

Paper presented at the Symposium and Workshop about
Managing Common Resources – What is the Solution?
Lund University, Sweden, 10-11 September 2001

CREATING A METHODOLOGICAL FRAMEWORK FOR ANALYSING PROPERTY RIGHT INSTITUTIONS

**Working paper by Ellen Carlsson, Department of Economic History, Lund University
(not to be quoted)**

Contents

1. Introduction, p. 2
 2. Heterodox institutionalism as a methodological framework, p. 3
 3. Property rights as social relations, p. 9
 4. Theoretical simplicity and empirical complexities, p. 12
 5. The economics of poverty and power, p. 15
- References, p. 20

1. Introduction

The following text has not been written as an independent paper. It represents my search for a methodological framework that I can utilise in my thesis to analyse my two case areas and it should be read as a future chapter making up a part of the thesis' theoretical discussion.

While I have been working on the thesis, both in the phase of studying appropriate methodology and theoretical models, and when collecting empirical material, I have increasingly become sceptical of what I have here called "orthodox institutionalism". With this term I refer foremost to New Institutional Economics, NIE, which I consider to be mainstream within the institutionalist tradition. As an economic historian, the choice of turning towards institutional instead of neo-classical theory is non-controversial, as the former is concerned with processes of change over time in economic systems while the latter deals with a state of equilibrium. Difficulties then arise because institutional theory is made up of a wide spectrum of theorists, from certain members of the NIE-school standing very close to neo-classical theory on one end, to the old institutional tradition represented by Veblen and Commons on the other. In my readings of NIE literature I have experienced an increasing scepticism against notions such as "wealth maximising behaviour" and "rational choice", the bias for private ownership, and the use of methodological individualism. I have therefore chosen to ally myself with economists that I consider to be representing the tradition of the old institutional school, emphasising the importance of analysing the institutional context as thoroughly as individuals' actions. This position I have called "heterodox institutionalism" and I find Daniel Bromley and Geoffrey Hodgson to be its most well known present day economists.

In the thesis the methodological framework that I develop here will be used to analyse my empirical study of how water resources have been controlled and divided in two case areas in Sub-Saharan Africa, one being the Meru area in Tanzania and the other the Kgatleng District in Botswana. The ambition is to investigate how institutions governing ownership, user rights, and access to water have changed over time, from the 1930's when the colonial administration started to be involved in water policies in the two areas until present day. In both areas we are mainly faced with common-pool resources, to use the terminology of Elinor Ostrom, meaning resources whose physical nature makes it hard to exclude users and where each unit extracted means a unit less left for other users. In the Meru area of Tanzania the focus of investigation will be the communally held irrigation furrows that are the precondition for farmers' agricultural activities, but piped water under village control and the few private boreholes will also be taken into consideration. Because of the dry climate and lack of surface water in the Kgatleng District, Botswana, the main source of water for the livestock sector comes from wells and boreholes that are owned by the community, by syndicates, or by individuals. Community owned boreholes also provide domestic water in private taps or in public standpipes. An alternative to ground water is to collect water in dams of various size, the smaller ones often being privately owned, while the larger ones usually are held by groups. Even from this short run-through of the case areas' different types of water sources and their various property rights institutions it is easy to see that we have a complex reality that we need to explain through well adapted methodological and theoretical models. I hope this text to be a good beginning in towards that goal.

2. Heterodox institutionalism as a methodological framework

In orthodox economics the goal has been to offer scientific predictions about human behaviour and in order to deliver predictions economists have been building closed theoretical models where all variables can be measured and controlled. What researchers within the social sciences should be looking for instead is to develop theories that help us understand and explain reality and allow for a certain amount of complexities in our theory building. It is a great challenge to have the ambition to explain the real world with the help of theories that manage to take into account the complicated structure of human society and of human behaviour, and there is no guarantee of full success. The temptation to build theoretical models that reduce the intricate world that we live in to simplified, closed systems that can only say something about the different parts, but nothing about society as a whole, or even about how the different parts function in the whole has to be resisted.

Therefore, the aspiration here is not to locate, or formulate, a grand theory offering an explanation to all human behaviour, and to deduct that grand theory into a model, making it directly applicable to property right structures in the two case areas. Instead, the ambition is to present heterodox institutional theory as a methodological framework, a basis for applying other theories that are more specific to the present topic of investigation. Admittedly, I am sceptical to the “grand theory” idea, one theory capable of explaining all human actions, through time as well as in various cultural settings. One over-all theory that cannot only give an account for the general human nature, but that can also be deducted into explaining specific issues. I see the danger in such a grand theory trying, but being unable, to achieve both these goals at the same time. Either it can present the general outlines for human behaviour, in which case it cannot provide explanations for the micro level. Or, it can become a precise theoretical model for human action in certain situations, and then it is unable to explain behaviour and customs under differing conditions. I am, however, not adverse to a “grand methodology”, meaning a way of conducting research that in turn will create a framework within which a spectrum of theories can find their place. The selection of “specific theories” (as opposed to grand theory) that are placed within the framework should be guided by the research topic. In a similar fashion, the methodological framework will direct the researcher in the search for the most appropriate method for collecting the empirical material.

In order to lay down the heterodox institutional framework we have to take another look at the role institutions play in society and clarify what distinguishes this framework from the orthodox NIE’s view. As early as in chapter 1, “Introduction”, a consensus between heterodox institutionalists and NIE economists on the definition of the word “institution” was presented. The agenda then was to emphasize the existence of institutions in economic systems and to make clear how this realisation separate any type of institutional economic theory from neo-classical theory. The classification of institutions is therefore not the cause for the upcoming disagreement between NIE and heterodox institutionalism. The differences between the two schools of thought rather appear in regard to, first, their view on the impact that institutions have on human behaviour, and secondly, the character of the role played by institutions in creating and developing the institutional context, in other words understanding institutional change.

To begin the accepted notion within NIE of institutions as being “constraints” on individuals’ actions should be revised. In his writings North states that in all known societies institutions are created and developed by humans for the purpose of having rules to follow in their interactions with one another. Humans create a structured world where they will know what is

expected of them as well as what they may expect from their fellow men as they indulge in political, social and economic exchange.¹ North also claims that individuals, in order to reduce transaction costs, create institutions providing legislation and general rules of conduct, which in turn offer security to human interaction as well as assist in exchange.² Somehow, it have now ended up in contradictory reasoning. On the one hand, institutions are created in order to lower transaction costs by offering security and facilitating exchange, i.e. easing human economic and social actions. On the other hand, in doing so institutions are considered to hinder the individual from acting as she is naturally inclined, again, because they provide rules for interaction. We have to decide whether we find institutions to be facilitators to individual interactions, or constraints, preventing the individual from being everything that she can be. If we decide to view institutions as constraints then the next question should be why individuals chose, voluntarily, to put these constraints on their behaviour? Why do they develop institutions if these become obstacles that they then have to over come?

Heterodox institutional theory offers a different way of understanding and analysing institutions. To start with, it claims that institutions, the rules for our behaviour and the guide to our beliefs do not hinder us from behaving naturally as humans, on the contrary, they are the essence of what it is to be human. If anything is in our nature it is the urge to live together in communities, to function as a group and to build up culture and customs. Our nature is not to live alone as a selfish, utility maximising loner, it is to find security and exchange in groups.³ Of course, there is a trade-off coming from our inclination to live in communities, as there are trade-offs with any life style. In the community we have to compromise with other individuals and play specific social roles, but more is gained than lost in this compromise. According to this view institutions are generally facilitators and not constraints to human behaviour.

There are, however, exceptions to the rule, particular situations in which institution will constrain some peoples' behaviour when they wish to act in a way that is considered harmful to the order of the community at large. In hindering the actions of certain individuals these institutions will, however, at the same time liberate other individuals who might be hurt by an uninhibited act.⁴ If it is in someone's economic interest to mug me, it is in my interest that this act is made illegal, putting a constraint on the mugger's behaviour. This example still does not support the notion that institutions are needed in order to constrain our inherent drive to harm others to get an economic edge. It is still more profitable, and more natural, for individuals to seek to participate in the community, than to indulge in independent and isolated economic actions.

For economics to become, as Veblen puts it, an "evolutionary science" and not just be able to describe certain situations in a state of equilibrium there is a need for a theory explaining both how institutional change is induced and what governs institutional change. "The question is not how things stabilize themselves in a "static state", but how they endlessly grow and change."⁵ Ever since the days of Veblen institutional theory has had its strength in giving an account for institutional change, while all schools of institutional theory have had problems explaining the creation, the genesis, of institutions.

¹ North, Douglass (1990) p. 1, 36

² Ankarloo, Daniel (1999) p. 122

³ Bromley, Daniel W. (2000) p. 4

⁴ Bromley, Daniel W. (2000) p. 6

⁵ Veblen, Thorstein B. (1934) p. 8

The reason for this is that at the same time as institutions are said to be created in order to lower transaction costs, it is institutions and property right systems themselves that determine those transaction costs in the first place. For example, the transaction cost concept tells us that firms were created in order to lower the costs of market transaction and reduce the number of parties involved in contracting, but it does not tell us the origin of the institutions of markets and contract agreements. And there is a further problem in that constitutive rules of society are not necessarily there because they are more or less efficient, they are there because people need some basic regulations in order to function together, but the rules bring with them transaction costs. After their creation it is up to society and individuals to try to reduce the given level of transaction costs for negotiation, searching for information, enforcing rules, and so on.⁶ This theoretical weakness will, however, not have an affect on the analysis in the thesis since the object here is to explain changes in property institutions over time. Hence, what is important for the following analysis is to introduce a general theory of institutional change, or evolution, that is considered useful.

In his attempts to introduce change and evolution into economic theory and have them replace the older notion of equilibrium Veblen was one of the first who turned to biology and the Darwinian process of selection for inspiration. In his theory on socio-economic evolution Veblen saw institutions as being responsible both for replicating customs and for selecting new forms of human behaviour.⁷ Just as Darwin himself, Veblen puts no final goal to evolution, there is no “highest form of being” in sight and therefore institutional change will go on as long as there are societies, there will be no final stage of equilibrium. Although Veblen never came up with a solid grand theory on the development of economic systems as a whole, he did establish a foundation for evolutionary economics where institutions, habits and instincts are comparable to “genes” and decisive for change. In his Darwinist inspired theory institutions are seen as relatively stable over time and thus guaranteeing continuity, while “idle curiosity” is seen as the cause of mutation in the process of institutional change. In their struggle for survival institutions have to prove themselves to be well adapted to their socio-economic environment, in which case they are imitated and replicated, while if they turn out not to be adapted they will be wiped out. Because all institutions are judged according to a given environment the selection of one and the extinction of another do not guarantee that the survivor is morally superior or economically successful, only that it fits well into the over all institutional context.⁸

Geoffrey Hodgson is a more recent writer who has followed in the footsteps of Veblen, combining institutional economics and evolutionist theory inspired by biological metaphors.⁹ He states that applying an evolutionary approach to economics is to enhance “a concern with irreversible and ongoing processes in time, with long-run development rather than short-run marginal adjustment, with qualitative as well as quantitative change, with variation and diversity, with non-equilibrium as well as equilibrium situations, and with the possibility of persistent and systematic error-making and thereby non-optimising behaviour.”¹⁰ There is no

⁶ Ankarloo, Daniel (1999) pp. 73-74

⁷ Over the years there have been a number of other economists, both within the orthodox and the heterodox tradition, who have developed a variety of interpretations of how biological evolutionary science should be put to use in economics, for example Carl Marx, Herbert Spencer, Alfred Marshall, Carl Menger, Joseph Schumpeter, and Friedrich Hayek. This broad research has left a legacy of great confusion concerning what we, both as economists and laymen, exactly mean with the term “evolution”, apart from there being a vague notion of development. (Hodgson, Geoffrey M., 1993)

⁸ Hodgson, Geoffrey M. (1992) & (1993) pp. 44, 48-49

⁹ For further reading on evolutionism see for example Jack J. Vromen (1995) and Elliot Sober (1984).

¹⁰ Hodgson, Geoffrey M. (1993) p. 32

contradiction in recognising institutions as stabilising factors in society, providing a framework of habits and routines that will preserve society's characteristics over time, and to recognise their propensity for change and evolution. Because institutional change is not to be on a par with genetic replication, on the contrary there has to be room for intentional choice and purposeful behaviour by actors, as well as the effects of accumulated institutional change. Although institutions provide society with relative stability and are often associated with a slow rate of change, this does not prevent them from also causing crisis situations where, as a result of accumulated gradual institutional change, radical change in attitudes and action in the socio-economic environment is required.¹¹

Ever since 1973 (*The rise of the Western World*) North has been leaning more and more towards an institutional explanation to both the prerequisites of economic growth and to institutional change, and he has separated himself from the more neo-classical tradition within NIE, represented for example by Demsetz. However, North has not been willing to completely let go of the neo-classical concept that economic motives are the foundation of individuals' and organisations' actions, nor has he put as much methodological emphasis on the institutional as on the individual level. Still, North recognises that NIE has a problem when it comes to explaining the contradiction between institutional change always occurring to lower transaction costs and improve economic result for the actors, and the fact that many observed institutions are inefficient from a purely economic point of view. If actors are rational and solely driven by economic interest, then the question of how these inefficient institutions are created and how they survive remains. North has many insightful theoretical explanations to the creation and prevalence of economically inefficient institutions and those will be discussed below. However, in order to achieve a greater explanatory value North's theory has to be complemented by a thorough understanding of what happens on the institutional level during the course of change.

According to North, the two main causes of institutional change are changes in relative price and in preference or taste. Changes in relative price can be induced by both exogenous and endogenous factors affecting institutions, although endogenous causes are more likely as they resonate the ongoing efforts of rational entrepreneurs. These adjustments to relative price include changes in the price ratio of land, labour, and capital, information costs, and technology. Let us understand this as the economic side to institutional change. Relative prices also affect institutional change indirectly by influencing taste, the second major factor altering human incentives and thereby causing institutional change. Taste, or preference, supposedly refer to customs guiding peoples' behaviour, as well as their perception of this behaviour. Within the framework of these customs we can find convictions and ideology, hence this is the social side of peoples' interaction. Institutions decide which price individuals pay to express their ethics and opinions, a change in this price can either be the result of institutional change, or induce such change. There is yet another cause of institutional change, a political and more brutal one, that is put somewhat in the background by North, but which is of great importance to understand the case of exogenous change of formal institutions. This is the discontinuous change caused by wars, revolution, conquest and natural disasters, indeed radical events that may essentially change the preconditions of society.¹² The recognition made by North of the last two incentives for institutional change must be seen as a clear redirection towards a more heterodox institutional explanation to change in the economic system.

¹¹ Hodgson, Geoffrey M. (1993) ch. 16

¹² North, Douglass (1990) pp. 85-89

Unfortunately North does not stay with the emphasis on discontinuous change caused by political upheaval, and indeed he eventually even lets go of the importance of taste modifying human behaviour and the institutional context. In effect, he has given us a glimpse of what a theory could be like that introduces customs, power and other institutional determinants of institutional change into the model, but he does not follow through. He retreats behind the statement that: “There are two forces shaping the path of institutional change: increasing returns and imperfect markets characterized by significant transaction costs.”¹³ With that we are back to viewing institutional change as the result of individuals efforts to lower transaction costs. The transaction costs explanation has been a favourite within NIE because it is seen as being a pure economic cause of change, but this perception is based on a misunderstanding.

The problem with using transaction costs to explain institutional change is that “...since transaction costs – indeed all costs – depend upon (are functions of) the institutional setup, it is circular to advance a theory suggesting that institutions depend on transaction costs.”¹⁴ All actions taking place in accordance to the rules laid down by an institution, within an institutional framework, carry with it transaction costs and transaction costs are never absolute, they are dependent on the institutional context. If then institutional change takes place in order to lower these transaction costs, which are defined by the institution, can transaction costs then really explain institutional change? We end up with the question of what is the hen and what is the egg, transaction costs or institutions. However, the most important thing is to be aware of this circle of reasoning, of knowing that the quest for lowering transaction costs is not a clean cut beginning in the process of institutional change. As long as we are keeping that restriction in mind, there is room also within heterodox institutionalism to recognise attempts to lower transaction costs as one of the causes that induce institutional change. Exactly the same sort of problem appears when the search for more efficient institutions is named as the driving incentives behind institutional change. As Bromley eloquently puts it:

“A model of institutional change that is driven by the quest for economic efficiency is circular. This circularity is the result of the fact that it is institutional arrangements that define what is regarded as efficient. A view of institutional change that fails to offer any legitimate rationale for change other than that of narrow constructed economic gain trivializes most collective action; it is further trivialized by the belief that all collective action either contributes to efficiency, or simply redistributes income.”¹⁵

What further puts efficiency as the motor in the process of institutional change in doubt is that we are stuck with the fact that many institutions are indeed not efficient, or even as economically efficient as they could be. North’s way of explaining the existence of inefficient institutions is to introduce *path dependency*, thereby recognising that institutional change is sometimes not induced by individuals or organisation acting freely and swiftly in response to economic forces. Since “path dependency” means that institutions may not be consciously designed it recognises that the existing institutional context has implications for the process of change and that people are affected in their choices by their social environment when making decisions. Indeed, “the consequence of small events and chance circumstances can determine

¹³ North, Douglass (1990) p. 95

¹⁴ Bromley, Daniel W. (2000) p. 10

¹⁵ Bromley, Daniel (1989) p. 32

solutions that, once they prevail, lead to a particular path”¹⁶. It “is a way to narrow conceptually the choice set and link decision making through time. It is not a story of inevitability in which the past neatly predicts the future.”¹⁷ Again, North’s notion of path dependency can be fitted in with an institutional theory on the process of change. In all societies “accidents” happen, meaning that at some stage a decision was made without that being founded on sufficient information or an understanding of all its consequences. It should be remembered that people can be stuck in a path dependent behaviour that is economically successful as well as inefficient. Not all choices that with hindsight are deemed “rational” were “rational choices” from the outset, accidental decisions may turn out winners as well as losers.

However correct the notion of path dependency is, it is also another way of begging the question why individuals often do not act as can be expected by an “economic man”. It is constructed to explain how inefficient institutions are created by accident and then kept alive because it is expensive to shake that kind of behaviour. What about economically inefficient institutional that are created intentionally where other values are rated higher than economic ones? Or when inefficient institutions remain intact because that is the choice by the community and not because the costs of changing them are too high? The two main causes for humans to get stuck in a path dependent behaviour are the mental models that they are supposed to follow to fit into society and the influence of informal institutions. Once a society has started their institutional development in line with a certain path it can be very expensive to break free from that path, hence the gains of changing the path must then be large enough to cover the high costs.¹⁸ It can be granted that in North’s model of institutional change the ingredient of path dependency introduces a taste of emphasis on institutions rather than on individual choice. But does it really change the fundamental recipe? It gives an inertia to change that is supposed to prove the case of “history matters” and “institutions matter”, still it is taken to account for the exceptions to the rule, the residual, and not to create a new way of explaining the role played by institutions in institutional change.

North introduces another factor that slows down the pace of institutional change and that also gives social behaviour an opportunity to influence the process. He emphasis the role played by informal institutions in the process of change and how they may prolong, or even hinder, change in formal institutions. Informal institutions are conceived to evolve somewhat purposelessly over a longer period of time, while the act of changing formal institutions requires a larger effort from the parties involved and the exact time of the change can be identified. Some times formal rules are consciously created with the direct intention to change behaviour and attitudes among people, but maybe more often there is a correlation between changes in formal and informal institutions. The reasons for this are several, one is that public opinion is started and consolidated on the informal level before there is an alteration of formal rules, another that the easiest way of enforcing formal rules are if they have the support of customs and ethics in society.¹⁹ Of course, this is a very valid point. Informal institutions affect changes in formal rules because the formal institutions are the consensus of beliefs and behaviour shared in society and a change in one causes a change in the other. Every society’s strive should be to achieve a fit between the two that is as close as possible because this will induce voluntary compliance to the formal system and simplify monitoring and enforcement of existing rules.

¹⁶ North, Douglass (1990) p. 94

¹⁷ North, Douglass (1990) pp. 98-99

¹⁸ Ankarloo, Daniel (1999) pp. 124-125

¹⁹ North, Douglass (1990) pp. 86-88

From this discussion we conclude that changes in relative price are accepted as an economic cause of institutional change. Though, it is most important that life is brought back into the social and political motives of change, by North called taste and discontinuous change. Changes in ethics and ideology are inter-linked with institutional change and it is not only a matter of what it will cost the individual to express her opinions, if the conviction is strong the change may come at a very high price. These changes in ideology may have both endogenous as well as exogenous causes. Discontinuous change in the form of natural disasters, war and conquest, are examples of drastic exogenous causes of change especially of the formal institutional context. North has on occasion been accused of being biased towards endogenous change. This is understandable in the way that these exogenous factors are very unpredictable and therefore uncomfortable for a theoretical model, but they are too influential to be ignored. However, this has hindered him to recognise "...that the prevailing institutional structure gives rise to a constellation of costs and benefits that only obtain meaning and magnitude from that very institutional structure."²⁰ Apart from causing him to let go of the important but hard-to-handle exogenous causes for change, the bias towards endogenous change seems to be the reason behind North's reliance on attempts to lower transaction costs and increase efficiency in order to explain institutional change. Transaction costs and efficiency gains may well cause change, but we have to be aware of their limited explanatory value because of their interdependence with the institutional context. Finally, it does not matter if the factors causing institutional change are endogenous or exogenous, all incentives for institutional change and all effects of change should be interpreted through the institutional context as this is how they obtain meaning.

3. Property rights as social relations

Now that we have established the over all heterodox institutional framework emphasising the role played by the institutional context in affecting human behaviour as well as institutional change, it is time to move our attention to the specific theories that we want to fill our methodological framework with. First, and most important, it is time to take another look at the concept of property rights and to find a way of building a theory around them that is closer to what empirical evidence tells us about reality. The term "property right" is put together by the two concepts of "property" and "right" and it is generally taken for granted that everyone knows what they mean when talking about them. Instead of just assuming that there is a loose consensus on the terminology it would be beneficial for the remaining discussion to examine the two concepts a bit closer and to see what is implied when they are put together.

In the Western culture's ordinary language usage the word "property" commonly refers to "things"²¹, and in some cases to activities, over which individuals hold certain ownership rights. Within the Property Right School, PRS, property right structures were generally not understood as property institutions, but rather as the economic incentives motivating individual actions. This makes perfect sense within the tradition of methodological individualism. If social structures and authority systems are left outside the analysis and the

²⁰ Bromley, Daniel W. (1989) p. 30

²¹ The "thing" itself can be a material thing, for example a piece of land or a car, but it could also be more abstract in the form of know-how or intellectual property. The "thing" that we hold rights to can even be other people. Not necessarily only in the sense of slavery, but just as well through contract agreements such as marriages.

nature of institutions is explained solely by analysing individual actions then property becomes a relation between the individual and the asset. However, if the researcher would analyse the institutional level as well as the individual, then property becomes the relationship between people in relation to the asset.²²

Using an institutional analysis the term “property” could be divided into two different meanings. First, there is the right that people hold, not over the “thing” in it self, but over the future income that the “thing” can give them. Property rights are of interest because they award one individual long-term benefit streams from a natural resource, or any other asset, which his fellow men become excluded from.²³ Secondly, there is the well known anthropological point that recognises that property relations generally are social relations between individuals that govern their conduct with respect to the use and disposition of the “things”, not relations between the appropriator and the “thing”.²⁴ Whether person A owns, or in some other way controls, an asset, or not, is only of interest if the right serves to define the difference between person A and others. All property depends on different forms of social recognition such as monitoring and enforcement, exclusion, social acceptance of claims, and external authorities. This holds true no matter within what time- or geographical framework the society and its property rights are located.

Economists could, in their research on the social and economic importance of property rights, learn from other disciplines within the social sciences dealing with these issues and who view them in a slightly different way. This general interest in the importance and meaning of property rights, shared by economists, sociologists, anthropologists, and political scientists, is self-explanatory if, or when, we accept that in most societies holding property rights has a much larger meaning than private ownership. At any one point in time and within each culture there have been concepts of possession and control over objects, though these concepts have been expressed in varying ways and have been dealing with different kinds of objects. If we broaden the analytic concept of property to include the distribution of social entitlement, then the concept could be found in societies throughout time and space.²⁵

There are a few situations where there is a relationship between the appropriator and the property. One is the case where societies recognise the relationship between individuals and natural resources. In some cultures natural resources are not considered merely as “things”, but the environment is rather perceived as having its own soul and being engaged in a reciprocal give and take relationship with its inhabitants. Another case is the rights that people hold in other persons, for example through marriage contracts, rights and responsibilities that could be implicated in being a member of a group, and so on.²⁶

If property is a bundle of rights held by individuals or groups and defined by peoples’ social relationships with each other in relation to a “thing”, then what does the word “right” implicate? In the writings of PRS a “right” to a natural resource is implied to always mean ownership, but a right can also be a user right or restricted access. The essence of holding a right is not to have complete control over the benefits and costs that can come out of your property, there are always restrictions no matter what form the property institution may take. If we would introduce the concept that there are different ways of holding rights to resources

²² Hodgson, Geoffrey M. (1988) pp. 152-153

²³ Bromley, Daniel W. (1997) p. 3

²⁴ Hann, C. M. (1998) p. 4 & Macfarlane, Alan (1998) p. 112-113

²⁵ Hann, C. M. (1998) p. 7

²⁶ Hann, C. M. (1998) p. 5

we would get a spectrum of communal property rights, as well as diversified private and state ownership. What is interesting is that Demsetz clearly shows in his articles that he has understood that there are limitations to the rights given through ownership to achieve benefits and to harm one self and others.²⁷ Because he chooses to use this insight only to discuss the limits put on the individual holding private property rights he falls short of analysing where rights come from. There is no law of nature that says that if you have ownership your rights are secure, instead rights come from agreements within society and the ability of the holder of the right to call on the support of the community.

The philosopher Kant spent some effort analysing the nature of property rights. He started his reasoning by distinguishing between two different ways in which people can possess an object, two different kinds of property rights. First, an individual can have *physical possession* over an object. But the physical possession is weak because as soon as the individual lets go of the object, as soon as he does not bodily controls it any more by holding it, guarding it, or the equivalent, he will also lose that possession. The second form of possession, *intelligible possession*, is much more important because it does not require physical possession and therefore it is in effect even when the object is out of bodily reach. Ownership comes from intelligible, and not from physical, possession and for an object to be my property I must first of all own it, but also be able to physically control it. Hence, for there to be property rights there has to be intelligible possession, but there is still the issue of what the nature of intelligible possession actually is. Kant argues, quite like present day anthropologists, that property rights are dependent on social relations. An individual can achieve physical possession on his own by seizing an object and putting it under bodily control, but in order to establish viable rights the individual has to rely on a public recognition. Permanent property rights must come out of a social consensus or they will only be in force temporarily for as long as the object is guarded.²⁸

Hence, having a right is closely connected to the issue of enforcement because, unless a right is temporarily taken by force, it is something that the individual holds with the support of an authority system that he can call upon to defend his right. In the words of Bina Agarwal property rights are "...claims that are legally and socially recognised and enforceable by an external legitimized authority, be it a village-level institution or some higher level judicial or executive body of the State."²⁹ We can read the same definition in an article by Bromley: "To have a right is to have the capacity to call upon the collective power – some authority system – to stand behind one's interests. This authority system could be the government of a local village, or it could be a national government."³⁰ The simple classification of property rights - private, communal, or state - tells us nothing about how strong or secure that right is. The same goes for whether the rights held are made up of ownership, user rights, or right to access. The security of each type of property right is determined by the institutional context in which we will find both rules governing the social relationships defining individual property as well as authority systems protecting individuals' rights.

To say that property rights are made viable through social relations and surviving only as long as they are in accord with social consensus is not the same as saying that they are without conflict, that they are not violated, and that they cannot be changed. Factors causing change in property right institutions are basically the same as any other institutional change, that is

²⁷ Demsetz, Harold (1967) p. 347

²⁸ Williams, Howard (1977) pp. 32-34

²⁹ Agarwal, Bina (1994) p. 1459

³⁰ Bromley, Daniel W. (1997) p. 3

changes in relative price, in preference and ideology, discontinuous change, and, despite its limited explanatory value, a search for lower transaction costs. Just as the case is with all other institutions, the appropriateness and efficiency of the existing property right structure can only be understood by analysing the institutional as well as the individual level. Hence, all changes must be explained taking the over all institutional context into consideration.

There will always co-exist several different ways of interpreting legislation and behavioural rules and there will be those who go against regulations. Either simply because they have the power to do so, or because they feel strongly that society as a whole is not looking after their interests, or because they live on a subsistence level and before they can worry about obeying the rules they have to look after their own survival. Finally, because there is no perfect match between property right institutions and the behaviour of all members of society there has to be some form of coercion and enforcement of rules. There is no contradiction in arguing both that property rights are established according to existing agreements in society on what ownership structures there ought to be, and to point out that once property institutions are there they have to be defended with the help of coercive measurements. It only reflects the complexities of society.³¹

4. Theoretical simplicity and empirical complexities

Property right structures that are found in actual settings are not easily catalogued since they often are a mix of different kinds of property rights. One, two, or even all four kinds of ownership systems, private, state, communal, and open access, may be present in the same setting thereby making reality, and problems encountered there, far more complex than what is assumed in much theoretical property rights literature. The challenge for researchers in the field is then, first to collect enough information about the property right institutions that they encounter to be able to classify and analyse them. And secondly to modify theoretical models when applying them to the case at hand in such a way that they can help to explain existing institutional settings.

The researcher's mission becomes even harder if the ambition is to offer advice on how to change malfunctioning institutions into successful ones. As Elinor Ostrom correctly points out, new property institutions cannot be imposed at low cost by external authorities unless they are considered valid by participants in the field. "Getting the institutions right" is a difficult process, consuming much time as well as invoking a lot of conflict. In order to design an optimal institutional solution reliable empirical knowledge about the broad repertoire of culturally acceptable rules is required.³² Although there seems to be a consensus on difficulties and goals there are still fundamental disagreements on which methodology should be used in the process. It is proposed here that there can be no short-cuts if we are to develop appropriate and applicable theory. That means recognising the empirical information that we have instead of over-simplifying our models, as well as letting go of preconceived ideas.

Identifying, understanding, and learning from existing property institutions requires recognising which distinctions need to be made to cover the different kinds of property rights represented in the specific settings. The nature of property rights held by individuals have to be understood as parts of the actual institutional context, and theoretical distinctions have to

³¹ Williams, Howard (1977) pp. 39-40

³² Ostrom, Elinor (1990) p. 14

be brought down and applied to factual arrangements. Bina Agarwal has mostly been writing about the links between gender inequalities and command over land in South Asia, but her exposition of definitions of property rights is at the same time thorough and universal, and hence suitable for the discussion at hand. According to Agarwal, rights governing natural resources, in her case land, can take different forms.

“Rights in land can be in the form of ownership or of usufruct (that is right of use), associated with differing degrees of freedom to lease out, mortgage, bequeath, or sell. Land rights can stem from inheritance on an individual or joint family basis, from communal membership (e.g. where a clan or village community owns or controls land and members have use rights to it), from transfer by the State, or from tenancy arrangements, purchase, and so on. Rights in land also have a temporal and sometimes locational dimension: they may be hereditary, or accrue only for a person’s lifetime, or for a lesser period; and they may be conditional on the person residing where the land is located, e.g. in the village”³³

It appears that the first thing that we need to distinguish between when investigating rights that individuals have to natural resources is whether those rights come in the form of *ownership*, implying a high degree of freedom when deciding how the resource should be utilised, or are merely *rights to usage*. Although ownership usually carries with it stronger rights concerning utilisation than what is the case with user rights, there is no definite correlation. Ownership may be strong in theory and weak in practice, or may be circumscribed by all sorts of considerations, and at the same time user rights may be just as secure as ownership due to social obligations and pressure. Yet another term used loosely to describe a wide variety of opportunities to make use of resources is *access*. “Access can be through rights of ownership, but it can also be through informal concessions granted by individuals to kin or friends.”³⁴ In the thesis access will be used in the second sense of the word presented here, signifying an informal concession given on a rather temporary basis and lacking the prerequisite of being a legally or socially recognised and enforceable right.

Let us now look at the four different categories of property rights that can be found, private, state, communal, and open access and specify what we actually mean with each one of them. Again, it should be remembered that it is not always easy to draw the line between these different kinds of property rights and one resource can fall under several property regimes at the same time depending on if the focus is on ownership, user rights, or access..

- First, there is the *open access*, which basically means that the rights are left unassigned, there is an absence of property relations. This, as all other property rights, may be *de jure* or *de facto*. With the term *de facto* open access I refer to resources where the property right has been assigned, but where the owners do not act on their rights and responsibilities and instead let others use the resource at their will. It is often argued that open access to natural resources leads to a lack of incentives to conserve as no one person or group neither carries the costs nor reaps the benefits resulting from active management of the resource.
- Where a group, sometimes as large as the whole community, sometimes smaller, of individuals hold the exclusive right over a resource you have *communal property*. In this case the only way for an individual to exercise rights over the resource and reap benefits is

³³ Agarwal, Bina (1994) p. 1459

³⁴ Agarwal, Bina (1994) p. 1459

through being a member of the group. The individual also carries the costs and shares responsibility for the resource with the other members of the group. In the past communal ownership has often been confused with open access leading to a negative view on the possibilities to manage communal property. It could of course be discussed where the line should be drawn between communal property held by a very large community, or a case when it is not feasible to exclude members of the group, and open access.

- The public sector or the government is responsible for management of resources that are *state property*. The state can exclude anyone from the use of resources as well as allocate user rights over resources to groups, private individuals and commercial enterprises. Resources that have been allocated to groups or individuals are *de facto* communal respectively private property. Other resources and services managed and provided by the state are considered as public good by the citizens and are therefore in practise open access.
- *Private property* is characterised by partial or full concentration of benefits and costs assigned to an individual. The two terms “privatisation” and “individualisation” of resources are often used when property rights have been assigned to smaller groups as well as to individuals. This shows that communal/group ownership and private property also can be difficult to separate.³⁵

Rights that people hold to natural resources can be claims that are either legally or socially acknowledged and these two different sets of recognition of rights may very well coincide, but they do not do so automatically. Legally recognised rights are termed *de jure* rights and generally in property rights theory it is taken for granted that *de jure* rights give an indisputable legitimacy to a claim. To return to Kant, he claims that *de jure* rights are equivalent to having an intelligible possession through a social consensus, meaning that the object will still be my property even if I am not physically present.³⁶ A *de facto* right is rather a presentation of the right as it is accepted and controlled in real life, often it depicts an adaptation to social requirements or is the result of property holders not enforcing their rights. In a society with high correlation between the judicial system and cultural beliefs *de jure* and *de facto* rights often coincide, but unfortunately there are many settings where this is not the case. It may therefore be of importance to make a distinction between *de jure* and *de facto* rights in order to fully investigate issues such as the legitimacy of the judicial system, authority systems, and difficulties with enforcement of rights.

Discrepancy between *de jure* and *de facto* rights is not only accounted for by the poor correlation between legal and social recognition of rights, but also of the difference between acknowledgement of a right and its enforcement. The value of any exclusive right, that is any property right that is not open access, depends on the costs and willingness of defending that right, enforcing the rules, excluding outsiders, and preparedness to use coercive measures. The part of enforcer can be played by both individual owners and by the state and later on both internal and external enforcement will be discussed. They both have in common that efficient enforcement is very hard to accomplish, but when it is there it will significantly increase the value of the asset and therefore it is of great importance.

³⁵ This division of property right institutions has been adopted by several researchers, see for example Bromley (1989) p. 205 & (1997) pp. 5-12, Feder, Gershon & Feeny, David (1993) p. 242

³⁶ Williams, Howard (1977) p. 32

5. The economics of poverty and power

Once we start discussing property as social relationships we also have to consider the impact that power relations have on property structures and management. It has already been pointed out in chapter 2, “A Tradition of Misdiagnosing Property Rights” that one mistake made by economists as well as researchers within other fields is to assume all actors to be equal in power and status, and to be free to act according to their “rational” judgement of their situation and their options. This assumption needs especially to be reevaluated in regard to experiences drawn from the developing world where poverty truly means living on the edge of starvation, where traditional authority structures and patron-client relationships are very active, and where inequality between the sexes are linked to economic and social dependence. Consequently, it is high time to discuss the implications of poverty, power, and gender and how these three factors may affect the creation of formal rules as well as the day to day interaction between individuals.

“It is perfectly reasonable that the peasant who each season courts hunger and all its consequences should hold a somewhat different opinion of the risk-taking than the investor who is gambling “off the top.””³⁷ A quarter of a century has passed since James Scott wrote these lines as part of his attempts to explain small scale peasants’ strategies of survival by risk spreading and building patron-client ties with family members, landlords, and the government. Still, the vulnerability of the poor peasant, his inability to concentrate all his efforts and capital to producing whatever crop is at the moment giving the highest returns, of putting all his eggs in the same basket, is poorly understood by economists. Instead he is often viewed as being conservative, even backwards, rigid, and economically irrational. When in fact, because of his poverty he cannot afford to take chances and therefore goes with what he knows will give an acceptable result, he is cautious and spreading his risks, and thereby is guaranteeing his and his family’s survival. His first and foremost goal is not to maximise his profit, but to secure a subsistence income, not only by organising his own production, but also by attaching himself to the larger safety-net offered by customs and social arrangements.

Our general Third World small scale peasant, an individual who will appear during the course of the thesis at hand, is not an “economic man”, instead he is a survivor dependent on risk spreading in his production and on the security of social ties. The reason behind this strategy is that the peasant household is not only a unit of production, as the modern firm, but it is as importantly a unit of consumption, meaning that it has to meet the basic demands of the family members.³⁸ In this case, a farm is not a firm and it does not generally play by the same profit maximising rules. However, it should be pointed out that these peasants, to the extent that their survival strategies allow them, do also engage in innovation and market production. If they can afford to venture some of their capital they may invest it in a new crop that represents both higher risk and higher profit. Also, part of their risk spreading strategy may well be to farm a mix of food crops and export crops in order to assure a diversity of income, so, even if it is on a small scale many farmers are in some way involved in the market. In no way do they lack the imagination or the drive to increase their incomes, but it has to come as a second priority, after securing the subsistence level. Safety comes first for both the poorest and the middle income farmers.³⁹

³⁷ Scott, James C. (1976) p. 15

³⁸ Scott, James C. (1976) p. 13

³⁹ Scott, James C. (1976) pp. 24-25

Much of the “free-riding” and “non co-operative” behaviour that can be identified in areas with small scale subsistence farmers in Sub-Saharan Africa is caused, not by their selfish motives to profit from their neighbours labour and resources in order to increase their incomes, as is envisioned in the perspective of a “tragedy of the commons”. Rather it is founded in their selfish motives to secure a subsistence income for their families. Their actions may be just as damaging for collective action and environmental sustainability whatever their motives are, but the point is that the solutions to the problem must be different. It is not possible to rectify the situation by introducing private property because in this situation privately held land will be destroyed just as quickly as communal, maybe even faster, because there is no capital for protective inputs. If these peasants are to add fertilisers to the soil to preserve its fertility and build terraces to prevent soil erosion, then they have to have a higher level of income. If they are to reduce the number of cattle that they keep on the communal grazing range, then they have to have the opportunity of securing other sources of income as compensation. If they are to free themselves from the patron-client relationships and become independent economic actors, then the government has to offer them another form of safety net that they can rely on.

Different forms of reciprocity obligations make up the safety net for subsistence farmers. The safety net can be made up of a number of different people, the immediate family, kin, friends, neighbours, or fellow villagers. Those who come to give assistance can belong to different wealth groups, from being other subsistence farmers to being powerful patrons who control significant resources and therefore can afford to guarantee the subsistence level of a great number of clients. Whoever the peasant choose to approach, he knows that this is a game of give and take, each favour has to be paid back with an act of equal value to the recipient.⁴⁰ The motives driving subsistence farmers to help one another out in times of hardship are easy enough to comprehend. Anyone may end up in a situation where one of the crops have failed, where a cow is sick, where the money to pay for school fees cannot be found, or there is some other form of temporary crisis, and a loan or some other kind of assistance is needed. By helping out his family and friends the farmers can feel more secure in handling future hardships because he holds markers that he can call in.

Scott is far from the only researcher to have noticed the reciprocal ties between small scale peasants belonging to a network based on family locality connections. Nor is he unique in commenting on how these connections and the safety net that they provide give these farmers a special kind of independence in turn making it hard for the government to “capture” the peasantry. The weak states of many Third World countries lack, both the legitimacy to command voluntary compliance from their citizens, and the lack of means to coerce their subjects into following rules that are perceive as being unjust.⁴¹ A few years after the writings of Scott, Hydén described the African peasants as unique because of their independence in relation to the state. This independence was seen to have its roots in the fact that peasants were the owners of their own means of production, they held titles to their land and they controlled their labour, and this in turn allowed them to develop what Hydén called the “economy of affection”. Based on their common decent and sharing a locality relatives and neighbours would secure their subsistence incomes by being part of kinship, community, and religious networks in which traditions of reciprocity are induced.⁴² The independence gained by controlling the necessary factors of production combined with the security offered by kinship and community ties has enabled the farmers the stay uncaptured by the state.

⁴⁰ Scott, James C. (1976) pp. 27-28

⁴¹ Sandbrook, Richard (1986) p. 322

⁴² Hydén, Göran (1980) pp. 18-19

For a poor farmer to tie himself to a wealthier member of society in order to get assistance in times of need also stands to reason, but what motivates the patron to gather a group of clients? There are two main motives for the patrons' actions, the social and the economic. The satisfaction of being a leader in one's community, and the possibilities to command resources that comes with that position should not be underestimated. By becoming a leader, a person is able to amass political loyalty, and to control a substantial amount of factors of production such as natural resources and labour. "The generosity enjoined on the rich is not without its compensations. It redounds to their growing prestige and serves to surround them with a grateful clientele that helps validate their position in the community. In addition, it represents a set of social debts which can be converted into goods and services if need be."⁴³ Although this procedure is a general principal for most societies a more detailed understanding of the institutional context of each society is needed in order to fully appreciate the costs, responsibilities, and benefits of the local patron-client relationship. The status and value of being a patron in a society can only be understood according to the specific institutional context, because it is the institutional context that gives status and value to the patron.

Also within a group holding a property in common we can find internal differences between members. They may all hold the same formal rights to the resource, but in practise a few members of the group may well controlled the resource for the simple reason that they have higher wealth and status and therefore can make the other actors their clients. When there is a significant inequality in the level of income between members of a group governing a communal resource the wealthier property holders have the most compelling incentives for contributing towards the management of the resource. The reason for this being that they receive enough benefits from the use of the resource to make their extravagant contribution worth while. At the same time their willingness to cover most of the costs will allow for the small scale farmers to reap benefits from the resource, but not cover the costs that they inflict. In its extreme case the success of the communal management of resources will depend on the extent of the willingness of the wealthier farmers to invest, and in turn the to what degree the small scale farmers are relieved of their duties.⁴⁴

Baland and Platteau argue that there is even good evidence that wealthier, rather than poorer, farmers initiate, and carry the majority of costs, when it comes to constructing, developing, and maintaining communal resources. The reason for this being that they stand to gain the most from the resource.⁴⁵ However, there is also a social aspect, a pressure from the poorer farmers that the wealthier should share the resource, a moral perception that those who have should share with those who have not. To withdraw from such a responsibility may have social and political negative effects on the should-be-patron.⁴⁶ On the one hand, some inequality within property groups does not have to pose any problem to the members, but on the other hand inequality does not make collective action any easier. Expectations that subsistence farmers hold on the wealthier may in some instances become a negative initiative, if their social obligations will lower their own personal gain beyond the level of the unacceptable.

⁴³ Scott, James C. (1976) p. 41-42

⁴⁴ Baland, Jean-Marie & Platteau, Jean-Philippe (1997) pp. 452-453 & Baland, Jean-Marie & Platteau, Jean-Philippe (1999) p. 777, Olson, Mancure 81965) p. 34

⁴⁵ Baland, Jean-Marie & Platteau, Jean-Philippe (1998) p. 2

⁴⁶ Baland, Jean-Marie & Platteau, Jean-Philippe (1998) p. 13

So far I have indirectly referred to peasants as being males. This is not because men do most of the farming in small scale agriculture in the Third World, on the contrary it is beyond all doubt that women contribute significantly and therefore are to be considered as “farmers” in as high degree as their husbands. In spite of this it is generally harder for women to be granted ownership and user rights to land and water resources that are imperative for agriculture. One reason that the man in the family is rewarded with property rights to natural resources is for the simple reason that the right is often not rewarded to him as an individual, but rather to him as being the head of household. He is then in turn expected to make sure that the allocation is used in the best interest of the family. In such a situation there does not have to be any opposing interests between husband and wife, but it is important to recognise that her access to the resource goes through her husband and that she therefore has to throw herself at his mercy. In the case of female headed households, or married women farming their personal plots, the rules for allocating rights to natural resources becomes more of a burning issue.

As long as women are without secure ownership or user rights they will not command the right to leave the asset in inheritance, or to sell it. Further, they will not have the necessary collateral if they want to seek credit and obtain the financial means to invest in the maintenance of the resource and they will be less likely to invest in their agricultural activities. Investment and security are inter-linked with one another. It is often assumed that it is security that will encourage investment, for example following the NIE argument that private property will give farmers the security needed to induce them to invest, hence making private property rights economically as well as environmentally superior because of their incentive structure.⁴⁷ The contrary may also hold to be accurate, namely that investments in a resource can in time also guarantee the investor secure property rights.⁴⁸ Either way this will affect women in the same way since they are less likely to control a steady flow of income, or some other form of capital, which will render it difficult for them to invest in the resource and hence secure property rights. Whichever comes first, security or investment, the lack of both rights to resources and credit has negative effects on women’s productivity.

If we are to believe that egalitarianism, that is equal rights and equal opportunities for all individuals in society, not equal income, is fundamental to economic growth,⁴⁹ then we have to ask what implications comes out of women being economically discriminated against because of their sex. Investigations have been conducted that show that men and women spend their earned income in different ways. While men will put a side a significant portion of their income to meet their personal needs, women will be inclined to use their earnings to meet the basic needs of the family. This in turn means that when women control a significant portion of the family resources, this will have a positive effect on the nutritional status of the children, hence, the welfare of the family will be improved. Further, women often work on land controlled by their husbands or other male relatives and they will only benefit indirectly from the products that they have laboured with. If instead they would themselves hold the command over the fruits of their effort, they may be inclined to work harder in order to increase their incomes.⁵⁰ Finally, this issue may be seen from the point of view of fairness, in which the economic pros and cons are of little significance. Should someone really be discriminated against, considered to be incapable of holding property and thereby be denied the security of a future income flow, because she is a woman?

⁴⁷ Meinzen-Dick, Ruth S. et al. (1997) pp. 1304-1305

⁴⁸ Bromley, Daniel W. ?

⁴⁹ Gunnarsson, Christer & Rojas, Mauricio (1995) p. 18

⁵⁰ Agarwal, Bina (1994) pp. 1461-1463

It is, however, important to recognise that women do not make up a homogenous group, on the contrary there are significant differences between women's economic activities depending on the status and wealth of their family, on their individual level of education, on their life cycle stage, on whether they are in a monogamous or polygamous marriage, on if they are head of household or not, on the attitude of their husbands, and so on.⁵¹ Therefore you may in the Third World find women who are independent farmers and who manage to defend their property rights, but they are still rather exceptions confirming the rule. You may also find men who are powerless in the sense that they can, neither defend their property themselves, nor influence the community to enforce their rights. The dividing line between the weak and the strong does not follow a simple division according to gender.

⁵¹ Meizen-Dick, Ruth S. et al. (1997) p. 1311

References

- Agarwal, Bina (1994) "Gender and Command Over Property: A critical gap in economic analysis and policy in South Asia", *World Development*, vol. 22, no. 10, pp. 1455-1478
- Ankarloo, Daniel (1999) "*Institutions*", *What is in a Word: A critique of the New Institutional Economics*, Lund Studies in Economic History No 11, Lund University
- Baland, Jean-Marie & Platteau, Jean-Philippe (1997) "Wealth Inequality and Efficiency in the Commons. Part 1: The unregulated case", *Oxford Economic Papers*, vol. 49, pp. 451-482
- Baland, Jean-Marie & Platteau, Jean-Philippe (1998) "Wealth Inequality and Efficiency in the Commons. Part 2: The regulated case", *Oxford Economic Papers*, vol. 50, pp. 1-22
- Baland, Jean-Marie & Platteau, Jean-Philippe (1999) "The Ambiguous Impact of Inequality on Local Resource Management", *World Development*, vol. 27, no. 5, pp. 773-788
- Bromley, Daniel (1989) *Economic Interests & Institutions: The conceptual foundations of public policy*, Basil Blackwell, Cambridge, US & Oxford, UK
- Bromley, Daniel W. (1997) "Property Regimes in Environmental Economics", in *The International Yearbook of Environmental and Resource Economics 1997/1998: A survey of current issues* (eds.) Henk Folmer & Tom Tietenberg, Edward Elgar, Cheltenham, UK & Lyme, US
- Bromley, Daniel W. (2000) *A most difficult Passage: The economic transition in Central and Eastern Europe and the former Soviet Union*, paper presented at the KATO Symposium, Humbolt University, Berlin, November 2-4
- Demsetz, Harold (1967) "Towards a Theory on Property Rights", *The American Economic Review*, vol. 56, no. 2, pp. 347-359
- Feder, Gershon & Feeny, David (1993) "The Theory of Land Tenure and property Rights" in "*The Economics of Rural Organizations: Theory, practice, and policy*" (eds.) Karla Hoff, Avishay Braverman & Joseph E. Stiglitz, Oxford University Press
- Gunnarsson, Christer & Rojas, Mauricio (1995) *Tillväxt, stagnation och kaos: En institutionell studie av underutvecklingens orsaker och utvecklingens möjligheter*, SNS Förlag, Stockholm
- Hann, C. M. (1998) "Introduction: The embeddedness of property" in *Property Relations* (ed.) C. M. Hann, Cambridge University Press
- Hodgson, Geoffrey M. (1988) *Economics and Institutions: A manifesto for a modern institutional economics*, Polity Press, Cambridge and Oxford
- Hodgson, Geoffrey M. (1992) "Thorstein Veblen and Post-Darwian Economics, *Cambridge Journal of Economics*, vol. 16, pp. 285-301
- Hodgson, Geoffrey M. (1993) *Evolution and Economics: Bringing life back into economics*, Polity Press, Cambridge

Hydén, Göran (1980) *Beyond Ujamaa in Tanzania: Underdevelopment and an uncaptured peasantry*, University of California Press, Berkeley and Los Angeles

Macfarlane, Alan (1998) "The Mystery of Property: Inheritance and industrialization in England and Japan" in *Property Relations* (ed.) C. M. Hann, Cambridge University Press

Meinzen-Dick, Ruth S., Brown, Lynn R., Sims Feldstein, Hilary & Quisumbing, Agnes R. (1997) "Gender, Property Rights, and Natural Resources", *World Development* vol. 25, no. 8, pp. 1303-1315

North, Douglass (1990) *Institutions, Institutional Change and Economic Performance*, Cambridge University Press, Cambridge

Olson, Mancure (1965) *The Logic of Collective Action: Public goods and the theory of groups*, Harvard University Press, Cambridge, US and London

Ostrom, Elinor (1990) *Governing the Commons: The evolution of Institutions of collective action*, Cambridge University Press"

Sandbrook, Richard (1986) "The State and Economic Stagnation in Tropical Africa", *World Development*, vol. 14, no. 3, pp. 319-332

Scott, James C. (1976) *The Moral Economy of the Peasant: Rebellion and subsistence in Southeast Asia*, Yale University Press, New Haven and London

Sober, Elliot (1984) *The Nature of Selection: Evolutionary theory in philosophical focus*, The University of Chicago Press, Chicago and London

Veblen, Thorstein B. (1934) *Essays on Our Changing Order* (ed.) L. Ardzrooni, The Viking Press, New York

Vromen, Jack J. (1995) *Economic Evolution: An enquiry into the foundations of New Institutional Economics*, Routledge, London and New York

Williams, Howard (1977) "Kant's Concept of Property", *Philosophical Quarterly*, vol. 27, pp. 32-40