

COLLECTIVE ACTION AND PROPERTY RIGHTS FOR SUSTAINABLE DEVELOPMENT

Understanding Collective Action

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UNDERSTANDING COLLECTIVE ACTION AND COLLECTIVE ACTION PROBLEMS

Collective action occurs when more than one individual is required to contribute to an effort in order to achieve an outcome. People living in rural areas and using natural resources engage in collective action on a daily basis when they

- plant or harvest food together;
- use a common facility for marketing their products;
- maintain a local irrigation system or patrol a local forest to see that users are following rules; and
- meet to decide on rules related to all of the above.

Frequently, however, it becomes difficult to exclude nonparticipants from benefiting from the collective action of others. This situation creates a collective action problem for the participants. When individuals seek out short-term benefits for themselves alone, they are better off when others contribute to the collective action and they do not. In this case, they benefit without paying the costs. Of course, if all individuals pursue short-term, self-centered benefits, no collective benefits are achieved.

CAN PARTICIPANTS OVERCOME THE COLLECTIVE ACTION PROBLEMS THEY FACE?

Some theoretical treatises assume that individuals are unable to overcome the temptation to pursue short-term, “selfish” benefits. According to this view, effective collective action can be achieved only if external policymakers impose government or private ownership. It is true that appropriately designed property rights systems can help individuals overcome collective action problems, but such systems need not always be externally imposed or involve government or private ownership. Indeed, efforts by national governments to impose uniform rules on large stretches of land involving diverse ecological and sociological systems have frequently led to worsening natural resource conditions rather than improvements. Outsiders’ efforts to impose property rights often fail to take into account indigenous property rights and the organizations that individuals themselves have established over time.

Many local indigenous institutions have evolved as the people affected have tried to find better ways of organizing joint activities. Indigenous methods for engaging in collective action have sometimes survived for centuries, through floods, fires, pests, overpopulation, and warfare. These institutions may not be recorded in any formal records and are frequently unknown except to local participants.

Any effort to influence policies for managing water, rangelands, forests, fisheries, and other natural resources must take into account factors that increase the likelihood that individuals

will engage in their own collective action to manage local resources. By understanding these factors and developing policies to enhance them, national and international agencies can increase the level of collective action generated at the local level. The efforts of national and international agencies can then be devoted to large-scale collective action problems that do require their attention and effort.

Policymakers sometimes want to learn the precise formula that will solve a particular problem. Extensive research has shown, however, that no blueprints exist that can reliably be used to solve collective action problems, either within or across sectors. Instead of uniform blueprints, research has highlighted broad design principles that have been used by successful groups. Furthermore, researchers have identified the attributes of groups and resources that facilitate successful solutions to these problems.

WHAT PARTICIPANT ATTRIBUTES ARE CONDUCTIVE TO OVERCOMING COLLECTIVE ACTION PROBLEMS?

The first characteristic of successful efforts is agreement by the involved individuals that the problem at hand is an important one. At first this characteristic sounds trivial, but it is not. Government agencies frequently complain that local populations do not perceive collective action problems as either relevant to their concerns or within their abilities to address. In regard to the conservation of wildlife, for example, residents living around a reserve frequently find themselves paying high costs and receiving few benefits for the presence of the wildlife reserve. If people’s crops are eaten, their animals are threatened, and even the lives of their children are at risk, they will need to see substantial and tangible benefits from the establishment of a park before they will see any reason to engage in collective action to preserve wildlife.

A second factor is the degree of autonomy a group has to take collective action on its own or within a nested institutional setting, and this factor can depend on the macro political-institutional environment in which individuals find themselves. For many local groups, past attempts to take collective action proved dangerous. In a highly authoritarian regime, independent action is perceived as threatening to the center. Individuals who have lived in such regimes for long periods of time are always nervous about independent action, even when assured that the regime has changed. In addition, the capacity to create a private association without long and bureaucratic processes or expensive filing of documents greatly enhances the capabilities of local people to solve problems.

Other factors relate to the way users of a resource view both the future and each other. If users have a high discount rate in regard to a particular resource—that is, they view exit

as a reasonable short-term option—there is little motivation to put in extensive time and effort to create a sustainable, long-term governance system. Those who have overcome collective action problems usually have a relatively low discount rate in relation to the particular problem at hand. Secure property rights for the group can help reinforce a long-term perspective. Participants must also have some level of trust in the reliability of others and be willing to use broad strategies of reciprocity. If participants fear that others are going to take advantage of them, no one will wish to initiate costly actions only to find that others are not reciprocating. Prior organizational experience and the presence of supportive local leaders also reduce the transaction costs that must be paid before finding possible solutions.

WHAT RESOURCE SYSTEM ATTRIBUTES ARE CONDUCTIVE TO OVERCOMING COLLECTIVE ACTION PROBLEMS?

Overcoming collective action problems is always a challenge. Four factors enhance the likelihood that local users will move toward devising institutions for sustainable development:

1. The flow of resource units, such as fish, water, or forest products, is relatively predictable.
2. Resources are scarce but not entirely destroyed.
3. Reliable and valid indicators of the condition of the resource system are available locally at reasonable costs.
4. The resource system is moderately sized.

The presence of all four conditions enhances the probability that local users can come to a common understanding of the nature of the system they are using and of how their own collective action can create rules about who uses how many of the resource units and where, when, and how these uses are allowed. It is important to note that not every group facing favorable conditions is successful in organizing itself and sustaining that organization over time. Nor are groups with less positive conditions fated to fail forevermore.

Collective action problems are found within the councils of the highest levels of government as well as those related to local resource management. It is important for policymakers to understand both the importance of local initiatives and the difference that external authorities can make by enabling groups to take initiative and experiment with diverse local institutions and by affecting some of the conditions through the policy environment.

WHAT CAN BE DONE?

Imposing top-down, detailed prescriptions for “solving” collective action problems by policymakers located far from particular collective action problems has rarely been a successful strategy. National agencies can nonetheless accomplish a great deal by

- providing accurate information about natural resource systems, such as groundwater replenishment rates, geological structure, and long-term precipitation records;
- recording key information about the behavior of wildlife and fisheries not available to local users;
- providing arenas for low-cost conflict resolution;
- designing mechanisms for discourse and debate by local users in their effort to learn from one another and discover new strategies;
- disseminating information about successful organizations and the design principles that characterize them; and
- creating institutional mechanisms that local participants can use to organize themselves, such as through special districts, private associations, and local/regional governments.

It is also important that policymakers not presume that they are the only relevant actors in efforts to solve collective action problems. They have partners if they are willing to recognize them. ■

For further reading see **A. Poteete and E. Ostrom, “An Institutional Approach to the Study of Forest Resources” (Indiana University, Bloomington, IN, 2002), http://www.indiana.edu/~workshop/W01-8_counter.html; National Research Council, *The Drama of the Commons* (Washington, DC: National Academies Press, 2002); and C. C. Gibson, M. McKean, and E. Ostrom, *People and Forests: Communities, Institutions, and Governance* (Cambridge, MA: MIT Press, 2000).**

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