

## **ABSTRACT**

This article suggests that local elites play an instrumental role – either with positive or negative consequences – in shaping struggles for power over processes and outcomes of participatory forest management interventions, when implemented in communities characterized by social hierarchies. We show how the contrasting outcomes of joint forest management in two case study villages cannot be attributed to institutional reform, but appear to be caused largely by differences in the role assumed by local elites. The evidence indicates that institutional reform itself does not guarantee changes in the actual management of natural resources. Rather, vested interests at the local level and among State actors may continue to shape events while working within or beyond the new institutional landscape. On the basis of the results of our case studies, the article poses the hypothesis that a network theory of social capital could be a useful way of analyzing such diverse outcomes of similar institutional reforms implemented in relatively similar communities. We conclude by arguing that attempts at institutional reform at the level of the community in hierarchical societies should proceed with modest expectations, and an eye for the incentives facing local elites and the implementing and facilitating State actors.