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Shortcomings of Collective Action and the Tragedy of the Commons

Throughout the history of environmental policy in the United States, there has been much disagreement about what approaches should be taken in solving environmental issues. An echo of our predominantly two-party system, the main conflict has been with whether the government should take a principle role in environmental issues or whether the more independent, citizen-based collective action framework should be implemented. Rothenberg makes the case for both approaches in the two chapters we discussed for class.

Rothenberg presents the argument for government intervention based around the concept of the “tragedy of the commons”. The “tragedy of the commons” is an economic theory formulated by Garrett Hardin that involves common pool resources that multiple people or groups of people use for economic activities such as grazing fields, waterways, etc. Because regulation of these common pool resources is difficult—due to the amount of involved parties and their interests—and often limited, the idea is that individuals will use a common pool resource without much self-regulation and when these resources are low, the involved parties will use as much of the resource that they can before it runs out (Hardin 2008). This leads to the eventual ruin of the resource, which causes both ecological and economic issues: ecological issues in the sense that an ecosystem has been degraded significantly, and economic issues in the sense that the resource is no longer available for economic use.

Another point made in the argument for government intervention in environmental policy is the prevalence of market failures such as negative externalities and underpricing in regards to

environmental quality. Negative externalities are the harmful effects of industrial activities on the environment that the producer is not made responsible for, which leads to underpricing—the fact that social and environmental costs are typically not included in the price of goods (“Market Failures, Public Goods, and Externalities”). These issues show that the market alone cannot regulate environmental degradation and instead furthers that degradation by not forcing those who harm the environment through industrial activities responsible for their actions.

The argument against government intervention is also formulated based on the idea of externalities though. Rothenberg argues that according to the Coase Theorem, the polluter and the victim of the pollution can work together can arrive at an agreement without government intervention, and the externalities imposed by the producer can be internalized. The Coase Theorem also argues that collective action is the best solution when it comes to common pool resource issues and the “tragedy of the commons”. Rothenberg also makes the argument that due to the fragmented nature of our political system—caused by the different branches of government, federalism, interest groups, etc.—is a huge disadvantage to potential government intervention. Because of how disjointed our political system is, environmental policy isn’t easily developed, and when it is, it tends to be disjointed as well and difficult to implement, so it may be better to allow the involved parties to work environmental issues out amongst themselves.

Although the implications of our fragmented government and the lack of progress the United States has had with environmental policy so far may be a compelling argument towards no government intervention, I believe that the government needs to be involved in the regulation of environmental degradation. I don’t think that it should be the primary solution to all environmental problems because people should realize the long-term harm that environmental degradation can do, and should then see that self-regulation is important. But since that is a very unlikely scenario in our economy-driven society, it doesn’t seem unreasonable to ask the

government for help in creating environmental policy that will protect our environmental resources. Though collective action is a novel thought, it has had its chance and generally hasn't worked. The greatest issue with the idea of collective action is that it mainly works in situations where the common pool resource is being used by a small group of people with similar interests. Since so many environmental resources span or have an impact on large populations—sometimes even multiple countries—it is more likely that the transaction costs of resource regulation will be too high and a solution will not be reached among the group. A prime example of this is the Aral Sea crisis, where the rivers that feed the saline lake were diverted to irrigate cotton crops (Thompson 2008). Lake levels have decreased drastically since 1960, now only about 10% of its original size (Mail Foreign Service 2010). This fueled many negative ecological impacts including drastic increases in lake salinity, loss of vegetation, and dust storms. The communities that share the lake have yet to come up with any real solution to this still growing problem, primarily because multiple countries share the lake. This itself is some proof of the limitations of collective action. When our environmental problems transcend geographic boundaries, it becomes exponentially harder to negotiate solutions to these problems without government leadership because of communication barriers and differing interests.

Collective action is definitely more effective when dealing with more localized primary environmental impacts—ones that are directly caused by industry, a development project, etc. The startling thing though is that most of the emerging environmental issues today aren't primary (Smith 2002). Some of the biggest environmental threats facing the world today, water scarcity and global warming, for example, are indirect and global impacts from anthropogenic sources. To regulate these worldwide issues using the principles of collective action would be nearly impossible. As Rothenberg mentions, people are very divided about their willingness to pay for environmental protection, so it's obvious that much of the world's focus is on the global

economy instead of environmental protection and conservation. This shows that simply relying on the anthropogenic sources to self-regulate for their own good would be ignorant.

In the past few years, more scientific research has come out to support the idea that climate change is happening and has been influenced by anthropogenic effects, and some scientists argue that abrupt, and potentially devastating, changes in our physical climate system are already underway (National Academy of Sciences 2013). Still, environmental issues have yet to capture enough attention and generate enough concern in the general public for needed policy to be put in place. The sheer scope of our problems makes government regulation a necessity, and possibly the most prominent issue in environmental policy is deciding how to approach regulation. That's why the public can't simply expect the government to come up with environmental regulation policies. The public needs to become more aware of the problems surrounding environmental policy making and the large-scale environmental issues that the whole world is facing, so they can take initiative and raise enough awareness to help push policy making. Otherwise, we will continue to rely on industry self-regulation and the disjointed environmental policies already in place. Time is running out to act on environmental issues, so we as a nation have to step up and formulate viable environmental policy to prevent further environmental degradation.

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