

Common Property Rights

Efficient. Generic. Self-replicating. No other sustainability solution offers these qualities including regulations, pollution taxes, emissions trading, conservation, cooperative management, and privatization.

How is this possible?

Because while corporations have long managed **private property**, we have no equivalent agent for **common property**.

Stewards



We will take care of the world's common property. Just give us a chance.

So what would happen if we created the **mirror image** of Private Property Rights, called it Common Property Rights, and populated it with **stewards** instead of corporations? What would it look like?

| The Seven Components of Common Property Rights | | |
|--|----------------------|--|
| Private Property | Common Property | How the Component Works |
| Enabling Legislation | Enabling Legislation | The required enabling legislation to create Common Property Rights is passed. This can be simple because it builds on so much existing private property law. |
| Corporations | Stewards | Non-profit stewardship corporations are formed. Each has the chartered goal of performing a specific service for the good of humanity. Stewards are public servants. Unlike typical for-profit corporations, stewards have no conflict of interest. |
| Claims | Claims | Stewards file claims on any unclaimed common properties needing wise stewardship. Claims allow the solution to spread naturally and efficiently, and to eventually solve the entire problem. This is identical to how all land was claimed long ago. |
| Goals | Targets | After a claim is approved, the government and steward set the targets for that common property, such as allowable levels of pollution. The objective is to meet the sustainability targets with the lowest fees possible. |
| Prices | Fees | Stewards charge fees for use of their common property. This is a fee per unit of ecosystem service use, such as one dollar per pound of a pollutant or ten cents per cod-fish caught. Fees are charged at the most efficient places in the system. |
| Expenses | Buys | Fees are spent on buys, as the steward "buys" the health of its common property back. Buys are the expenses of providing a sustainable ecosystem service, such as education, R&D, implementation cost assistance, and cost of monitoring. |
| Monitor Results | Monitor Results | Stewards monitor the health of their common property, in order to adjust fees up or down and to adjust how buys are spent. |

Common Property Rights (CPR) is a comprehensive system for managing the world's common property sustainably. CPR is the mirror image of Private Property Rights (PPR) so it promises to be just as efficient, generic, and self-replicating. These three qualities are what have allowed PPR to work so extraordinarily well for centuries. Here's how they work for CPR:

Efficient – For PPR, high efficiency is an emergent property of the world's modern market system. That system is far ahead of all other known systems. That's why CPR slavishly copies the essential seven components of PPR as explained in the table above. This proven pattern reuse allows CPR to achieve the same high efficiency as PPR.

Generic – CPR applies to all types of common property, just as PPR applies to all types of private property.

Self-replicating – Once CPR is in place, **claims allow CPR to quickly spread** until it includes and solves all the world's common property problems, including those unknown today.

Like the way PPR revolves around corporations, **CPR revolves around stewards**. The world's environmental NGOs are acting as *de facto* stewards. As stewards they will have a sound business model at last. No more fund raising nightmares!

The world ran a **high stakes experiment** when it invented PPR. It worked beyond anyone's dreams and allowed the Industrial Revolution. It can happen again. **CPR can launch the Sustainability Revolution**. The results will be just as beneficial. Only this time they will be sustainable.



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The Future of Sustainability Could Look Like This

We now know the world has two main types of property: private and common. While the world's Private Property Rights System runs extremely well, it has the side effect of unsustainable environmental impact, as the lower left feedback loop shows.

Why is this? Because **the system on the right only partially exists**. It's naturally evolving, just as the system on the left evolved long ago. Solutions like pollution taxes are the equivalent of fees. Environmental NGOs are the equivalent of *de facto* stewards. However the system on the right is evolving too slowly to solve the sustainability problem before collapse begins.

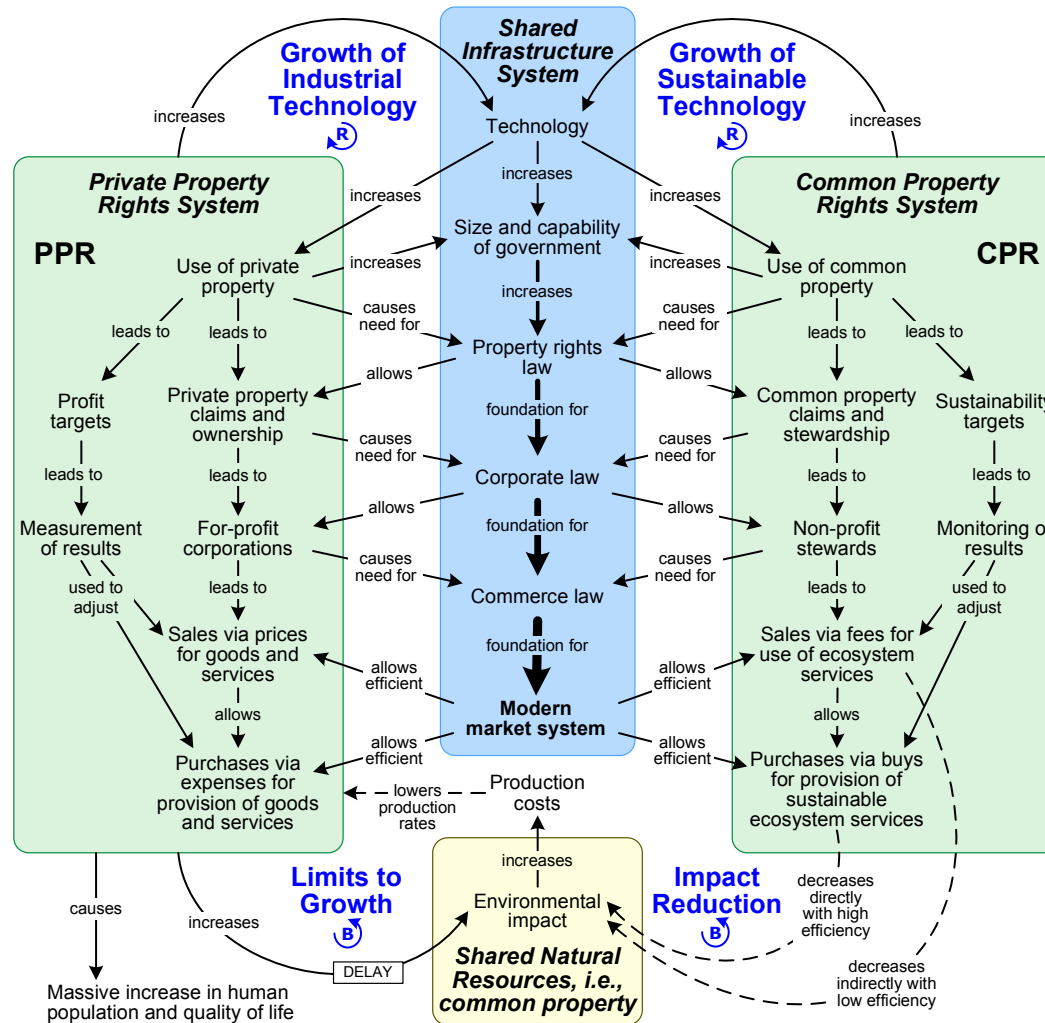
So what can we do?

We can accelerate the evolution of the system on the right by doing what we did long ago to create the system on the left. We can pass enabling legislation to create Common Property Rights. This is already partially happening. For example:

*"...the Vermont legislature is considering the creation of a **Vermont Common Assets Trust (VCAT)** that would make the state's atmosphere, aquifers and other resources created by nature or by society as a whole the **common property** of all Vermonters, present and future. ...users of those common assets may be assessed*

The World's Sustainable Property Management System

With emphasis on the evolution and structure of the twin systems



Note the Shared Infrastructure System. This forms the bulk of the management system and is easily shared with the proposed system on the right.

The feedback loops show how the left system is causing the sustainability problem and how the right system can solve it. Because of high reuse of proven mechanisms, the solution on the right should achieve the same high quality results we have long enjoyed from the solution on the left. We are essentially reusing an old system rather than designing a new one from scratch.

Legend: R for reinforcing loop, B for balancing loop. Solid arrows indicate direct relationships. Dashed arrows indicate inverse relationships.

For a full description see the *Common Property Rights* book at Thwink.org.

*fees... Creating **common property rights** to open access resources is fairly straightforward, as it does not take away existing property rights.*" (Unpublished paper, private communication with Joshua Farley, July, 2012)

However, as good as the VCAT is, it contains only some of the essential components for a mature Common Property Rights System. It lacks individual stewards, claims, and commitment of 100% of fees to a steward's buys. The drawback to popular solutions like the VCAT, market instruments, and regulations is their origins lie in study of the **superficial layer** of the sustainability problem. Solutions on this layer attempt (with only modest success) to resolve **intermediate causes**. This has been going on for over forty years.

The origin of the proposed Common Property Rights System lies in study of the **fundamental layer** using Root Cause Analysis. Solutions on this layer focus on resolving specific known **root causes**. That's why they can work.

And that's why this particular look at the future of sustainability offers a solution that is just as efficient, generic, and self-replicating as Private Property Rights. **That solution has swept the world**. The same will happen once we create Common Property Rights.