petty detail relating to the legal situation, or, more accurately, to legal rights of access to forests, in four countries. While individual RES stories may depend on the detail, detail of the sort given in this Chapter seems scarcely relevant to either the book or the target audience. It does make one ask just who is the intended audience? What is the audience for an English language overview of the minutiae of public access to private forests as determined by German forest law? I don't know, but I suspect that it is not very large.

The conclusions of the overview seem to be summed up in 18 lines on p. 459. This summary might be paraphrased as follows: "*Of the four countries only Germany and Austria provide their citizens with a legal right of access to forests for recreational purposes. Rights in Austria are restricted to walking, while the Germans are not only permitted to walk but also to ride horses and cycle among the trees. Italian and Dutch legislators are real meanies and don't guarantee any right of unfettered public access to forests in their countries. But all of this really doesn't matter because whether RES projects are feasible or not depends on specific provisions relating to a particular use in a specific place. Specific provisions weren't investigated in full for any country other than Germany and so no definitive statement can be made.*" Great!

So where do plantation species fit into the RES project? Can a pure wood farm exist? What about discussion of that (now) peculiarly New Zealand view that multiple use is simply a license to avoid accountability and that (all) forestry can be nicely separated into wood factories (with few or no redeeming social features, or at least none that need to be accounted for) and forests whose *raison d'être* is purely as social forests (*see* Kirkland 1990). What about population aging, and changing recreational needs? Will the free/fair trade debate have an impact on RES, and if so how? For a large number of the intended English-speaking audience, the issues that will need to be considered in developing markets for RES in their jurisdictions are going to be a lot wider than those canvassed in this book.

The person prepared to struggle through the book is likely to find one or two interesting case studies. Concepts, though not always put in quite the same way as would be typical for

an American or British text, are not completely foreign and there are a few references that look really interesting. However, some references looked a little dated, and some seminal work is referred to via citation of others who have made reference to this material. The idea that “public goods” can be marketed is one that should be taken on board — but it isn’t entirely novel or unknown.

Overall, and despite a hard sell from the publisher — and it is a hard sell when CABI sends me my very own unsolicited order form — it seems unlikely that this book will find a large or ready market. The editing certainly doesn’t encourage the casual reader and part of any failure to sell large numbers of this work will be attributable to editing. But that is not the only reason why this book is unlikely to be popular. There is a failure to distinguish between that which is required to make a case and material that for many will simply be irrelevant. And there is the focus of the work. It is too narrow. To capture a large English-speaking readership the authors should have considered casting their net wider than just the EU and issues impacting on the citizens of a few densely populated nations from within this grouping.

G. P. Horgan

## REFERENCES

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## FORESTRY BUDGETS AND ACCOUNTS

by Geoff Bright

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2001. 384 pages. ISBN 0 85199 328 1. £27.50 (US\$50.00)

The author’s stated objective is to improve the understanding of accounting and its relationship to management for forestry managers/students. It is not intended to be a hard core accounting text and appears to achieve its objective of being a user-friendly introduction to accounting principles.

The book is very well laid out, with a useful introduction providing an outline of the objectives and structure. The text provides a logical progression, working through from basic concepts of budgets and profit centres to financial accounts and ultimately analysis. The way more complex issues and examples are included in appendices to each chapter provides a useful opportunity for each reader to determine how deeply they need to go into issues.

While it is clear that the author’s background is more in economics than accounting, reflected in some of the analysis undertaken in the valuation and investment appraisal sections, this undoubtedly enhances the relevance of the text to forestry managers.

Indeed, the author is to be commended for the way he has taken what could be a very academic topic and approached it in a practical forestry-oriented manner. He continually