

Constraints to Collective Action Worksheet

June 3, 2014

Reform Communication: Leadership, Strategy and Stakeholder Alignment

World Bank-Annenberg Summer Institute

June 2–13, 2014

University of Southern California, Los Angeles, CA

What is Collective Action?

Change is often stymied because relevant parties face certain constraints to collective action that limit their ability to connect and collaborate with one another. We define collective action as any action enacted by a representative of a group aiming at improving that group's condition (such as status or power). It is a term that has roots in many areas of the social sciences including psychology, sociology, political science and economics.

Collective action issues are at the very heart of development. When properly understood and used effectively, collective action has the power to reach better development outcomes. Common issues in collective action include:

Free rider – a situation in which individuals or organizations consume more than their fair share of a resource or shoulder less than a fair share of the costs of its production

Information Asymmetry – one party has more or better information than the other, leading to an imbalance of power

Credible Commitment – any arrangement or mechanism that makes it very costly for someone to go back on a promise

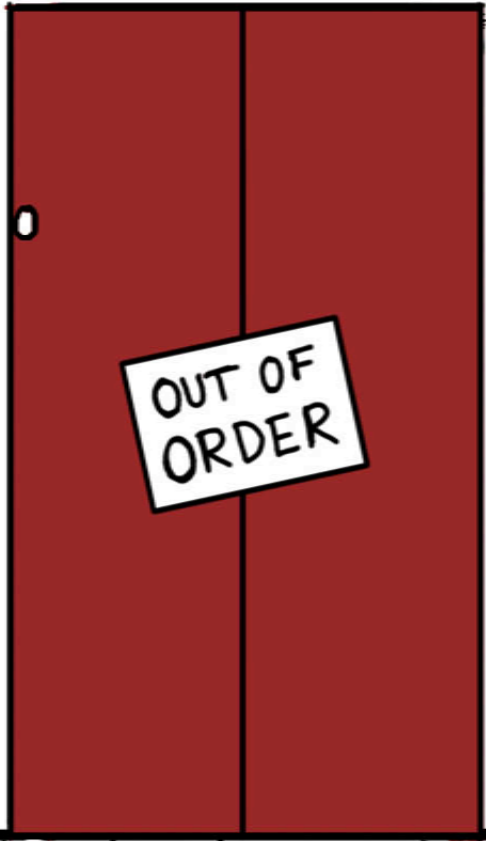
Tragedy of the Commons – when an actor exploits common resources, like water, but in so doing contributes to the depletion of such a good

Agenda Setting – the strategic use of rules and procedures by an individual or group to influence a decision toward an outcome that is more favorable to them

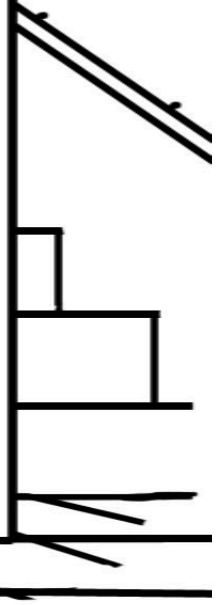
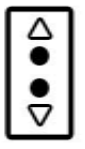
TRAGEDY OF THE COMMONS
WHEN SEVERAL PEOPLE EXPLOIT A
SHARED BUT LIMITED RESOURCE
AND CAUSE THE DEPLETION OF
THE RESOURCE

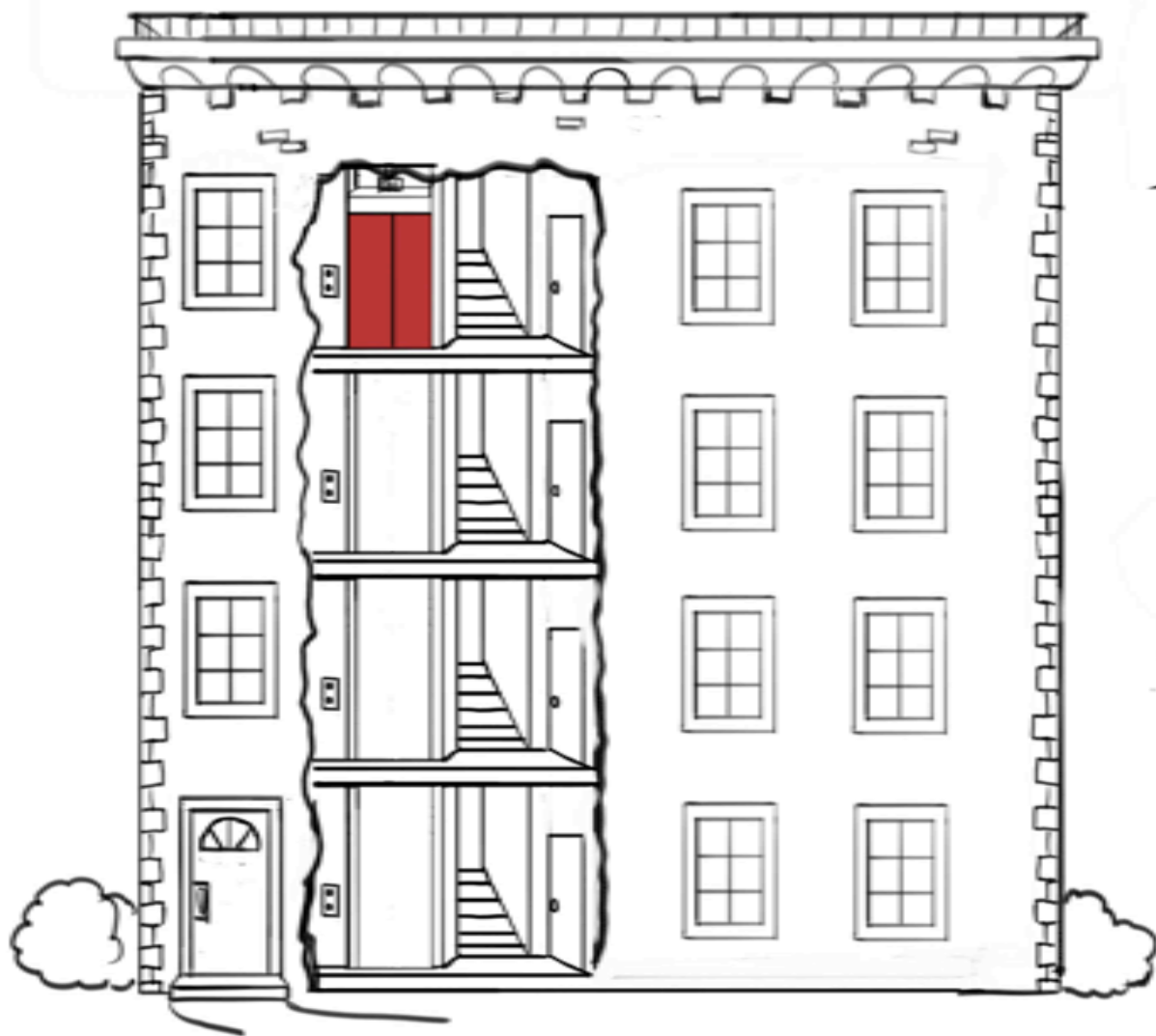


1 2 3 4
○ ○ ○ ○



MAXIMUM
CAPACITY
2





FOUR



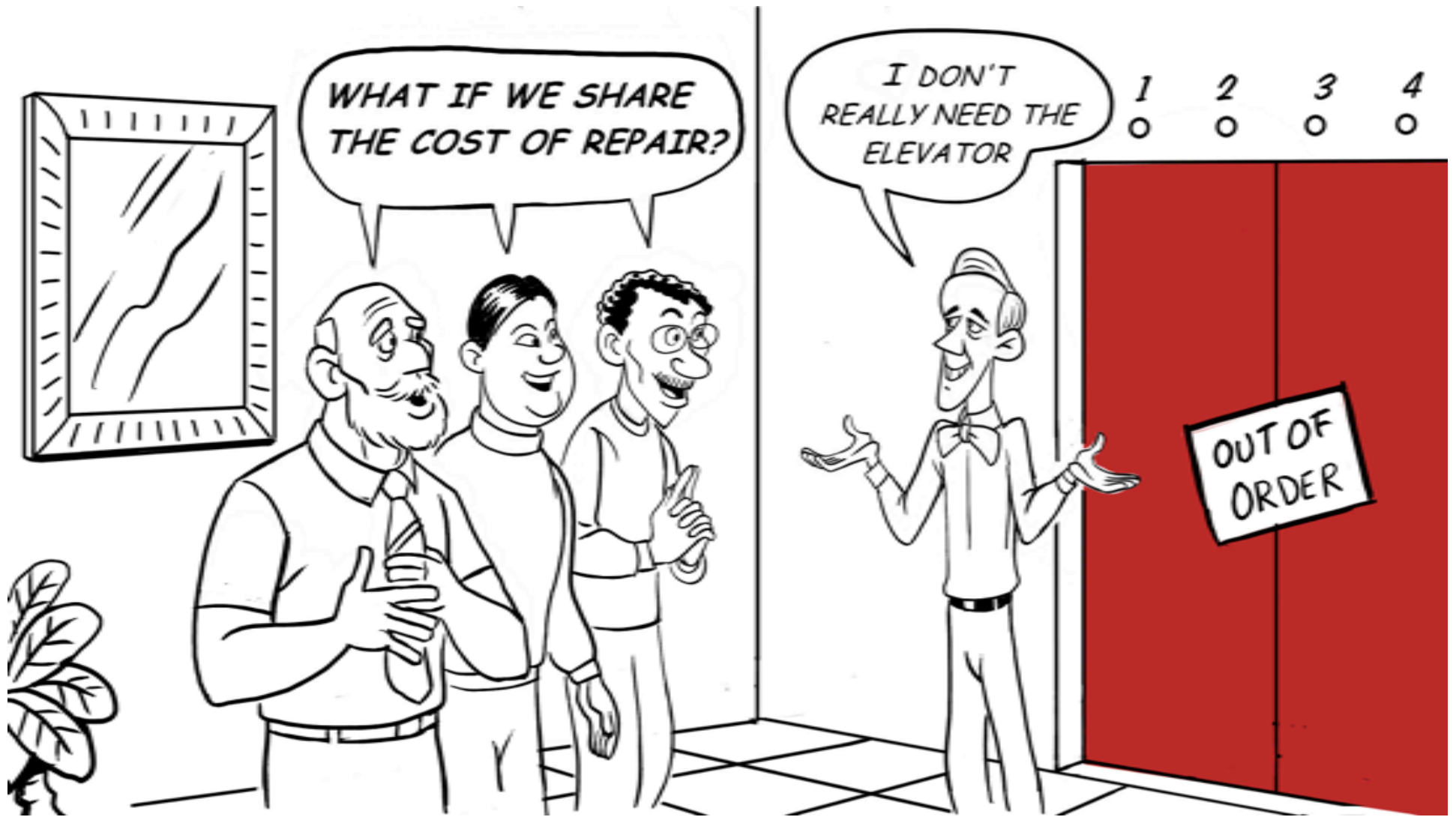
THREE



TWO



ONE

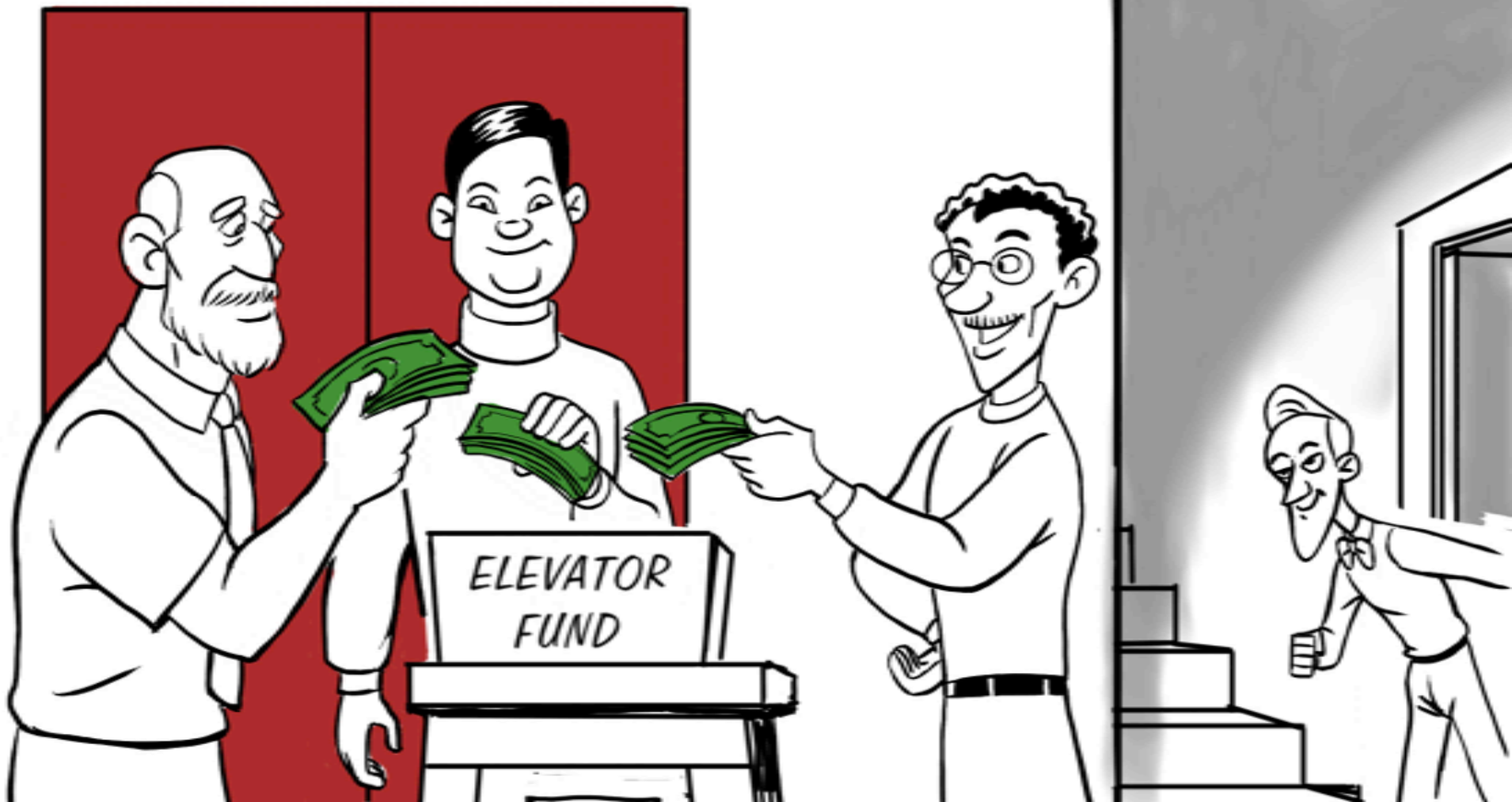


WHAT IF WE SHARE
THE COST OF REPAIR?

I DON'T
REALLY NEED THE
ELEVATOR

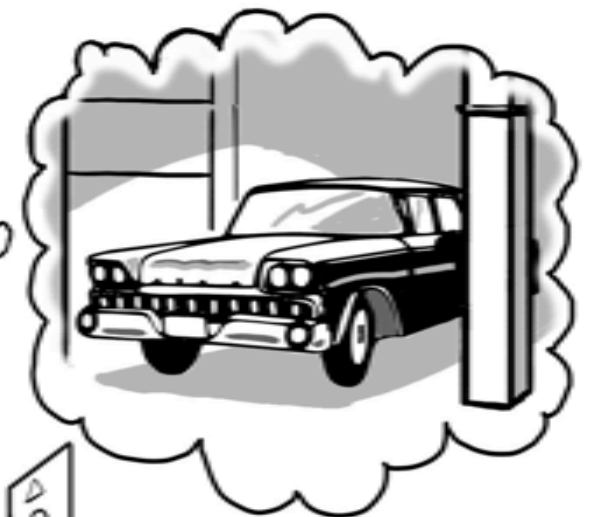
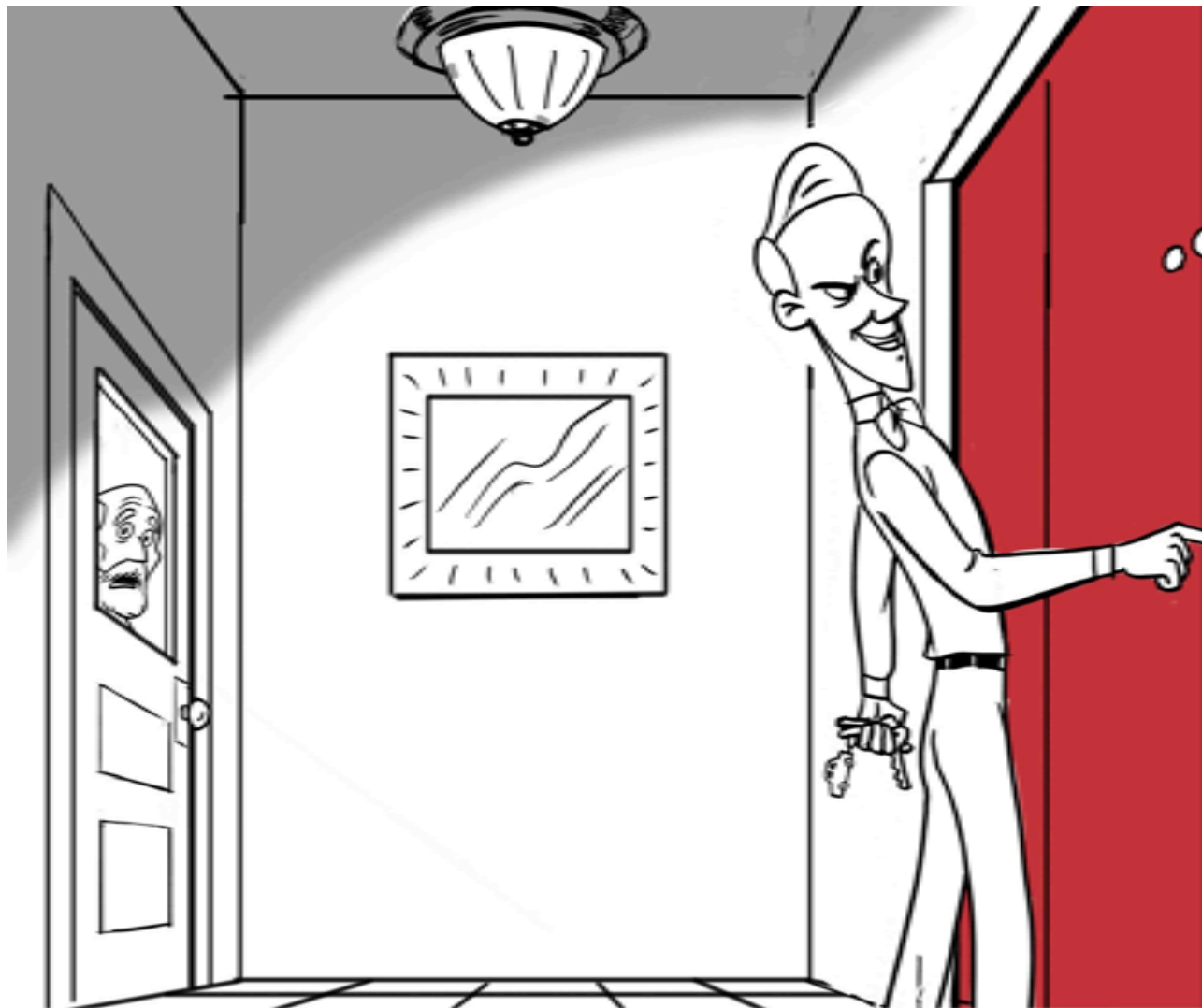
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OUT OF
ORDER



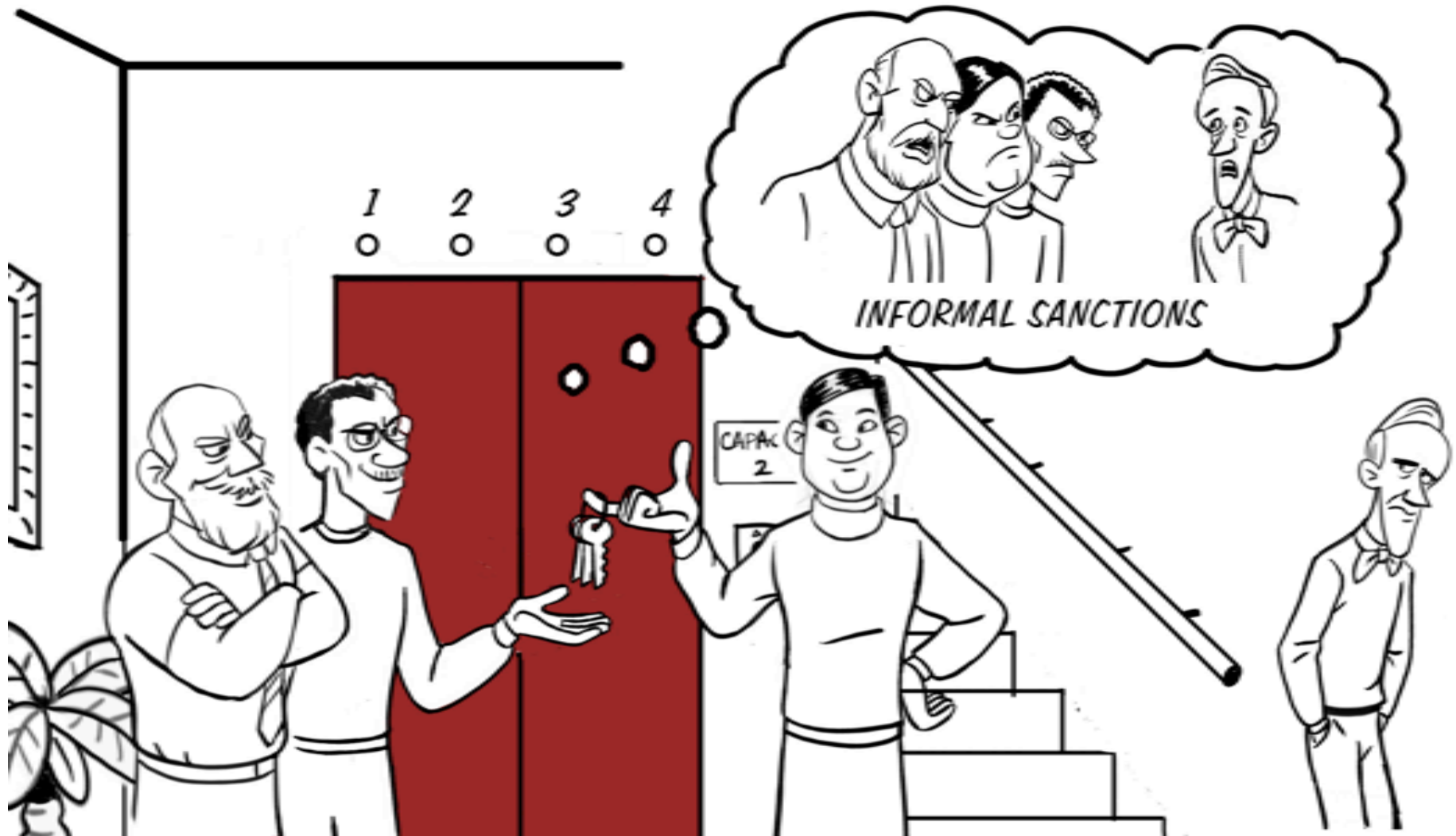


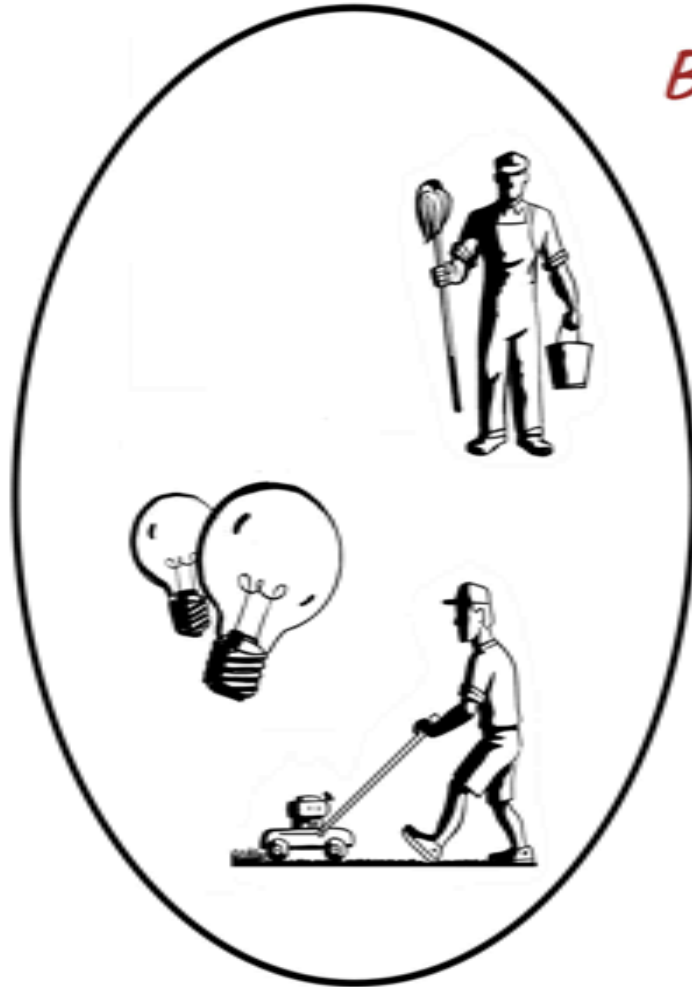
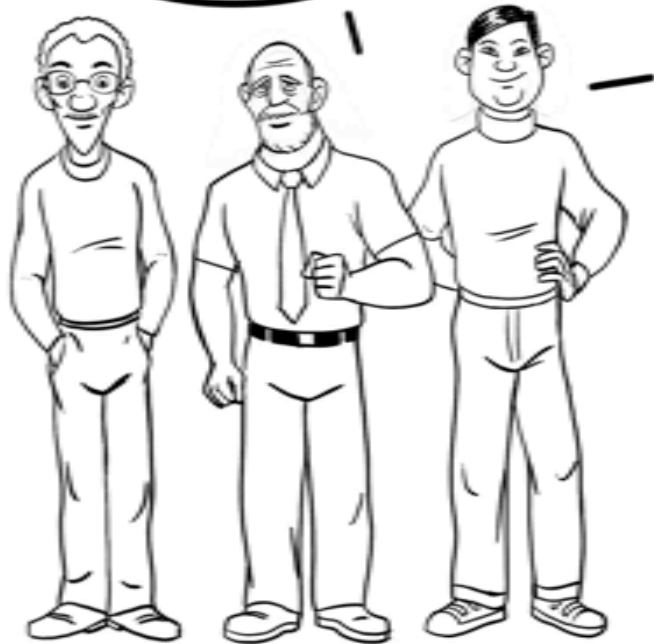
SUB-OPTIMAL EQUILIBRIUM



FREE-RIDING

OCCURS WHEN ONE PARTICIPATES IN THE CONSUMPTION OF A GOOD OR SERVICE BUT NOT IN ITS PRODUCTION

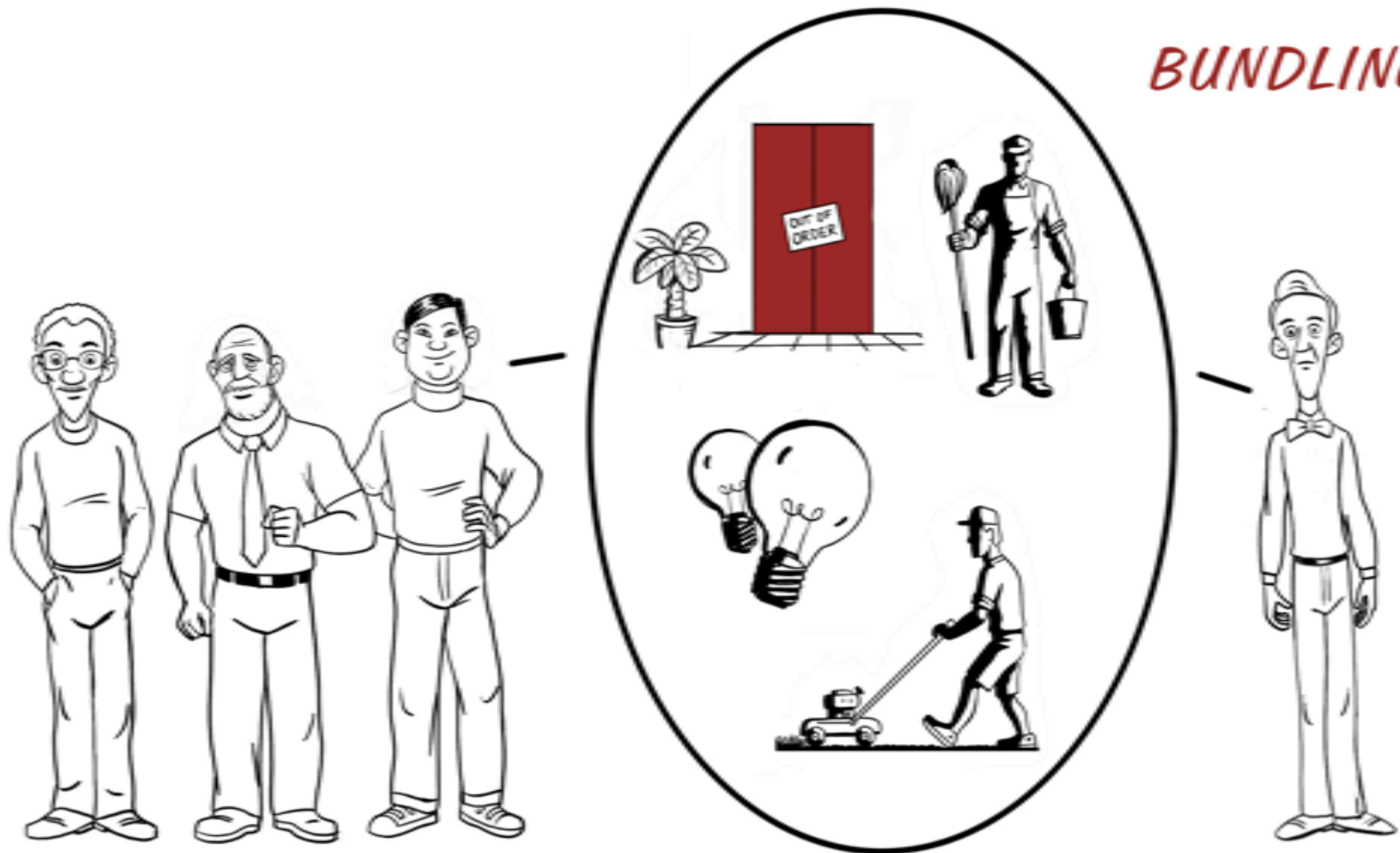


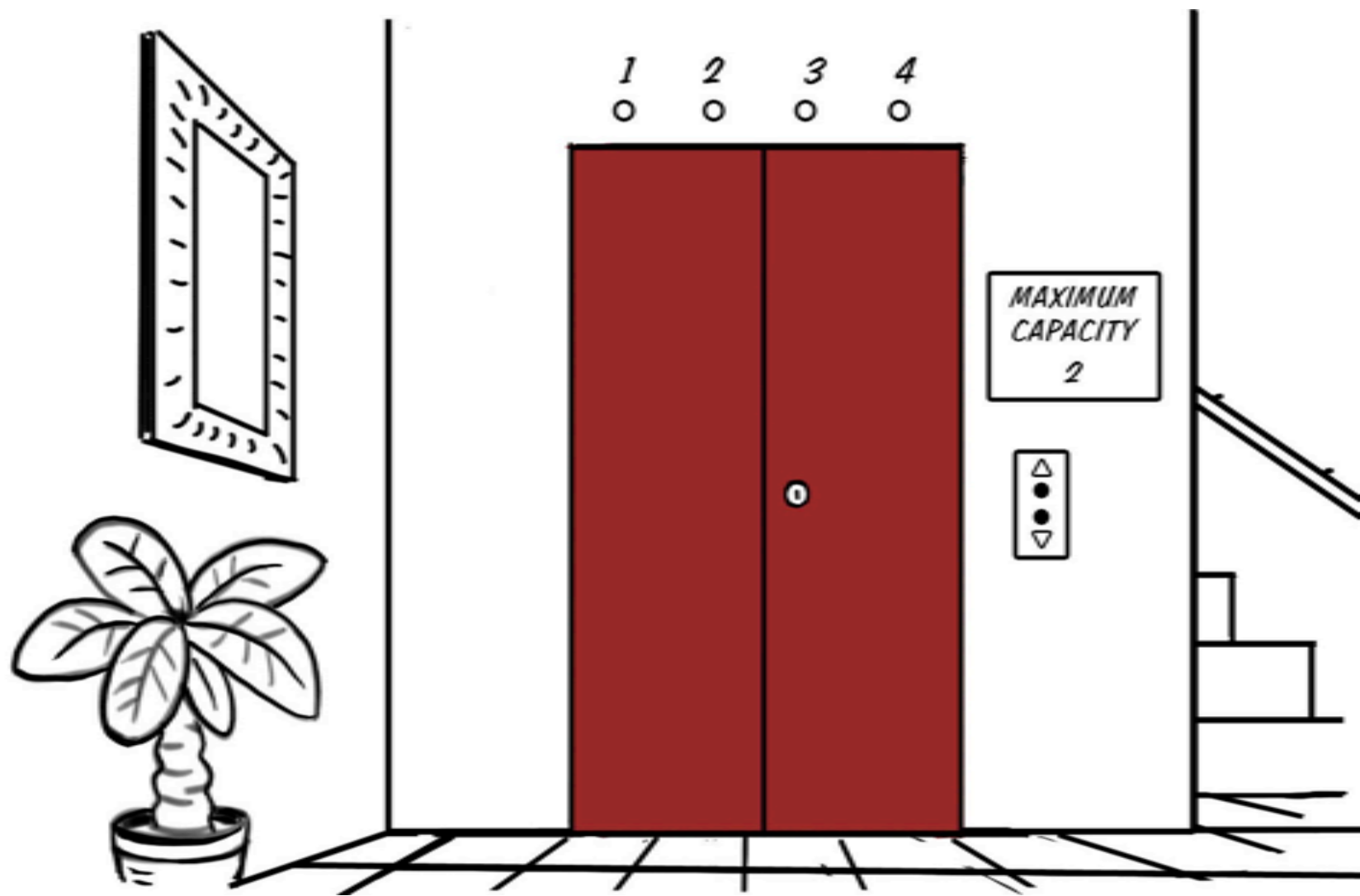


BUNDLING



BUNDLING







RENT EXTRACTION

ASYMMETRY OF INFORMATION

*THE GUARD CREATED
INFORMATION
ASYMMETRIES
BETWEEN HIM AND
THE OTHER RESIDENTS
WHO DID NOT KNOW
HE WAS SHARING THE
SPARE KEY WITH
RESIDENT ONE*

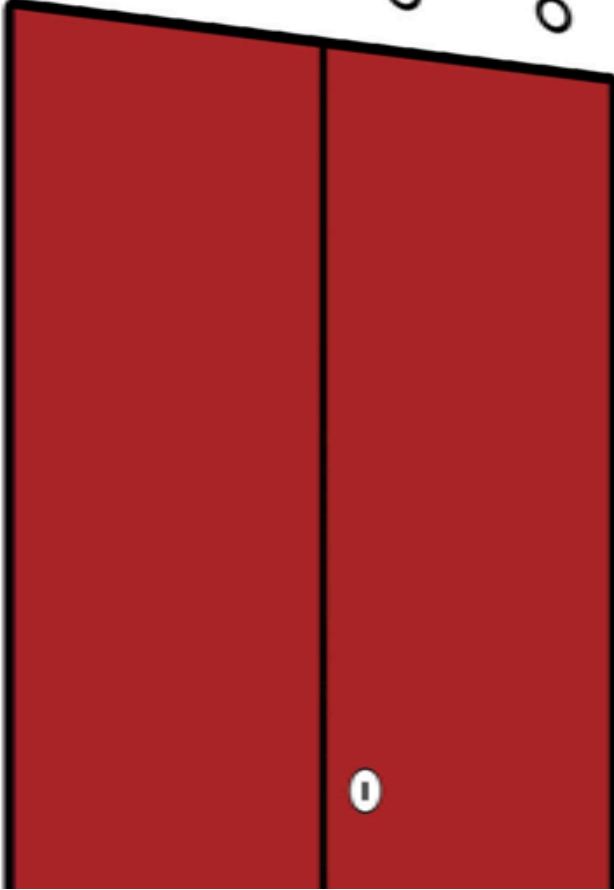


WHAT IS GOING
ON HERE?

OKAY, I'LL PAY!
JUST DON'T TELL
ON ME

1
0 2
0 3
0 4
0

AGENDA SETTING
STRATEGICALLY SHAPES THE
DISCUSSION TO A DESIRED
OUTCOME





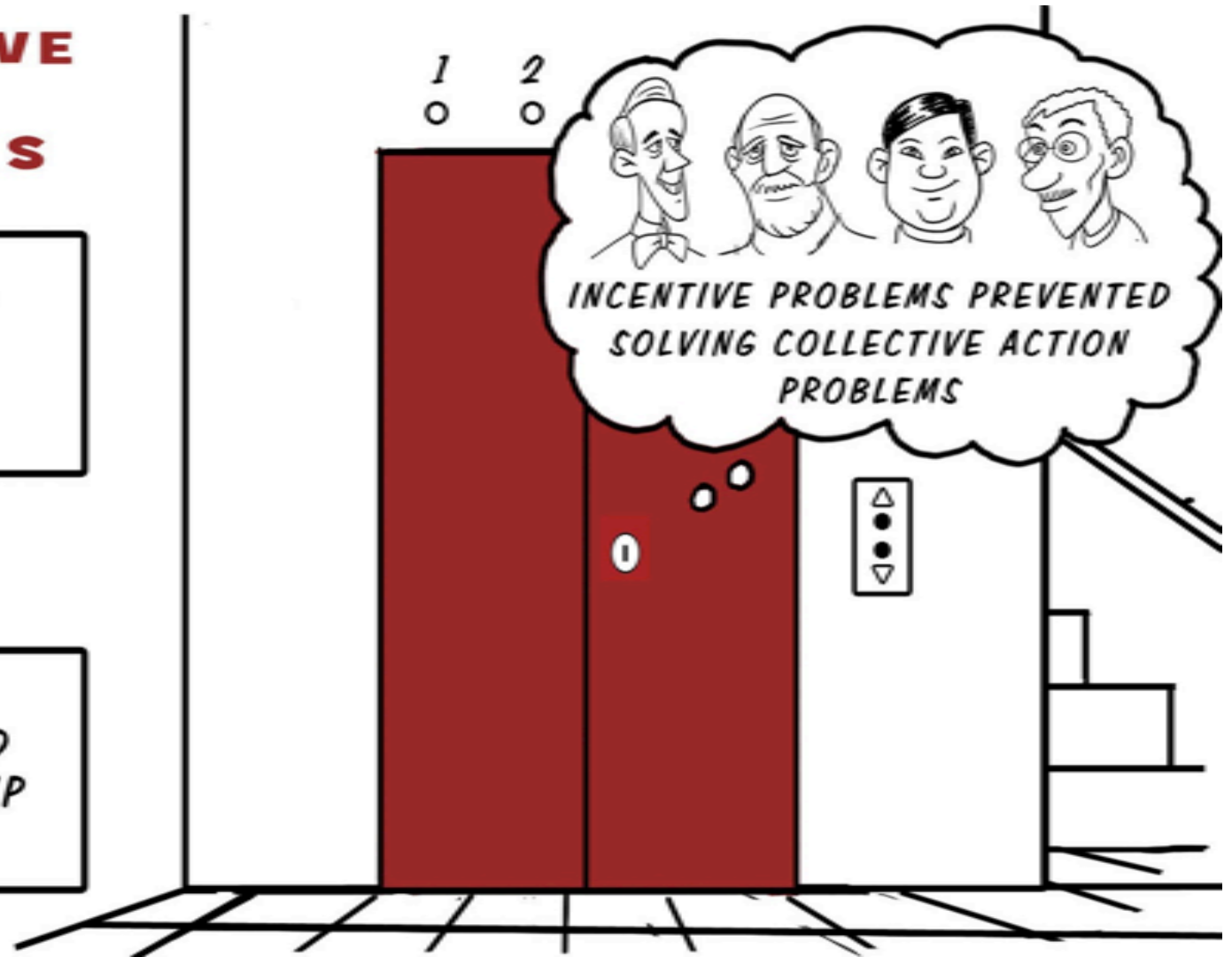
CREDIBLE COMMITMENT
IS AN ARRANGEMENT AMONG
INDIVIDUALS IN WHICH EACH
ONE REFRAINS FROM GAINFUL
BEHAVIOR THROUGH ADOPTING
STRONG INSTITUTIONS (THAT IS,
ESTABLISHED PRACTICE)
RECOGNIZED BY ALL RELEVANT
ACTORS, THAT TIE ONE'S HANDS
FROM BREAKING OUT OF FUTURE
COMMITMENTS.
IT IS A GOOD SOLUTION TO A
COLLECTIVE ACTION PROBLEM

COLLECTIVE ACTION PROBLEMS

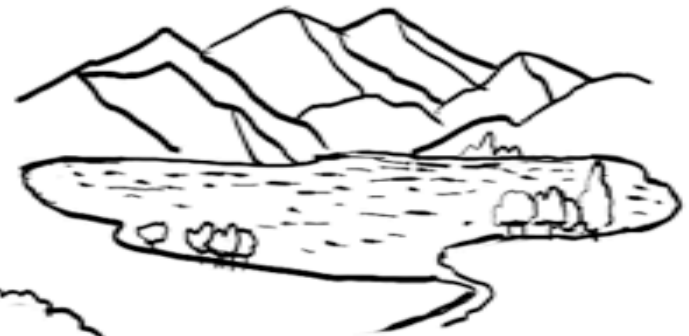
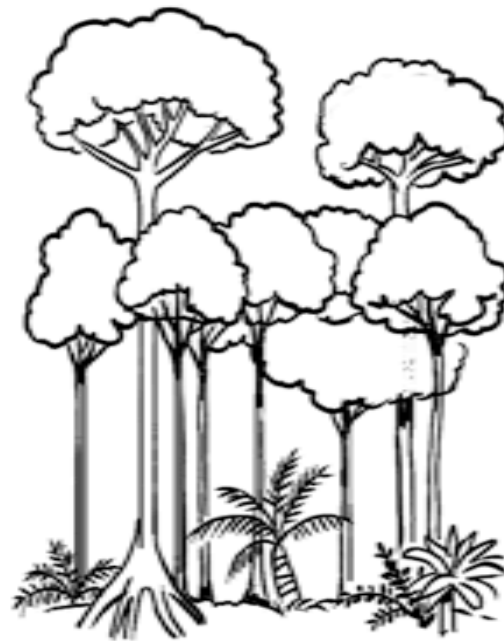
INCENTIVES & MOTIVES OF INDIVIDUALS

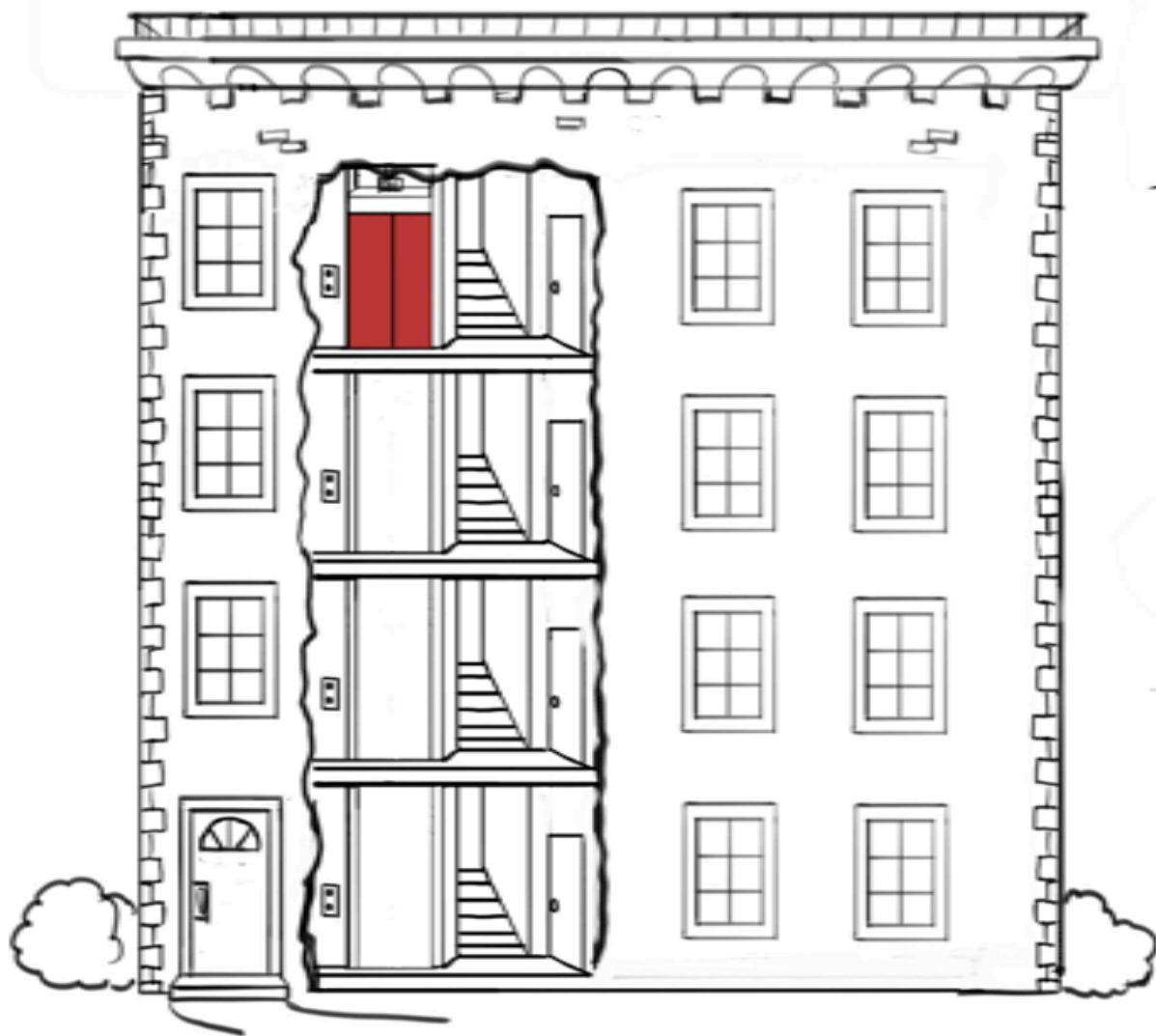
COUNTER

WHAT IS GOOD FOR THE GROUP



*YOU SHOULD THINK OF
ME, THE ELEVATOR, AS
A METAPHOR FOR A
COMMON POOL RESOURCE,
WITH EVERYONE IN THE
BUILDING USING ME,
YET I DON'T BELONG
TO ANYONE IN
PARTICULAR, AND I
AM EXHAUSTIBLE, OR
BREAKABLE.*





FOUR



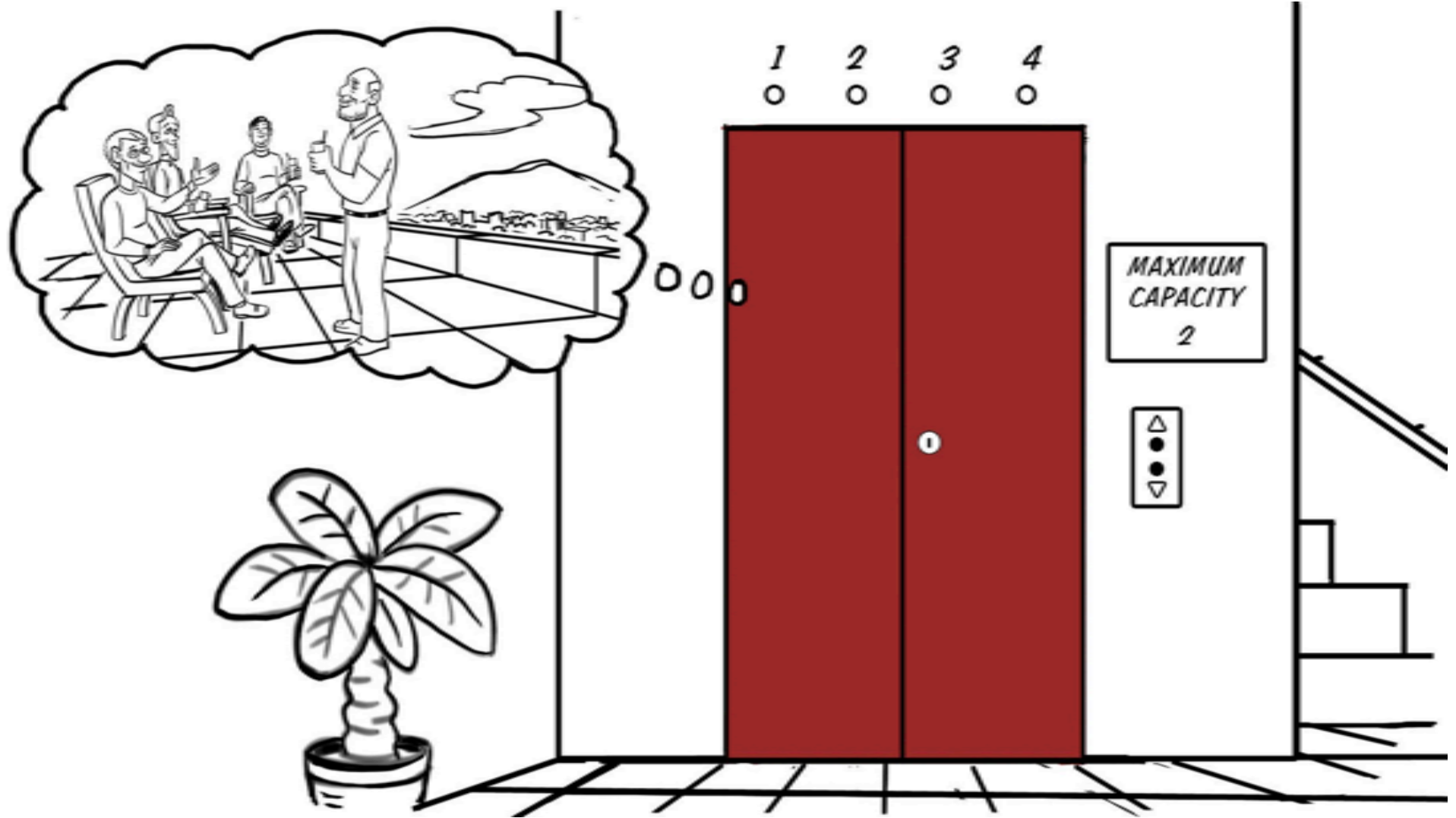
THREE



TWO



ONE



Why Learn About Collective Action?

Many of the challenges we face in pushing projects forward revolve around collective action constraints typically characterized by situations in which individual self-interest is not well aligned with the greater good of the group, community, or the like.

Given this reality, it helps to identify and understand constraints in collective action to formulate solutions.

You will see that wildly dissimilar problems share incentive structures that are remarkably alike. With an improved understanding of the real nature of the problem we are able to better develop strategies and translate these into action.