

Collective Action and Property Rights for Sustainable Development



Institutions for collective action and systems of property rights shape how people use natural resources. These patterns of use in turn affect the outcomes of people's agricultural production systems. Together, mechanisms of collective action and property rights define the incentives people face for undertaking sustainable and productive management strategies, and they affect the level and distribution of benefits from natural resources. The linkages between property rights, collective action, and natural resource management have important implications for technology adoption, economic growth, food security, poverty reduction, and environmental sustainability. Yet, despite their importance in people's lives, property rights and collective action are often undervalued, and when they are recognized, often misunderstood.

SOURCE:

Meinzen-Dick, R. and M. di Gregorio. 2004. *Collective Action and Property Rights for Sustainable Development: Overview*. 2020 Focus Brief 11. International Food Policy Research Institute, Washington, D.C.

Property Rights and Collective Action

Collective action is often considered narrowly in terms of formal organizations, and property rights only in terms of formal titles issued by the government. In fact, they are much more than that.

Collective action can be defined as voluntary action taken by a group to achieve common interests. Members can act directly on their own or through an organization. In the context of natural resource management, even deciding on and observing rules for use or non-use of a resource can be considered collective action, and it can be instituted through common property regimes or through coordinated activities across individual landholdings.

Sources of Property Rights

- There are multiple sources of property rights, including:
- International treaties and law;
 - State (or statutory) law;
 - Religious law and accepted religious practices;
 - Customary law, which may be formal written custom or living interpretations of custom;
 - Project (or donor) law, including project or programme regulations;
 - Organisational law, such as rules made by user or non-user groups; and
 - The marketplace.

Property rights can be defined as “the capacity to call upon the collective to stand behind one’s claim to a benefit stream,” according to Bromley (1991). Rights do not necessarily imply full ownership or the sole authority to use or dispose of a resource; different individuals, families, groups, or even the state often hold overlapping use and decision-making rights. To be secure, rights should be of sufficient duration to allow one to reap the rewards of investment and should be backed by an effective, socially sanctioned enforcement institution. This institution is not always the government; communities or other institutions may provide the backing.

Links to Sustainability of Natural Resource Management and Agricultural Systems

Figure 1 shows how property rights and collective action affect the application of agricultural technologies and natural resource management practices. Conventional on-farm technologies like improved, high-yielding crop varieties (HYVs) have a short, usually seasonal, time horizon. They can be adopted by a single farmer—even by a tenant. Other technologies may require longer time horizons between adoption and payoff. In those situations, farmers need secure tenure (property rights) to have the incentive and authority to adopt. For example, tenants are often not allowed to plant trees, or lack incentives to build terracing.

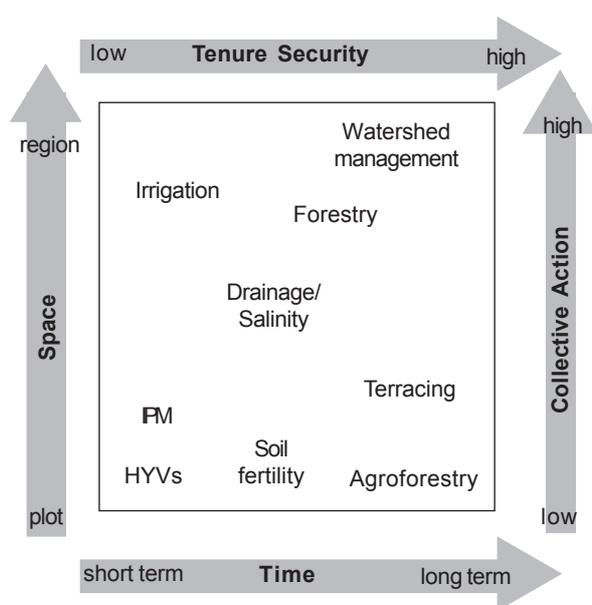


Figure 1: The Role of Collective Action and Property Rights in Natural Resource Management.

Moving from on-farm technologies to those that operate at larger spatial scales implies a greater need for collective action to make the technology work. Integrated pest management (IPM), for example, must be coordinated across farms. Most natural resource management practices have both long time, and large spatial scales. Both property rights and collective action are therefore crucial for the management of forests, rangelands, fisheries, watersheds, or irrigation systems that serve more than a single farm. In some cases, the scale of the resource to be managed may go beyond what can be done by voluntary collective action by a community. Federations of user groups may sometimes be able to manage larger resources, but often the state or even international bodies become critically important partners. In these cases, co-management between the community and government, rather than government management alone, often leads to better outcomes.



Without property rights, there is no incentive to protect the resource, so it becomes degraded over time.

Property rights and collective action also affect natural resource management and agricultural production systems in interaction with other factors such as information, wealth, risk, labor, and marketing. Collective action and networks among community members can facilitate access to information and even allow farmers to participate in technology development. Ownership of assets can serve as collateral for obtaining credit. Microfinance programs have shown that action through groups can also provide access to credit, with social bonds providing collateral.

Rights Defined

The way rights are defined determines whether people are included in or excluded from the control of a vital resource for their lives. Holding property rights is thus empowering to individuals or groups, particularly control rights that recognize authority over how the resource is managed.

Rights over property, function as a buffer against risk, especially environmental events and loss of other livelihoods. Similarly, collective action enables risk sharing and inspires mechanisms for collective self-help. Collective action and reciprocity arrangements offer ways to overcome labor shortages, especially for practices that require intense labor effort in concentrated periods. Property rights and collective action are also interdependent. This is particularly clear in the case of common property regimes, where holding rights in common reinforces collective action among members, and collective action is needed to manage the resource. Maintaining property rights can require collective action, especially in the case of landscape-level resources and where outsiders challenge local claims.

Links to Poverty Reduction

Property rights and collective action affect people's livelihoods. The most vulnerable and marginalized rural groups often lack access to resources (that is, they have no or insecure property rights) and find participation in collective action too costly because of lack of time or other resources. Enhancing rights to relatively small homestead plots can increase food security by allowing women to grow food in gardens, and rights to common property often provide insurance for the poor. Tenure security provides key assets for poverty reduction, allowing the poor to help

themselves by growing food, investing in more productive activities, or using property as collateral for credit. Collective action can increase food security through mutual insurance.

Both property rights and collective action are empowerment tools, as poor people often have difficulty making their voices heard. Interventions to strengthen their property rights or to help them participate in collective activities improve their bargaining positions. Security of rights and the capacity to manage local common resources allow people to make decisions while taking the future into consideration. This longer-term approach generally translates into more environmentally sustainable management practices and a healthier resource base for future generations.

Property Rights Regime: The Case of Western Ghana Forests

The customary system of acquiring land in Western Ghana by clearing forests to make agricultural fields gives one a claim over the land. This system came under pressure from increasing population. Agroforestry, particularly cocoa production, became more profitable than shifting cultivation, which created local pressure to individualize land tenure. Though individualization of tenure frequently led to women losing their customary access to land, in this case the introduction of cocoa increased the demand for women's labor. Men needed to provide incentives for their wives to work in the cocoa fields.

Although land was customarily held only by men, women acquired use rights through their relationships with men, and traditional "gifting" ceremonies, witnessed by the community, were adapted so husbands could transfer individual land rights to their wives in exchange for labor on the cocoa fields. Thus, with the introduction of cocoa, customary practices were used to adapt the land tenure and give women relatively secure rights to land and trees.

Implications for Policy and Practice

Many countries are now adopting policies to devolve the management of forests, fisheries, irrigation, watersheds, or rangelands to local communities or to develop some form of co-management between the state and communities. In addition, community-driven development initiatives are helping local organizations set priorities for local public service spending and to provide services such as schools and health centers. For these programs to succeed, effective collective action within communities is essential.

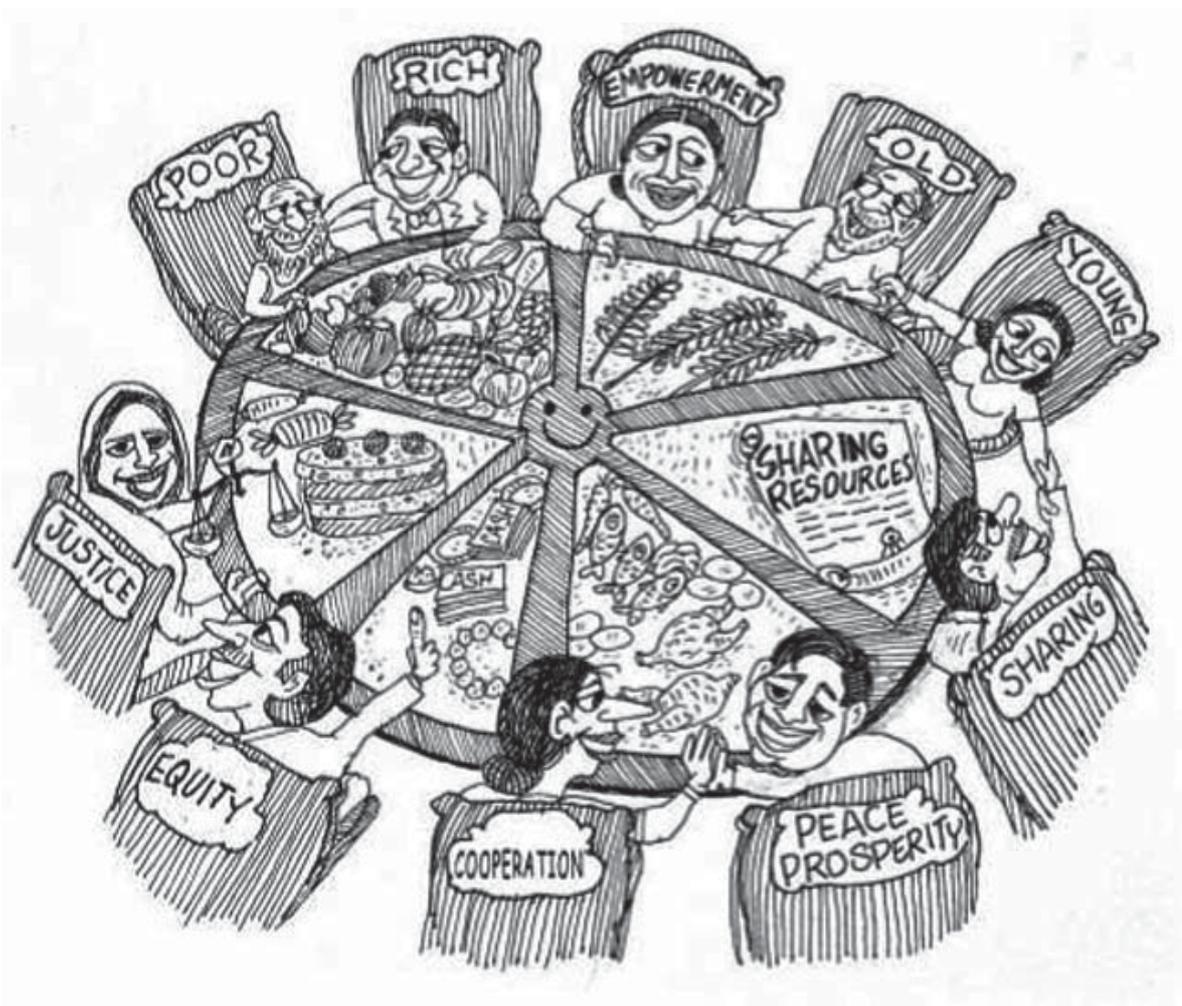
Successful collective action does not always emerge, especially where traditional management institutions like pastoral communities on rangelands have been weakened by migration or excessive state intervention. Government agencies need to work with communities to strengthen local management institutions and allow more local decision-making without imposing external rules.

Devolution programs that transfer management responsibility for natural resources from government agencies to farmers often fail to transfer corresponding rights. Yet rights over the resource are needed to provide groups with the incentives to conserve and even invest in the resources. Without recognized deci-



sion-making rights, the groups lack the authority to manage the resource or to stop members or outsiders from breaking the rules. Recognized property rights not only reinforce collective action needed for collective management, but also provide security for individuals and households.

There are many ways of strengthening property rights for the poor. Many government and non-government organizations involved in community development are addressing collective action issues, through revolving credit or livestock schemes, agricultural extension groups, or domestic water supply. There is a wealth of practical experience on ways to organize or strengthen collective action. Researchers have documented factors that affect collective action, but their findings are often based on a few successful case studies. Much more needs to be learned about what approaches foster collective action that continues beyond project intervention, as well as about how externally induced organizations interact with indigenous institutions for collective action.



Collective action has helped provide services and infrastructure such as health care and roads to schools, where governments alone failed to do so.

Suggested Readings

Bromley, D. 1991. *Environment and Economy: Property Rights and Public Policy*. Cambridge, MA: Basil Blackwell.

Knox, A., R. Meinzen-Dick and P. Hazell. 1998. *Property Rights, Collective Action, and Technologies for Natural Resource Management*. CAPRI Working Paper 1. International Food Policy Research Institute: Washington, D.C. (<http://www.capri.cgiar.org/pdf/capriwp01.pdf>). Also visit the CAPRI website at <http://www.capri.cgiar.org>.

Meinzen-Dick, R., A. Knox and M. Di Gregorio (eds). 2001. *Collective Action, Property Rights, and Devolution of Natural Resource Management: Exchange of Knowledge and Implications for Policy*. Feldafing, Germany: German Foundation for International Development [DSE]/Food and Agriculture Development Centre (http://www.capri.cgiar.org/workshop_devolution.asp)

Meinzen-Dick, R., A. Knox, F. Place and B. Swallow (eds). 2002. *Innovation in Natural Resource Management: The Role of Property Rights and Collective Action in Developing Countries*. Baltimore: John Hopkins University Press.

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