



Local solutions to the tragedy of open access: International experience & The role of trust in cooperation

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Social dilemmas in the agricultural use of natural resources are manifold:

- Overgrazing
- Land degradation
- Salinization
- Lowering water tables
- Abandoned irrigation canals



How can we solve this “tragedy of open access”?

- State intervention
- Privatization
- Collaboration and joint self-organization (collective action)



Collective action means people do self-organize in the attainment of a collective good.

- WUAs or WUOs
- Clans of pastoralists
- Producer cooperatives for marketing



Example: collective action in the irrigation sector





Irrigation systems in Bulgaria

- Irrigation has been drastically affected by the transition process.
- Government and Worldbank pushed for Water User Associations (WUA).
- Formal institutional arrangement of a common property regime.
- But, effective rule is open access, i.e. no property regime.
- Collective action can solve the common pool resource dilemma.



Constraints for collective action

Empirical observation:

Associations exist only formally, not active at local level in the sense of self-organization and self-governing.

Hypothesis

Influencing variables, partly inherited from the transformation process, hamper collective action solutions.



Opportunistic behavior

- The combination of formal political settings, effective institutional settings (e.g. information asymmetry), local rules-in-use (e.g. chaotic appropriation rules) and the resource and resource system characteristics provides a milieu where opportunistic behavior persists.
- Particularly the incongruity between formal and effective rules enables actors to maintain opportunistic strategies.
- The existence of opportunistic behavior strategies is a constraint for the establishment of collective action solutions.



Example: “pseudo”- Water User Association

- Non-transparent foundation from outsiders who received certain rights to the canal.
- Villagers do not know of its existence.
- Water guard is the only one person from the village involved.
- WUA has no interest to enforce rules to settle conflicts and to regulate water appropriation.
- Head of WUA is a leader of a political party.
- Rent seeking:
 - acquires status in his party
 - no maintenance work: gains profit from collecting water fee
- Corruption observed:
 - producers pay bribes to have water in the canal at a certain time
 - additional taxes are added to the water price
 - guard gives wrong receipts



Actor groups characteristics

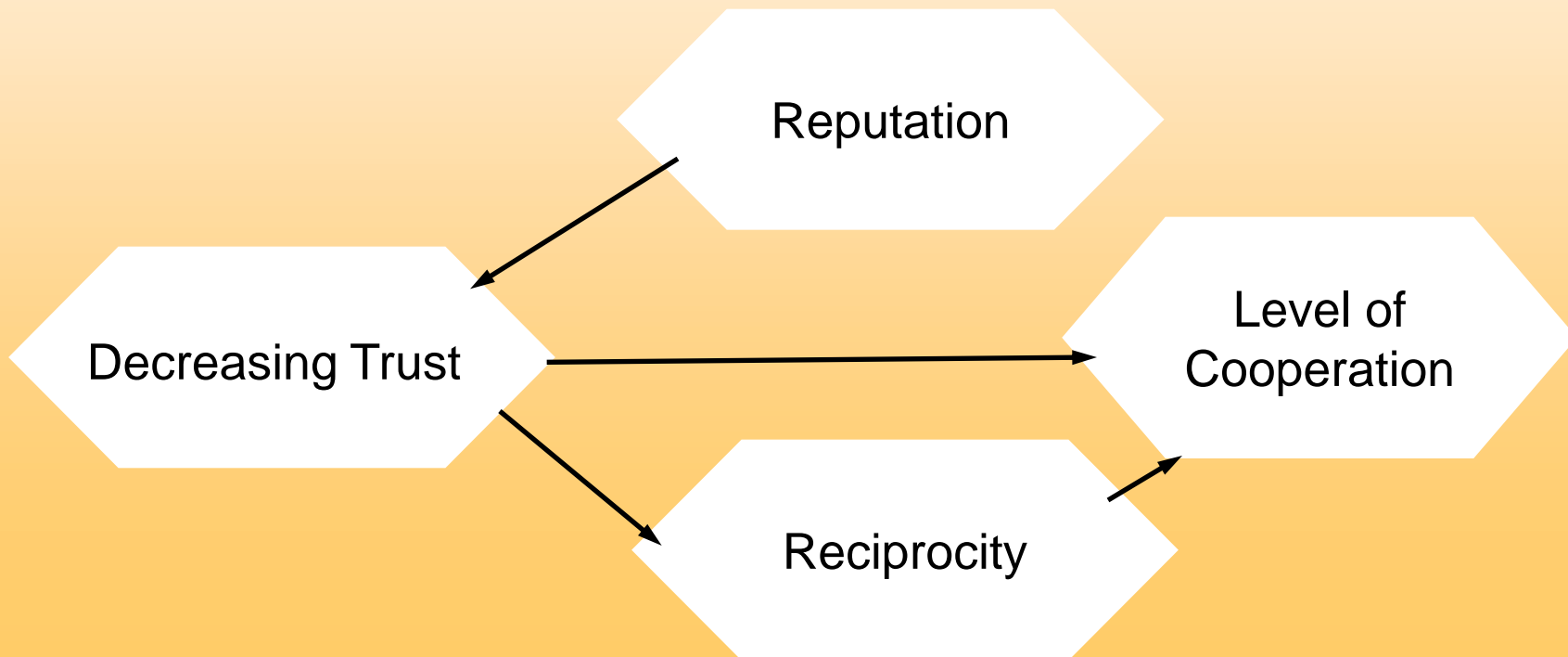
Experiences from the socialist time and the transition period lead to specific actor characteristics and attitudes towards collective action.

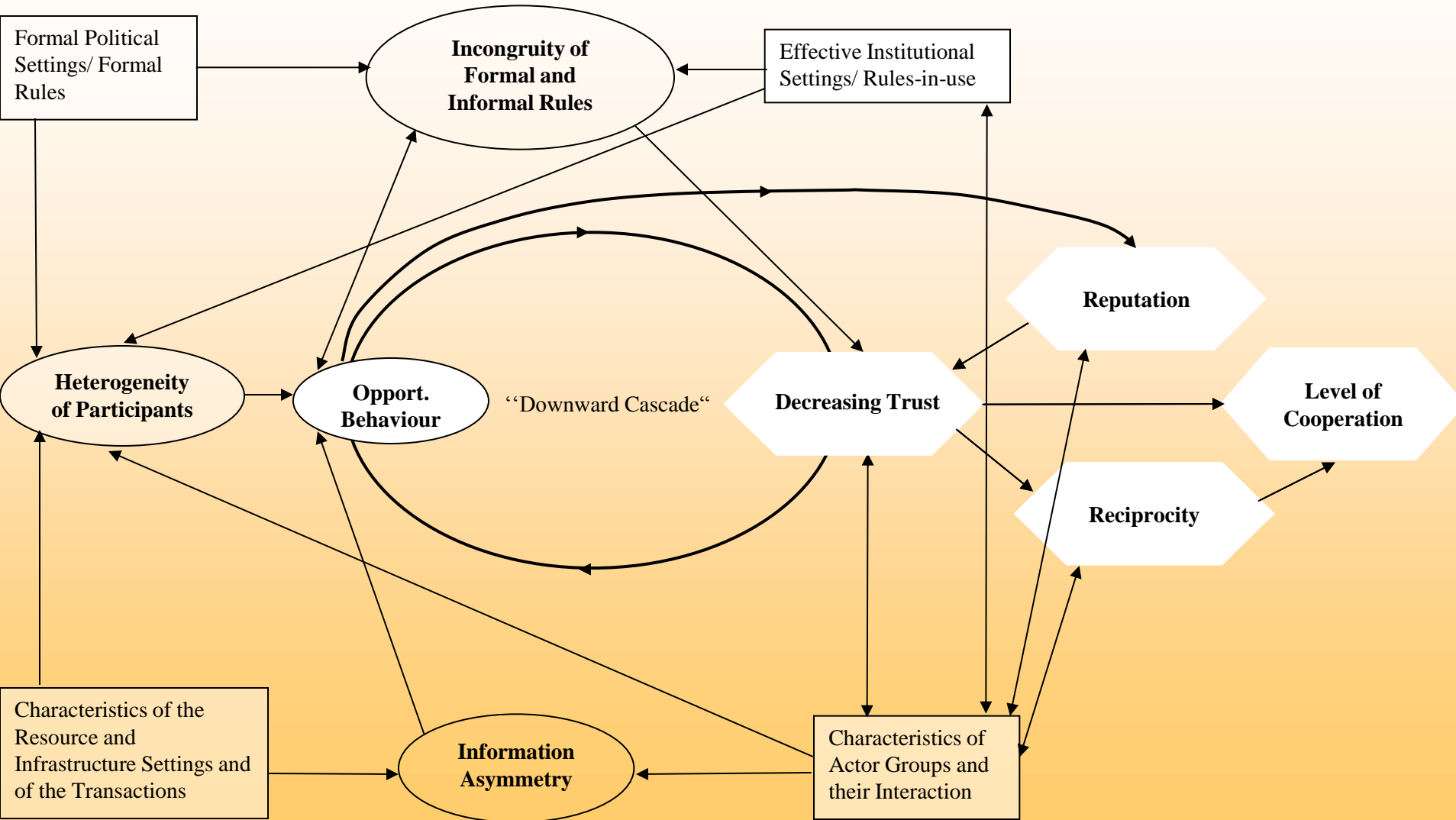
Hypothesis

Generalized norms of reciprocity, trust and community, the initial social capital to foster collective action solutions are very limited.



- Trust is a decisive requirement for credible commitment and influences the likelihood of collective action (Ostrom 2007).
- The core relationship affecting collective action are between **trust**, **trustworthy reputation and reciprocity norms** (Ostrom 2007).
- Trust lowers the costs of working together (Putnam 1993).







How to approach trust empirically?



Sophisticated and combined empirical methods are needed to study trust and reciprocity.

Method Triangulation



1) Participant observation

- actual experiences
 - trust is unintended
- ⇒ unconsciousness level

2) Interviews

- reflected experiences
- consciousness level



Participant Observation

Field study journal

Proverbs

Photo documentation

Interviews

Open questions

Standardised close questions

Known trust measures

- Putnam's instrument
- Payoff question
- General trust question
- Measure networks
- Corruption Perception Index

Trust assessment

- Expansion of corruption of formal actors
- Trust in formal actors

Time horizon

Assessment of collective action



Participant Observation



Field study journal: Bulgarian Newspaper

Political Corruption: The Minister of Justice stated yesterday at a 2-day seminar on corruption organised by the Worldbank that the key-positions in the legal system, in the public administration and in the diplomatic service are occupied by persons who do not possess the necessary qualifications, but who are loyal to a political party and work for the interests of certain parties and certain individuals. The selection criterion is their loyalty to a party and assistance to private interests.



Proverbs in one tail-end village showing attitudes against collective action

Neither God is with us, nor is the King!

No dog will ever join a pack for action!

If three people are given a 50 Leva note at least one will say my note is dirtier!

I can stand being not well off unless my neighbor is not better off than me!



Photo documentation: Examples of Distrust









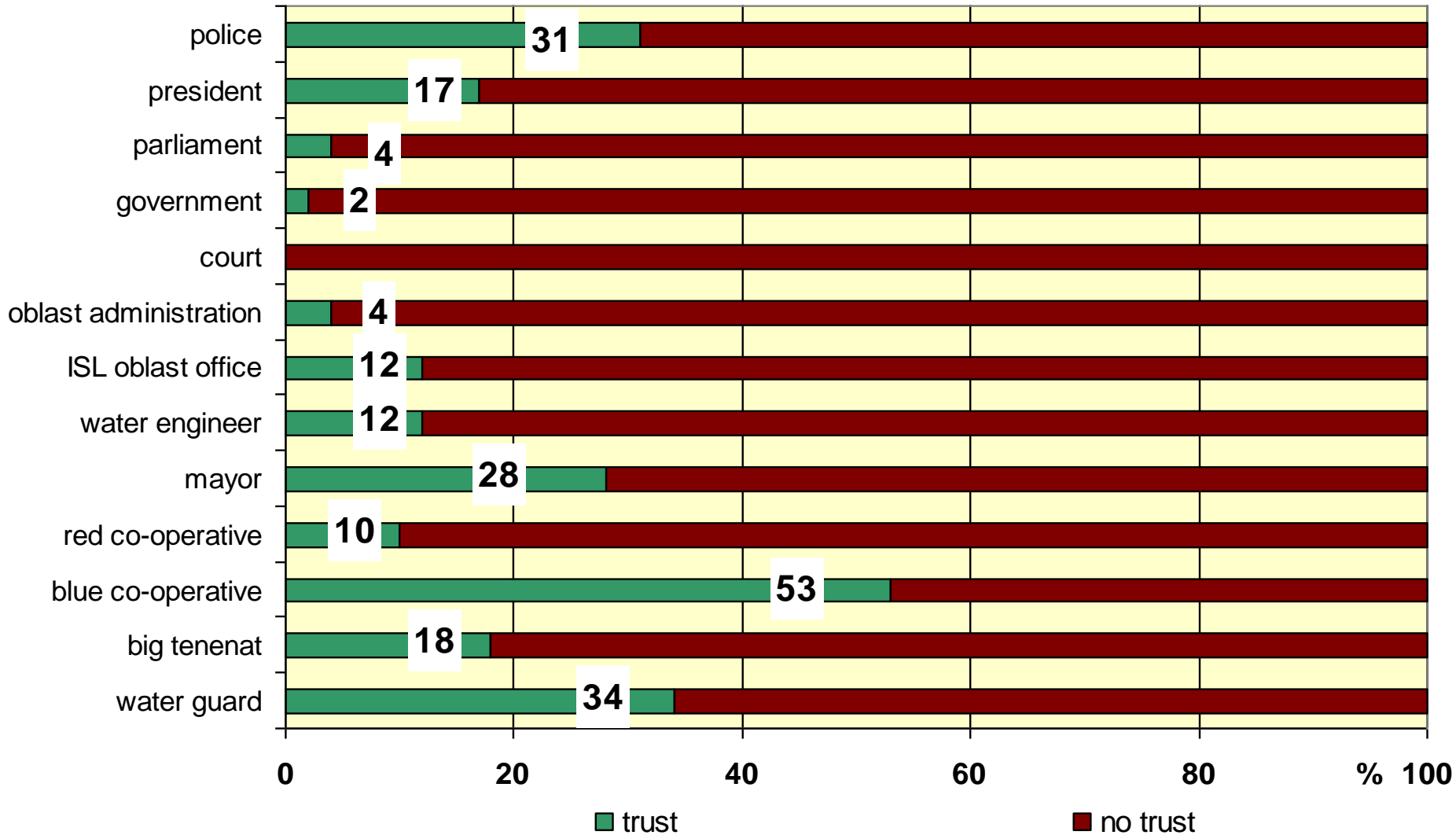




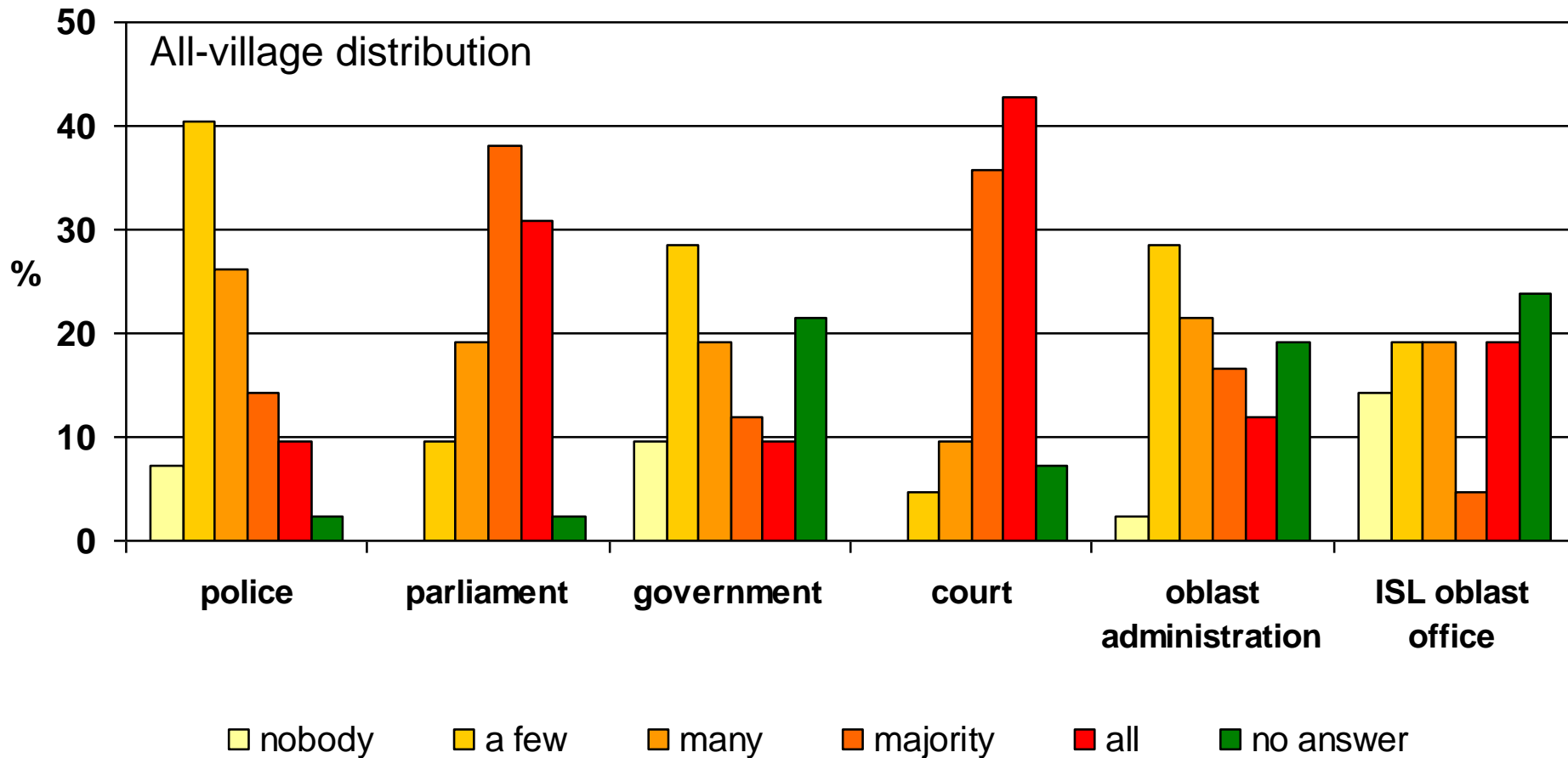
Standardised Questions

- 1) Whom do you trust?**
- 2) If you think of the following organisation, how common is corruption of its members?**

Trust in formal actors

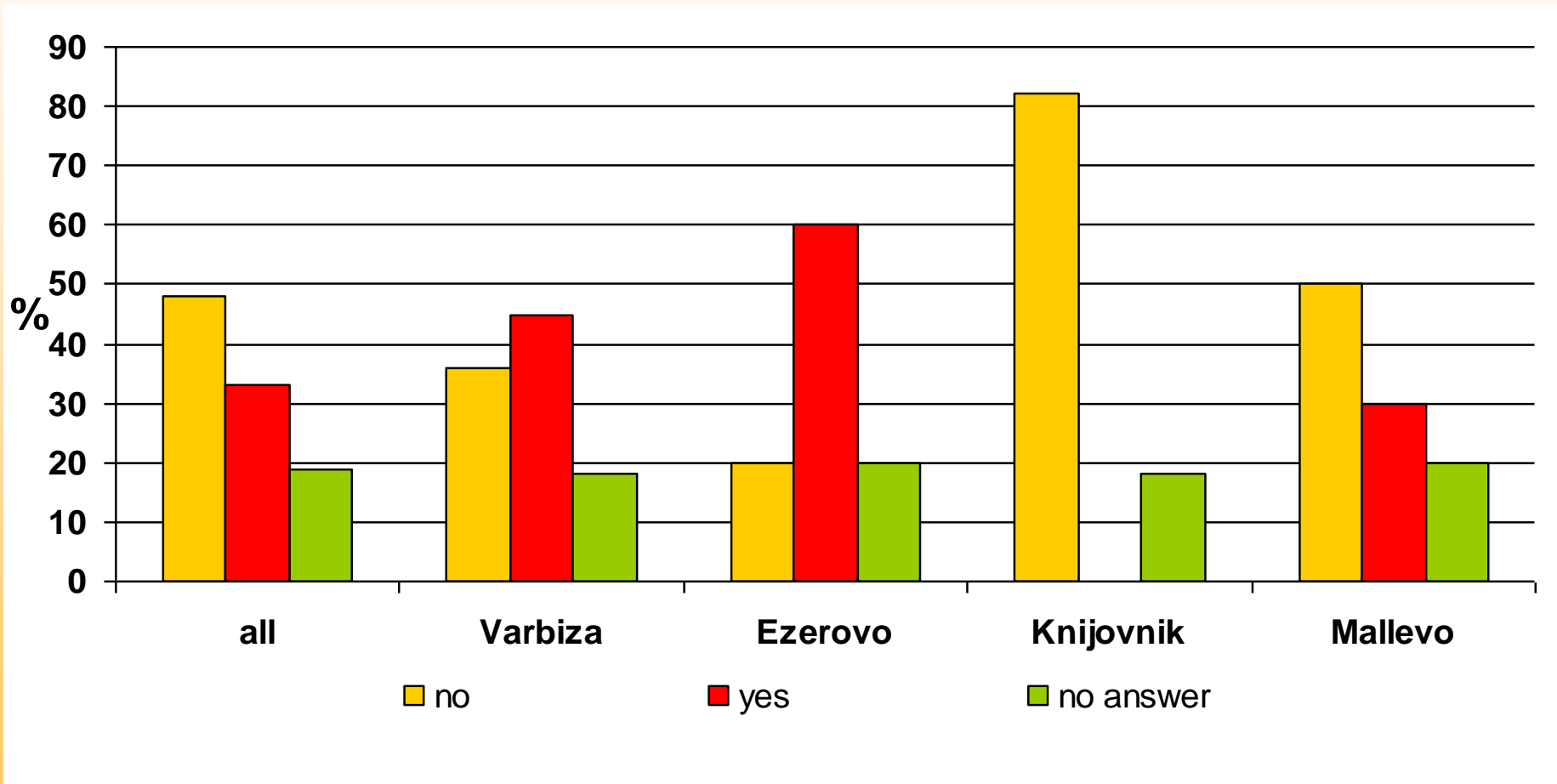


Assessment of corruption of formal actors



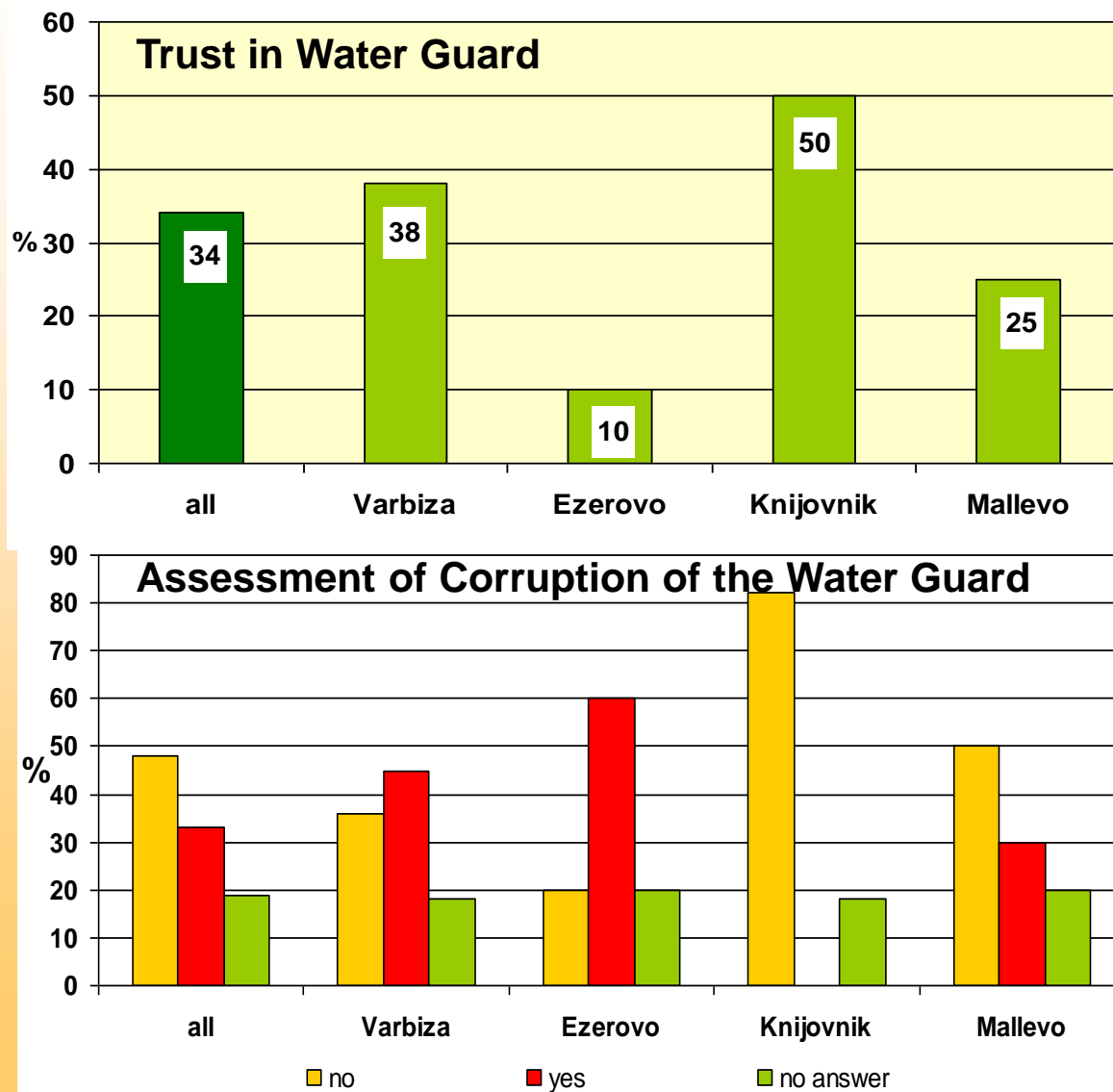


Assessment of corruption of the water guard



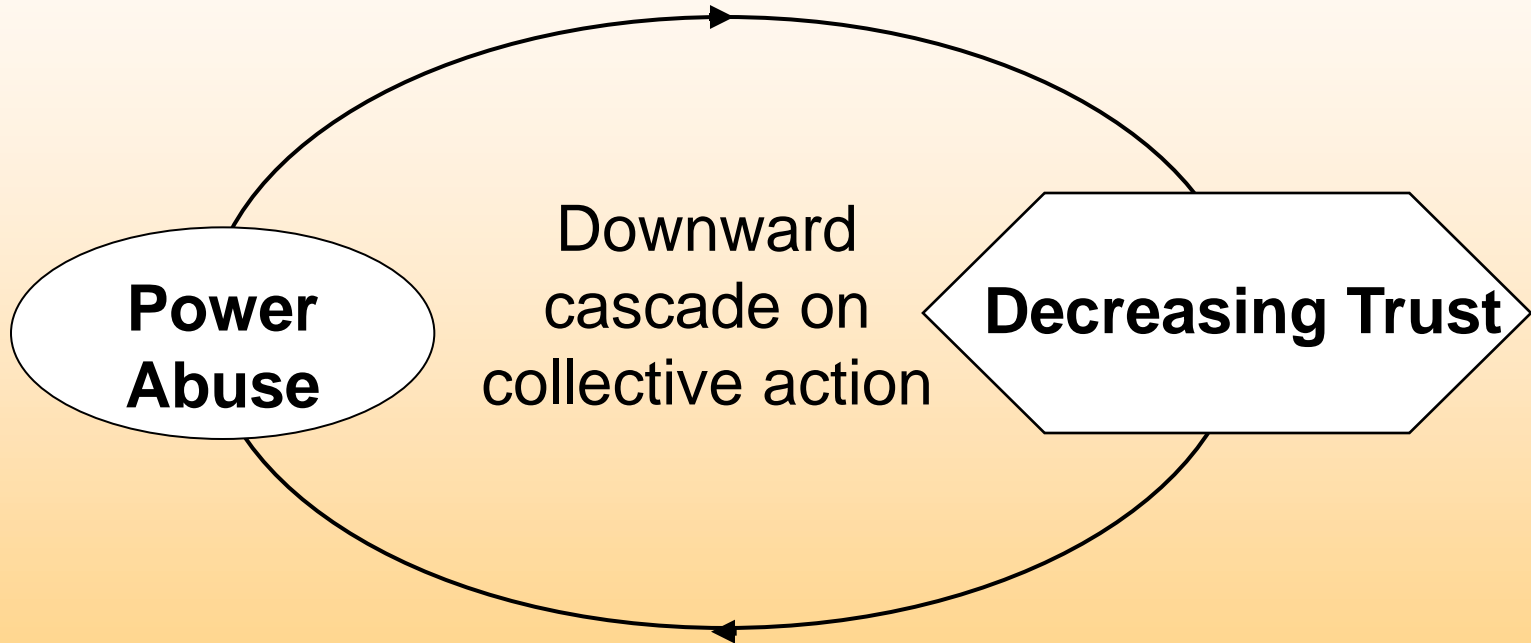


Correlation between trust and corruption (Paldam, 2001)





Self-enforcing cycle



Disseminating organizational blueprints of collective action - **as a local solution for the tragedy of open access** – is inadequate in such situations.