

OWNERSHIP INVOLVEMENT IN PRESERVING OF NATURAL RESOURCES AND SUSTAINABLE DEVELOPMENT PROCESS

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Abstract

Property rights or property law as it concept are known in literature are considered an important factor in natural resource management. And because the According with this, government have taken over the control of natural resources that previously were controlled by the local users. For instance, as it will be seen in the present paper, before the government intervention, local authorities had controlled the system for a few years.

For this acceptation, the purpose of this paper is to examine the property rights and its effects in preserving of natural resources in rural areas and to determine the effectiveness of those effects in the sustainable development process.

Key words: environmental planning, property rights, government intervention

INTRODUCTION

The global initiative, sustainable development, as articulated by the World Commission on Environment and Development and adopted at the 1992 Earth Summit, signals an important response by the global community to reverse current trends of environmental degradation. The concept of sustainable development with its concern for the ecosystem's health, social justice, and ideals of responsibility to future generations, offers hope to the modern environment gone awry. Its wide appeal has attracted a diverse range of advocates. As World Bank argues in 1994, "without better environmental stewardship, development will be undermined; and without accelerated development in poor countries, environmental policies will fail." Lele (1991) points out that the current conception of sustainable development contains some significant problems, which include "incomplete perception of poverty and environmental degradation, and confusion about the role of economic growth and about the concepts of sustainability and participation." Between the objectives of sustainability, we found a lack of a clear distinction, such as the integration of environment and economics in decision making, equitable distribution of resources, quantitative and qualitative growth, and the means for carrying out the objectives. Another source of the problems frequently articulated by the sustainable development researchers is the avoidance of addressing deeper socio-political changes or cultural values that are needed to change current resource consumption patterns. Even though the member states of the international community, UN agencies, the World Bank, governmental institutions, non-governmental organizations, and community groups are adopting sustainable development plans and strategies they are doing so without clear theoretical rigor. As some authors argue, conventionally understood, sustainable development contests our competence to predict the consequences of our interactions with nature and taxes our capability to control those interruptions so that the old idea of development remains intact yet is sustainable. In this paper, I will try to argue that the challenge for sustainable development researchers is to *reconstruct* the way of the sustainable development problematique is perceived, defined and *solved*, by moving from a static systems perspective to a complex adaptive systems

perspective. After others this change must be away from a *closed systems* perspective, in which there are simple definitions, fixed concepts and ultimate solutions, to an *open systems* perspective, in which both problems and solutions are multi-dimensional, dynamic and evolving.

With other words, the paper aims are to fill the gap by developing a general evolutionary methodology for the analysis of sustainable development strategies.

MATERIAL AND METHODS

The purpose of our present study is to develop a methodology aimed at understanding the emerging sustainable development strategies that could facilitate transformations of the organizational and institutional systems towards sustainability (Brown, 1991). We will examine the factors influencing project design, such as personal and organizational values, technology and organizational structure and the project's interaction with the larger institutional field – paradigms of environmental management in development (Beatley, 1995). The study involves the analysis of actors, context, and organizational strategies in cutting edge sustainable development design, as well as the political process influencing the implementation of sustainable development strategies (Dobuzinskis, 1992). The research is integrative and interdisciplinary in character drawing upon the dynamic interactions and interdependencies between industrial production and development of environmentally sound markets, eco-technologies, institutional linkages, and environmental impacts.

From a theoretical and methodological point of view, sustainable development strategies represent a class of environmental management strategies which are emergent and evolving. In the context of environment-development dynamics emergent responses that occur as a result of environmental limits are inherently unpredictable. Formal modelling, quantitative analysis, as well as mathematical simulations, are strained to the limits when dealing with emergent systems. How are we to analyze a system which in essence cannot be explained mechanistically or functionally due to the emergent property of the system?

For answering to this question we started from the premise that sustainable development strategies can be better understood from a general evolutionary perspective.

Also, we started from the concept of sustainable development which has been put forth as a viable alternative to economic development that incorporates current and future global environmental concerns. This concept gained popular momentum with the report by the United Nation's World Commission on Environment and Development (WCED) entitled "Our Common Future" and has achieved even greater attention since the United Nations Conference on Environment and Development (UNCED), now known as the Earth Summit, held in Rio De Janeiro, Brazil, in 1992. The WCED defines the concept of sustainable development as "a development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987). With other words, if future development is to succeed, it must incorporate both economic and environmental objectives because they are both interdependent and mutually reinforcing (Colby, 1989, Slocombe, 1993).

We have here two conceptual perspectives: one is a theoretical and another is a practical perspective. From the first perspective, the theoretical, it has not yet fully developed into a coherent conceptual framework. From a practical perspective, a wide range of nongovernmental and governmental organizations have embraced the concept. However, the point is that sustainable development has eluded numerous attempts to give comprehensive, operational definitions.

It means that the relative price changes provide appropriate signals to guide optimal resource allocation. The price incorporates a set of economic values that are assumed to be consistent, knowable, and "right". Scarce resources are allocated by a rational response to

changes in preferences, reflected by the relative price movements in an environment of unregulated and competitive market systems.

With other words, from both perspectives we can implicitly see that we are running out of resources, thus leaving future generations with less and, also, the market processes are the cause of these depletions. We challenge both perspectives and believe that economic systems based on property rights and the rule of law is the best hope for humanity today to leave an endowment for humanity tomorrow.

The economic behaviour of a rational individual is such that, within the market economic system, the pursuit of self-interest generates a set of relative price movements sufficient to produce an optimal or efficient pattern of resource allocation.

For example, the degradation of soil resources represents the signals of the price of agricultural commodities to eventually rise because of the decrease in crop yields and increase in input costs such as fertilizers. A rise in prices, which leads to a reduction in the demand for agricultural commodities, stimulates the farmers to adopt soil conserving techniques, such as minimum tillage or utilizing cover crops, to increase agricultural yield.

Because, natural resource degradation is viewed as a process external to the market trading process, given “perfect” market conditions, which implies perfect information, individuals are assumed to have the necessary capabilities to create new institutions so that gains from trade are possible (MacDonnell, 1988). The level of social welfare is raised by internalizing social costs in production and consumption activities. The policy implications are thus to define property rights and channel resources to induce resource conserving technological innovations.

In this acceptance, the distortions from the market areas, such as agricultural credit and tax and subsidy policies create price distortions that do not reflect natural resource scarcity, therefore hindering the incentive of the resource users to utilize available conservation methods. Policies in this domain can result in increased natural resource degradation. For example, in the context of soil erosion, policies which favour urban consumers through food subsidies depress agricultural profitability through food price distortions. Such distortions reduce the demand for farmland, labour, and other inputs in agriculture.

Furthermore, because the relationship between nature and man has an anthropocentric character, that is, nature is seen as existing for man’s benefit to be used and exploited for its resources.

As we shall see, this paradigm has some important environmental policy implications but requires significant conceptual evolution to deal effectively with the question of sustainable development.

RESULTS AND DISCUSSION

Questions of population growth, attention to ecological feedback, and valuation of non-market goods are critical to the implementation of sustainability goals in the ecological economic paradigm (Holling, 1994).

In this acceptance, policies for sustainable development that prescribe forgoing economic growth could stall or reverse a proven path of progress. And for a good result in this perspective, we consider that it is necessary to impose new layers for the government regulation in order to prevent humans from depleting resources for future generations must be pushed aside.

We agree that it is not resources that are too scarce, but rather the institutions that ensure freedom – political and economic systems based on secure property rights and the rule of law.

When the Eastern countries were freed from communism, Milton Friedman called for free markets, saying, "Privatize, privatize, privatize." However, after more than a decade of experiments trying to create markets, he has modified his initial position, and asks: "What does it mean to privatize if you do not have security of property, if you can't use property as you want to?" Romania, for example, was able to create a democracy but no rule of law to protect private property in the legal acceptance. Corruption is prevalent, and Romania's economy has imploded, which emphasizes that without the rule of law and correctly protection of property, democracy by itself cannot bring an automatic prosperity.

The solution to that problem is to give control of resource management to individuals and local bodies, and to ensure that legal institutions support this (Dyck, 1998).

Property rights create the motive for people to invest in assets and give people possessions against which to borrow so that they might become entrepreneurs.

Poverty of a country's legal system to protect property rights will undermine the operation of a market exchange system. On the other hand, if individuals and businesses lack confidence that contracts will be enforced, the drive to engage in productive activity declines along with the motivation to protect the environment.

Furthermore, because people need access to economic opportunities, the access to capital and credit promotes economic opportunities creates the way for true development.

CONCLUSIONS

Because of various reasons, in many countries when the institutional reform is not free, the resist reform would improve problems related to human well-being. Perhaps the evidence that the protection of private property and growth enhancing institutions are the building of the human well-being will persuade policymakers to reform their established systems. Only the political and economic institutions could promote and protect property rights and will we be able to sustain development and environmental quality.

The environment is getting better if human mood can continue to elaborate the institutions of freedom, namely property rights and the rule of law – institutions that will provide the incentive for us to solve whatever environmental problems might come our way.

The policy implications are thus to define property rights and channel resources to induce resource conserving technological innovations.

Two major conclusions emerged from our preliminary research. One was that what seems to be evolving in the environmental management field is the use of cooperative decision-making processes as a means of implementing sustainable development. The cooperative decision-making process in the environmental context is broadly defined here as part of a larger process of institutional relations capable of changing relationships among the stake holders through cooperation and joint problem solving.

It becomes very clear that the progress we have enjoyed is primarily attributable to the freedom of the marketplace, and we have done much to ensure that we have come far on this path. It is important to ensure that the property rights path to sustainable development is made more visible in order to protect the institutions of freedom and the environment at the same time.

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