

INSTITUTIONS AND THE RESOLUTION OF RESOURCE CONFLICTS: PRINCIPLES AND PRACTICE

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Conflicts between user groups are the stumbling blocks of natural resource management. Conflicts arise for a number of reasons: differences in values and objectives, fragmented jurisdictional authority, external effects of other activities, distributional impacts of policies, and differing interpretation of environmental indicators. In general, the more complex the ecosystem within which management takes place, the more potential sources of conflict. The persistence of conflict will at least increase the costs of management; at worst it will prevent a management plan from being developed or sabotage management implementation. Since conflicts are inevitable when resources are limiting, an ability to resolve them is essential to maintaining institutions that are resilient to change.

Research in the institutions of resource management has shown that there are basic incentives by which people function in resource settings, and these incentives affect the extent to which conflict resolution is possible. In a democratic capitalist system, people are motivated to reduce uncertainty, manage transactions costs, and compete. How these behaviors are accommodated in the resource management system, how they are affected by various forms of property rights, and how they interact with the ecological system being managed are critical to the reduction or enhancement of conflict.

This paper examines how resource management institutions incorporate the incentives in principle and in practice. The theoretical basis for their interaction in management is presented, followed by empirical examples of their role in the practice of conflict resolution. Examples are given of three institutional arrangements for conflict resolution in drainage basins, estuaries and coastal seas of the Pacific Northwest of the United States.

The Pacific Northwest is an area that was historically developed around abundant water resources. Over time, the abundance of resources has transformed to an abundance of resource conflicts originating in population growth, resource overuse, and spillover effects between resource activities. Three resource conflicts are discussed. On the border between Oregon and Washington, Pacific salmon cross through the huge Columbia River basin to migrate out to and back from coastal seas and open oceans, passing through multiple management jurisdictions and ecosystems. In coastal Washington, the resources of Willapa Bay, its estuaries and its uplands are co-managed with a unique combination of private owners, public owners, and finance institutions. And in Oregon, a system of Watershed Councils is organized around ecosystem management of drainage basins. All three have resource problems and user conflicts at their core. The three cases are summarized in light of the institutional incentive principles, with particular focus on the practice of managing user group conflicts.