

Elinor Ostrom was awarded the Nobel Prize in Economics today, along with Oliver Williamson here at Berkeley. To understand why her work is relevant to environmental law, you have to first know about the “tragedy of the commons.”

Many medieval and early modern villages had a “commons” where all of the peasants were entitled to graze their animals. (To this day, Boston has a “commons” that now functions as a park.) This history became the basis for an important approach to conceptualizing environmental problems. In a classic article, Garrett Hardin explained what he called the tragedy of the commons:

The tragedy of the commons develops in this way. Picture a pasture open to all. It is to be expected that each herdsman will try to keep as many cattle as possible on the commons. Such an arrangement may work reasonably satisfactorily for centuries because tribal wars, poaching, and disease keep the numbers of both man and beast well below the carrying capacity of the land. Finally, however, comes the day of reckoning, that is, the day when the long-desired goal of social stability becomes a reality. At this point, the inherent logic of the commons remorselessly generates tragedy.

Garrett Hardin, *The Tragedy of the Commons*, 162 *Science* 1243 (1968).

Rationally, each herdsman seeks to graze as many cattle as possible on the commons, because he gets the full benefit of selling each additional animal but suffers only a fraction of the harm to the pasture caused by the additional grazing. The result is individually rational but collectively tragic:

Adding together the component partial utilities, the rational herdsman concludes that the only sensible course for him to pursue is to add another animal to his herd. And another; and another \* \* \*. But this is the conclusion reached by each and every rational herdsman sharing a commons. Therein is the tragedy. Each man is locked into a system that compels him to increase his herd without limit in a world that is limited. Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of the commons. Freedom in a commons brings ruin to all.

Hardin’s concept of the tragedy of the commons illuminates issues such as air pollution and

climate change (the atmosphere as commons) and overfishing (the ocean as commons).

That's where Ostrom comes in. It doesn't seem to have occurred to Hardin or his many readers to look at actual cases of common property. Ostrom did so, and what she found was that in many cases common property is well-managed by social groups. This provides a potentially more optimistic view of environmental problems - what Carol Rose once called the "comedy of the commons."

Let's hope that we see more comedy than tragedy in the future. And in the meantime, congratulations to Professor Ostrom!

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