

Elinor Ostrom: Governing the Commons

In 1968, Garrett Hardin coined the memorable term “Tragedy of the Commons.” He gave an example of herdsmen, each of whom gains from adding another animal to a shared pasture while the degradation caused spreads over the whole pasture. Eventually the herdsmen, each pursuing his own gain, “destroy” the pasture. As Hardin puts it, “Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of the commons. Freedom in a commons brings ruin to all.” Salvation, if any, lies in strict government control.

In 1990, with the publication of *Governing the Commons: The Evolution of Institutions for Collective Action*, Elinor Ostrom kicked off the now-thriving field of commons studies—a meld of political science, economics, psychology, sociology and anthropology. Ostrom points out that Hardin actually describes the extreme limit of an “open-access resource” regime—such as open-ocean fishing. His model does not fit what she calls a “common pool resource” or CPR: “a natural or man-made resource system that is sufficiently large as to make it costly (but not impossible) to exclude potential beneficiaries.” CPR’s include coastal fisheries, pastures and forests, and water supplies such as irrigation projects.

Users of a CPR often succeed in establishing systems of rules and procedures to prevent overuse and degradation of the resource. Ostrom describes systems that have remained stable for hundreds of years, for example, irrigation systems in Spain or the Philippines; or mountain meadows and pastures in Switzerland or Japan. More recently, Los Angeles area ground water pumpers, faced with dropping water tables, managed to create water management districts to monitor and restrict pumping. On the other hand, Ostrom also details many cases where CPR users persistently fail to reach agreements.

Ostrom emphasizes that each CPR is different. Successful systems typically depend on detailed knowledge of local conditions. For example, a system in Alanya, Turkey, divides fishing grounds into a number of named and listed fishing spots. Each September, the registered fishers draw lots which place them on a list. They then rotate in order every day through each fishing spot, so each fisher has an equal chance at the best spots.

Drawing on studies from both developed and less developed parts of the world, Ostrom identifies characteristics shared by successful CPR systems: The CPR and its legitimate users must be clearly defined. Users participate in making the rules, which must fit local conditions, and won’t be overridden by outside authorities. Monitors are accountable to users, and are often users themselves. There are moderate penalties for rule-breakers and mechanisms to resolve conflicts. A small CPR, such as a local branch of an irrigation system, may nest in a larger system with a similar structure.

When degradation threatens a CPR, how likely are users to change from the status quo to a new management system? The answer depends on the nature of the CPR, of the users, and of outside government. How urgent is the danger of overfishing or overgrazing? What are the costs, benefits and risks of attempting to change? How large is the user population? How well do they know and trust each other? How committed are they to the long-term productivity of the resource? Are outside government officials honest or corrupt? Do they support or look down on locals?

Successful, stable CPR systems, as Ostrom acknowledges, may nonetheless be economically inefficient or inequitable. Economically it makes no sense that more and less capable farmers get the same allocation of water. Or, in the Los Angeles water basins, why should a municipal water system serving thousands of people have no greater right to water than an oil company? But overall, successful CPR systems crudely share economic rent among their users, operate somewhat democratically, and of course conserve the resource.

In Ostrom's view, simple panaceas like "privatization" or "government regulation" do more harm than good. The true "tragedy of the commons" is that Hardin's powerful metaphor has convinced governments around the world that villagers cannot manage local resources, and therefore require central control. In Third World countries, incompetent or corrupt officials disrupt stable local systems and open timber or fishing resources to exploitation by outsiders—creating the very environmental disasters they were meant to prevent.