The Tragedy of the Government Created Commons

by

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In terms of the tragedy of the commons, the government and those advocating for larger government have an incentive to purposely create commons and collective harm. It furthers their agenda. [Keywords: tragedy of the commons, Garrett Hardin, tragedy of government created commons]

In his classic article published in the December 1968 issue of Science, Garrett Hardin linked the lesson of the commons to the need for government management and the supervision of individuals in order to prevent the tragedy that harm comes to all in the tragedy of the commons. Collectively, individual self-interest leads to collective harm. As part of the lesson of the commons, he demonstrated that moral restraint does not work in the commons and that this justified the need for government intervention in individual's lives to temper the pursuit of self-interest by the individual. The basic paradigm where government is the solution and not the problem needs to be reexamined. In the government created commons, government purposely creates commons to unleash its destructive powers of collective harm. Along with the traditional solutions of rationing, the collective harm justifies the government’s solution to increase the size of the commons and to increase its power and control in an effort to solve the problem. Unfortunately, because the underlying tenets of the commons are not addressed, the problem persists and is exacerbated as is the need for even more governmental involvement to solve the problem it created.

The story used to illustrate the tragedy of the commons is sometimes affectionately referred to as the story of Bessy the cow. In the early New England town there was a commons located in the center of each town. Since it was public land, the commons could be used for grazing cattle. The farmer grazed Bessy in the commons. As the only cow in the commons, Bessy was content since there was more than ample grass to meet her needs. However, since the commons was open to use by anyone, soon other farmers began grazing their cows in the commons, until all the farmers were grazing their cows in the commons. Since the commons was of finite size and could only produce enough grass for several cows, it was not long before all the cows suffered equally from overgrazing. Realizing the problem, the individual farmers sought to solve the problem. Suppose that the original farmer decided to practice moral restraint and remove Bessy from the commons. It is not in the his self-interest to do so, since it now costs him more to feed Bessy. Unfortunately, the farmer's moral restraint has no impact on the overgrazing problem since someone else acting in his own self interest will immediately step in and replace the missing Bessy with his own cow. Herein lies the tragedy. It is in everyone's self-interest and benefit to use the commons. Harm comes to all. There is simply not enough grass to feed all cows. Furthermore, the system encourages use of the commons even though everyone knows that harm will come to all.

The principle of the commons has been applied to many fields to justify government’s involvement and management including economics, environmental ethics, population, pollution, and my own field of parks and recreation. In the past, there are numerous instances where the government in a management role has protected the commons from the collective harm. In my discipline of resource management, most of park management is justified in order to prevent the overuse of the commons. A reformed big game hunter, William Hornaday (1923) describes the need for game management. Game (the commons) was being hunted (self-interest) to potential extinction (collective harm). They were at the “Fork in the Road” between extinction and game management. More recently, Manning (2007) discusses carrying capacity in terms of the commons. Carrying capacity goes to the heart of justifying land management.
The environment is viewed as a commons. It is in people’s self-interest to dump their wastes in the commons whether it is the air or water. Pollution is the collective harm. It is cheaper to dump sewage into the rivers than to treat it properly. It is cheaper to pollute the air rather than place air cleaners on smokestacks.

Population growth has been viewed in terms of the commons. In the economic sense, if children are viewed as producers rather than consumers, it is to each parent’s advantage to have as many children as possible. When children are producers, the self-interest incentive is that children are cheap labor and retirement security. The collective harm is overpopulation. It is well known that China has instituted severe penalties for having more than two children. Conversely, in his 1968 book title the Birth Dearth, Ben Wattenberg (1968) argues that in a society where children are consumers, parents have an self-interest incentive not to have children. Children are costly. The result or collective harm is that there is an insufficient growth in population to support the burgeoning retirement and social programs. It is the tragedy of the commons in reverse. He notes that “The commons may be in the process of being ravaged.”

Hardin offers what is considered the traditional solutions to the commons. These are rationing, management (i.e. government makes the choices), and raising the price. Generally, he overlooks increasing the size of the commons as a solution. It should be noted that increasing the size of the commons is a temporary solution at best since it doesn’t remove the underlying forces of the tragedy and commons.

Remember, in the original commons, government was the solution and management and rationing were its primary tools. However, in the government created commons, government is the problem. It creates a commons to purposely unleash its destructive forces and exacerbate the problem. It is a recipe for government to increase its power and control. In an effort to solve a problem, government creates an entitlement. It purposely creates a commons. It is free or the cost is perceived to be so low as not to restrict use. It is in everyone’s self-interest to use the entitlement. The result is overuse of the entitlement. Now government has a bigger problem to solve. And, it is a problem it created in the first place. Along with rationing, its usual solution is to spend more money on the entitlement. Increasing spending is the equivalent of increasing the size of the commons. The cycle repeats itself. The government throws more money at the problem and manages the problem with additional rationing if needed. For those politicians advocating a stronger central government, its power and control increases. Resources are transferred from the private to public sector.

Returning to the story of Bessy the cow, the farmers realize they had a problem. They approach the mayor of the town with their problem. They propose increasing the size of the commons and the mayor seizes upon the opportunity to please his constituents. Remember, it is a farming community and the farmers constitute a majority of the population. They outnumber everyone else and can assert their political will. The incentive of free grass is strong. By increasing the size of the commons, the farmers have free food for Bessy and the other cows, if only temporarily. The curse of the commons is that the farmers have an incentive to add more cows and eventually, collective harm results to all again as does the need to expand the size of the commons once again.

The town decides to increase the size of the commons. It requires bulldozing several shops and homes in the downtown. The cost of expanding the commons is paid for with taxes spread equally among everyone in the community. Wealth is transferred from those in the community to the farmers. Resources that could be better used elsewhere are diverted to enlarging the commons. Also, the mayor and politicians become decision makers, not the citizens making individual choices.

The tragedy of the government created commons is not difficult to find. In the Washington, D.C. area, the beltway (I-495) and its feeders like I-270, I-95, and I-395 are a reminder of the commons. Most likely it is no different in any other major city. The beltway started out as four lane highways and was expanded to six, eight, and twelve lane. The expansion of the beltways are examples of the government created
commons where the solution was to divert resources from other functions to making the commons larger. Motorists sitting in gridlock on the beltway give testimony to the collective harm created by the government.

Essentially, any government program considered an entitlement such as medicare, medicaid, the Affordable Care Act, or even poverty programs is most likely a government created commons. When the newspapers report that the entitlement is becoming insolvent, the typical solution is to allocate more money to the program. It is another way of saying that they are increasing the size of the commons. Usually, it is to increase taxes or the deficit. Increasing taxes diverts resources from the individual and the market to one of enlarging the commons. Compared with individuals making choices and decisions in the marketplace, it usually results in the inefficient and bureaucratic use of resources. In addition, enlarging the commons doesn’t preclude the use of rationing and other management methods to reduce the collective harm. Increasing the size of the entitlement is no different than the town increasing the size of the commons to accommodate the farmers or motorists sitting in gridlock on an eight or twelve lane highway.

In his 1986 book Charles Murry notes that "Overall, civilian social welfare costs increased by twenty times from 1950 to 1980, in constant dollars." (p.16) Essentially, he is noting the increase in the size of the welfare commons. He notes that it is in people’s self-interest to partake of welfare because they do not need to work. For those on welfare, it is essentially free. The total cost of welfare is the collective harm. In addition he notes the collective harm results in the social ills of not having a spouse, a reduction in saving, and undermining the moral character of people. Unwittingly, Murry has describe the tragedy of the government created common. Unfortunately, he did not take the next step which is to note that government has an incentive to increase welfare (the commons) because it creates increases dependency on the government and additional votes.

Herrick (2015) relates the rising costs of health care in this country to the tragedy of the commons. When government converted much of the healthcare system to a commons with Medicare, Medicaid and more recently the ACA, the size of the commons has increased dramatically. Even though more resources are allocated to the healthcare system, it results in collective harm to all, less take home pay, and greater healthcare costs.

“What health care consumes nearly one-fifth of our national income and is rising at twice the rate of income growth. Public programs like Medicare and Medicaid account for about half of that spending. Medicare alone is likely to consume 9 percent of our economy within 75 years if efforts to contain costs fail. Considering Medicaid and private medical spending, health care will consume well over one-third of our gross domestic product (GDP) by the dawn of the 22nd Century. Spending growth of that magnitude will significantly erode Americans’ standards of living. Taxes will skyrocket to support public spending, while take home pay will further plummet as a greater portion of wages go towards private health care spending.”

What Herrick and others don’t assert is that government may have an incentive to create commons in order to increase its power and control. Politically, there are politicians who advocate for a larger central government, and more centralized control of production and markets. Creating a commons and then making it larger when it fails aids them in their goal. The connection between the tragedy of the commons and entitlements such as medicare and medicaid has been made. However, the assertion that government and those who advocate for larger government might have an incentive to purposely create a commons has not been made. Empirically, it has worked that way. Herrick (2015), Murry (1986) and numerous others have documented the growth in the government created commons. Most likely those in government have enlarged the commons without having made the conceptual connection to the commons. Over time, they have intuitively learned that the collective harm from a government created commons is advantageous to advancing their political agenda of enlarging government. It works.
When Hardin wrote his classic on the tragedy of the commons in 1968, the role of government was to protect the public from the collective harm resulting from the commons including the environment and pollution, hunting and game management, unfettered use and park management, and urban sprawl and zoning, planning, etc. The government was considered the solution, and not the problem. This was not an unfounded proposition either. However, it is time to recognize that government is one of the major creators of the commons, that it does so to amass power, and that it has now become the problem rather than the solution. Creating collective harm is not a legitimate function of government.

References: