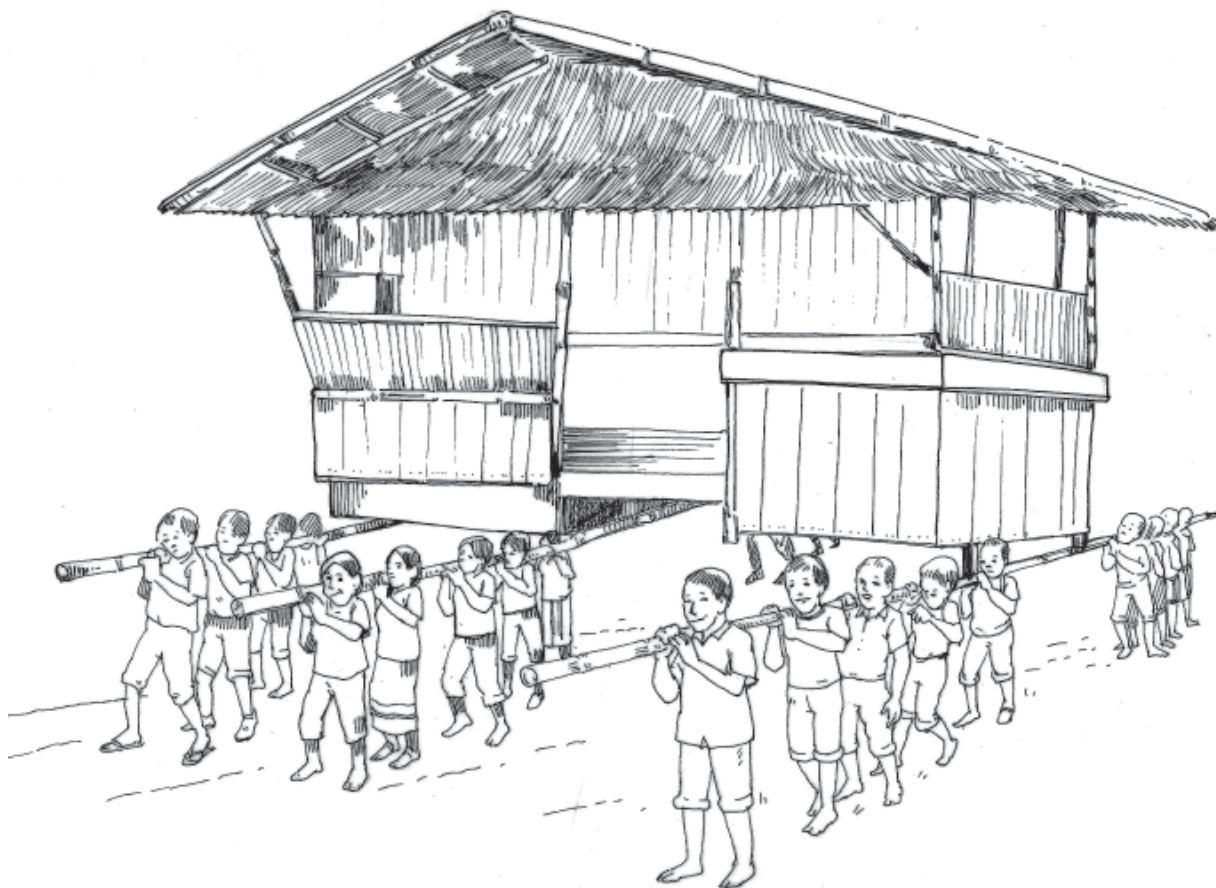


Understanding Collective Action



Collective action can be understood as an action or series of actions taken by a group of individuals to achieve common interests. It can be voluntary for some or obligatory for others, such as compulsory membership in water users' associations. The efforts of hired or forced workers do not constitute collective action.

While collective action is often considered the activities of formal organizations, many formal organizations exist on paper only and do not foster any real collective action. On the other hand, much collective action occurs informally through social networks or even through people coming together temporarily for specific purposes. Therefore, it can be an event (e.g. an organized march), a process (e.g. a series of participatory exercises), or an organization (e.g. microfinance group). Since members can act directly on their own or through an organization, collective action should not be equated with an organization.

Collective action can also occur at non-local levels or across levels of stakeholders as a voluntary action between local and non-local actors. For example, organizations can form a coalition based on their mutual interests. In addition, local communities can work together with local government officials and private sector representatives to ensure access to forests and forest resources.

SOURCES:

McCarthy, N. 2004. *Local-level Public Goods and Collective Action*, Focus Brief 11, International Food Policy Research Institute, Washington, D.C.

Meinzen-Dick, R., M. Di Gregorio and N. McCarthy. 2004. *Methods for Studying Collective Action in Rural Development*. CAPRI Working Paper No. 33. International Food Policy Research Institute, Washington, D.C.

Ostrom, E. 2004. *Understanding Collective Action*. 2020. Focus Brief 11. Food Policy Research Institute, Washington, D.C.

Collective action can help groups of smallholder producers link with other members of the commodity value chain for joint marketing ventures. However, contractual obligations between the members of a value chain or other stakeholders are not considered collective action, since this type of arrangement is not voluntary.

Collective action affects people's livelihoods. It can increase opportunities for income generation through microfinance groups, serve as protection in times of shocks through mutual insurance schemes, and improve provision and access to public services through community-driven development programs. It is particularly important for natural resource management as the poor organize around access to and governance of vital resources.

Collective Action Institutions

Institutions are the rules or constraints that shape political, economic and social interaction. They set and limit the choices of individuals, and they provide the incentives that affect human behavior, which in turn determine outcomes. Institutions can arise either spontaneously, when decision makers organize themselves, or be planned by an outside authority.

Institutions provide a means of living and working together. Through institutions, individuals act with others to produce benefits that they could not produce by acting alone. Consequently, institutions may encourage collective action and cooperation.



Institutions important for collective action include:

- Informal constraints (sanctions, taboos, customs, traditions, codes of conduct);
- Formal rules (constitutions, laws); and
- Rules, norms, and strategies used in repeated interactions.

Rules are the shared prescriptions (e.g. must, must not, or may) that are enforced by agents who are responsible for monitoring conduct and imposing sanctions. These working rules determine eligibility to decide, actions allowed or constrained, group rules, procedures to follow, information to be provided, and payoffs to specific actions. Norms, on the other hand, are the shared prescriptions that are self-enforced and do not rely on material sanctions or inducements.

Incentives for Collective Action

Collective action is costly in terms of time and the missed benefits of acting alone, but people participate in collective action when the benefits outweigh the costs. Five common incentive structures for local-level collective action contribute to the creation of local-level public goods.

Table 1: Different Incentive Structures Affect Ease of Collective Action.

Situation	Example	Role of Group	“Game” Structure
Everyone is better off contributing, even if no others contribute.	Increasing returns to public good, e.g. pest management.	Share information, coordinate activities.	Coordination game.
An individual is better off contributing if no one else does, but if others contribute, the individual would rather “free ride”.	Livestock herd mobility.	Coordinate activities, especially taking turns for repeated contributions.	Chicken game.
Individual prefers to contribute if all others do, but not contribute if no one else does.	Building community infrastructure (building or bridge).	Assure each member that others will also contribute.	Assurance game.
Individual prefers not to contribute if no one else does and also free ride, if all others contribute — even if all would be better off if all contribute.	Soil erosion or agroforestry in variable environments.	Convince members to contribute, punish free riders (most difficult).	Prisoner’s dilemma.

Principles for Successful Local Collective Action

Sometimes, the benefits from collective activities cannot be withheld from people who do not participate in the collective effort. For example, planting of vegetation along riverbanks to reduce runoff and erosion will benefit all, even those who have not participated.

In this case, some people will be tempted not to help with the planting, since they can enjoy the benefits anyway. This is called “free riding” and can break down cooperative effort. Collective rules on use, monitoring, and sanctioning can help reduce the likelihood of free riding, by reducing the incentives to free ride as well as assuring other members that their peers will also contribute.

Although CA is important for the poor for many reasons, various factors determine whether collective action emerges and how well it performs. Some principles can explain why it seems to work better in some contexts than others. Policies, programs or other interventions that focus exclusively on formal organizations often hamper the emergence and undermine the effectiveness of collective action.

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Design Principles for Effective Management of the Commons

1. Group boundaries are clearly defined.
Example: defined members of a forest users' association and the boundaries of the area they manage.
2. Rules governing the use of collective goods are well matched to local needs and conditions.
Example: rules on who can graze or harvest different products at different times of the year, prohibition on logging close to water sources, or members' contributions to firefighting or replanting.
3. Most individuals affected by these rules can participate in modifying the rules.
Example: a group can set harvesting rules and modify them in a drought year.
4. The rights of community members to devise their own rules is respected by external authorities.
Example: the government respects by-laws that the local users develop.
5. A system for monitoring behavior exists; the community members themselves undertake this monitoring.
Example: group members watch each other and patrol to make sure outsiders are not breaking the rules.
6. A graduated system of sanctions is used.
Example: the first time someone is caught breaking the rules they are told not to do it again; after that there are increasing fines for overgrazing.
7. Community members have access to low-cost conflict resolution mechanisms.
Example: local groups are able to discuss and resolve local disputes, and call on government to help resolve disputes with outsiders.
8. For resources that are parts of larger systems, there are nested enterprises (supportive links) between local groups and higher-level organizations.
Example: local user groups managing part of a large forest are members of a federation of user groups that manages the whole forest, and has links to government agencies as well. In Nepal, forest user groups are even federated to the national level and work with the government to represent their members' interests in forest management policy.

Suggested Reading

Ostrom, E. 1990. *Governing the Commons: The Evolution of Institutions for Collective Action*. New York, NY, U.S.A.: Cambridge University Press.

Sourcebook on **Resources, Rights, and Cooperation**, produced by the CGIAR Program on Collective Action and Property Rights (CAPRI)