

Collective Action Generally:

- By virtue of their size and complexity, nations encounter special difficulties in conducting political business. In those nations where citizens participate in decisions through voting and other civic activities, more complex issues also arise.
 - **Collective action** – which consists of the efforts of a group to reach and implement agreements – challenges participants to figure out what to do and how to do it.
 - *Figuring out what to do:* involves comparing preferences and finding some course of action that sufficient numbers of participants agree is preferable to proposed alternatives or doing nothing
 - *Figuring out how to do it:* concerns implementation, including reassuring participants that everyone will share the costs or live up to the agreements.

Barriers to Collective Action:

- There are *two barriers to collective action* (finding a solution and implementing it): coordination problems and the prisoner’s dilemma
- **Coordination problems**
 - Coordination is the simplest barrier to overcome: members of the group must decide individually what they want, what they are prepared to contribute to the collective enterprise, and how to coordinate their efforts with those of others. Coordination problems may essentially arise from uncertainty and insufficient information and may prevent collective undertakings even when a great majority agrees on a course of action.
 - Coordination problems increase with the size of the group – large groups may follow a leader to get to a solution (so that their leader is ultimately setting the agenda). However if the number of participants is too large, then coordination may be unachievable.
 - Successful coordination rests in identifying a common focal point to help individuals target their energies toward a common purpose. Social networks have also helped people rally together over causes and reach coordination.
- **Prisoner’s Dilemma**
 - How the prisoner’s dilemma arises: The prisoner’s dilemma arises whenever individuals, who ultimately would benefit from cooperating with each other, also have a powerful and irresistible incentive to break the agreement and exploit the other side. Only when each party is confident that the other will live up to an agreement can they successfully break out of the dilemma and work to their mutual advantage.

The Prisoners’ Dilemma

		Prisoner A Choices	
		<i>Stay Silent</i>	<i>Confess and Betray</i>
Prisoner B Choices	<i>Stay Silent</i>	Each serves one month in jail	Prisoner A goes free Prisoner B serves full year in jail
	<i>Confess and Betray</i>	Prisoner A serves full year in jail Prisoner B goes free	Each serves three months in jail

- The prisoner’s dilemma and American politics: Every successful political exchange must tacitly solve the prisoner’s dilemma. Exchanges occur because each side recognizes that it

will be better off with a collective outcome rather than trying to act alone. A common coordination solution in politics is to create institutions to help parties discover opportunities to profit through cooperate and guarantee that agreements are honored (i.e. creating the courts to ensure that contracts are honored). Thus, American political institutions foster collective action by solving the prisoner's dilemma.

- Forms of the Prisoner's Dilemma:
 - (1) **The Free-Rider Problem**
 - The free-rider problem occurs when each individual's contribution to the success of the collective activity quite small and inconsequential, each member will be tempted to free ride – or defect from the agreement by withholding a contribution to the group's undertaking while enjoying the benefits of the collective effort. In other words, the free-rider problem occurs when those who benefit from a resource do not pay for them, which results in either an under-provision of the goods or services or a degradation of a common property resource.
 - Ex: During Obama's 2008 "get out the vote" campaign when volunteers that were placed in groups of more than 10 volunteers reduced the group's success in contacting prospective voters. Thus, they started to feel like "numbers on a spreadsheet" and ultimately many dropped out of the campaign.
 - (2) **The Tragedy of the Commons**
 - This is similar to free riding in that the provision of a public good is divorced from its consumption. However, where free riding emphasizes efforts of the individuals to avoid contribution to the creation or preservation of a public good, tragedy of the commons concentrates on the creation or preservation of a public good (the "commons") that results in its ruination.
 - The trick to avoiding the tragedy of the commons is in proper institutional design: (a) regulation (setting up rules limiting access to the common resource and monitoring and penalizing those who violate them) and (b) privatization (converting it from a collective good to a private good)

The Costs of Collective Action

- **Generally**
 - The key to successful collective action lies in designing a system that achieves the benefits of a collective effort while minimizing its costs. Transaction costs and conformity costs are relevant for designing and evaluating institutions.
- **Transaction Costs**
 - These are the time, effort, and resources required to make collective decisions. These can pose a formidable barrier to political agreements and rise sharply as the number of participants whose preferences must be taken into account increases.
- **Conformity Costs**
 - The extent to which collective decisions obligate participants to do something they prefer not to do – and all resolutions in prisoner's dilemmas involve this.