

# How to untie the knot

## *The need for appropriate ownership and access regimes*

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Breaking the multinationals' stranglehold on natural resources is vital if everyone is to benefit, but Toby Lloyd believes what is really needed are appropriate ownership and access regimes. Too often, this debate has been presented as a straight choice between private and shared property.

In 1968 the academic and author Garrett Hardin described *'the tragedy of the commons'* like this: if everyone has a right to graze cattle on a village common it will inevitably suffer over-grazing, because it is in each individual's interest to extract as much as possible from it, knowing the effects of overuse will be shared by everyone.

This argument has since been deployed to demonstrate private property's merits and to justify the privatisation of socially held assets. With diminishing resources left under social ownership, attention has shifted to various *'unowned'* resources. The atmosphere, oceans and genome are commons – assets in which we all have a notional shared ownership – and therefore, we are told, are susceptible to Hardin's *'tragedy'*. The only solution, according to the new market fundamentalism, is to enclose the commons, creating private assets and incentives for owners to preserve them. In this way, it is argued, the *'tragedy'* will be averted.

India's neem tree offers a striking example of bio-piracy in action where marauding multinational corporations seek to plunder the knowledge of the global South. To market fundamentalists, the knowledge of neem's uses is a common that should be privatised, allowing most efficient use. The flaw in the argument is that it fails to differentiate between open-access and what are often called common property systems.

Hardin's hypothetical grazing land was an open-access system: no rules govern by whom or how much it is used. In reality, most pastures are types of shared property, owned by members of a limited group with the right to exclude non-members from using it.

*No fences doesn't mean no owners or no rules.*

Complex shared property systems have evolved everywhere, governing the use of water, grazing lands, fish stocks and knowledge. Open access, common, limited

shared and private property are different types of property regime – rules that govern rights of access, use, exchange and so on, and their corresponding obligations.

There are many different types of property regime and some are more suitable in certain circumstances. Open-access regimes are best for say public health information. National parks are a recognition of common property in national heritage. Shoes are best owned by individuals. More complex resources may need more sophisticated ownership regimes.

Perhaps in neem's case common ownership combined with resource rental is best. Or perhaps a true open-access system nobody could privatise would ensure its benefits were spread as widely as possible. Yet efficient and extensive exploitation, whether privately or in common, is not the fundamental criterion. The regime must ensure the re-creation of the resource. For the products of labour, private property rewards creation. For fish in the ocean, or rain forests, that which sustains their re-creation, brings abundance.

*We have to recognise common ownership as both real and valid,  
and resist the efforts of the bio-pirates.*