

# EDITORIAL

## FORESTRY AS AN ECONOMIC BRANCH, THE CURRENT SITUATION AND TREATMENT

This column has already addressed the topic of forestry as a particularly important economic branch, which is regrettably not recognized by our State. Namely, not only does forestry not "exist" in the Croatian Economic Chamber, but it has also been omitted from the name of the competent Ministry, nor is it a subject of discussion in the Parliament. In short, it is treated with hostility in all its aspects, from politically based recruitment to an utterly incomprehensible approach. The profession that manages 47.5 % of the most complex ecosystem of the country's land surface not does even have its own TV or radio programme, unlike agriculture or the marine industry. In an organized state, the principles of a consistent forestry policy and the ensuing strategy are regulated and controlled by the State through a competent Ministry. Since our State has neither forestry policy nor strategy, the status of forestry is dealt with by a company (in fact, a concessioner), which is guided by long-announced restructuring, but is targeted exclusively towards achieving classical profit.

The treatment of forestry has been frequently discussed in both foreign and domestic journals, including the Forestry Journal, but it is evident that we still do not abide by the scientific-professional view that forestry should not be perceived as an economic branch in the same way as other classical economic branches are. Due to the specific and valuable production factor such as forests and forestland, as well as an array of non-market forest functions, it should be treated differently than other economic branches. These services are not goods in the classical sense of the word: therefore, forestry as a whole cannot be viewed as a classical producer of goods, a definition that is applied to an economic branch. If we treat forestry as a classical economic branch, there is a danger that by adhering only to the principles of profitability and efficiency, the necessary operations in forests will be neglected, which will in turn result in diminished balance and decreased value in the future. An article published in the journal *Forest Experiments*, which deals with the problem of creating a consistent forestry policy (Sabadi and Jakovac, 1993), states that "*nothing should be taken out of forests; in other words, what has been felled should be restored through silvicultural operations in the form of simple reproduction, or investment should be made in the improvement and opening of stands in the form of extended reproduction. However, this is often overlooked and all effort is targeted towards achieving momentary gains. This is a sure way of converting, slowly but inevitably, this renewable resource into*

*a non-renewable one*". This is why the conclusion that the company *Hrvatske Šume* should be a public and non-profit company is understandable. Such a company, "*if achieving income that exceeds expenses within rational business making, should invest all positive difference into the improvement of forests which it manages*" (in addition to the most valuable forests, we have about 40% of forests in different stages of degradation). Needles to say, state forests "*should be regarded as sacrosanct, or in other words, alienation is forbidden*". By generating profit only from classical exploitation of forests through raw wood material, generally of the highest quality, by not applying the principles of sustainable management and by eliminating certain components from its business, it is no wonder that there is a tendency towards downsizing the labour force. It would be particularly detrimental, in order to achieve higher income, to additionally prescribe larger annual cuts, perform so-called quality felling, allow too many accidentally felled trees, inflict excessively damage to trees during the extraction and stacking the raw material in auxiliary depots, significantly harm forest sites by conducting operations outside forest roads and under extreme weather conditions, etc. The conclusion of the afore-mentioned article states that "*it goes without saying that certain jobs require the best qualified specialists*". With some honourable exceptions, let us ask ourselves whether we all adhere to this.

The reorganisation of *Hrvatske Šume Ltd* from a public company into a limited liability company has resulted in what we have today. The main motive is now classical profit instead of the principles of forestry business mentioned above. What is particularly disadvantageous for the population in rural areas is that the obligation to participate in regional and rural development, as explicitly proclaimed by the EU Forestry Strategy, is also avoided. In view of the fact that all forestry activities are performed exclusively in rural areas, it is erroneous to claim that forestry does not belong to a social category. Forestry has always lived "with the people and for the people" and has not succumbed exclusively to capital. Rural inhabitants have always guarded the rural area from which we drive them away with unreasonable politics, wondering in the process why so many are increasingly abandoning it. A reasonable man would think twice and would probably understand that profit itself and profit only is not always a synonym for prosperity to which we all strive.

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