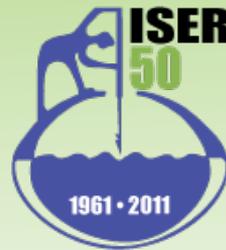


# The Role of Stakeholders in Managing Arctic Ocean Resources



**Sharman Haley**

*Institute of Social and Economic Research*

*University of Alaska Anchorage*

January 22, 2011

# Overview

- My background in social science
- Brief introduction to four bodies of literature:
  1. Wicked problems
  2. Participatory democracy
  3. Social psychology of risk and decision making
  4. Institutional design for common property resource management
- Synthesis: *Who sits at the Table?*

# Arctic Ocean Management is a ***“Wicked Problem”***

The problem of balancing multiple uses is:

- Ill-defined: *plurality of perspectives; no set alternatives*
- Novel: *emerging technologies, changing environment, dynamic social, legal and political demands; path dependent*
- Complex: *common property; social and ecological interdependencies, technical complexities and scientific uncertainties; interdependencies of stakeholders with differing views and values, and multiple organizations at different levels*
- No final solution: *interactive and adaptive*
- No right or wrong: *only better or worse*

# Engaging Collective Intelligence

- Wicked problems are too complex to be resolved by modern, technocratic decision-making
- Better solutions engage collective intelligence across all knowledge holders
- Better solutions are reached through extended, face to face, facilitated dialog

# Participatory Democracy

- Participatory and deliberative methods of decision-making promote equitable solutions to resource conflicts
- Effective participation includes:
  - Substantive input about processes as well as outcomes
  - Consideration of preferences of all stakeholders
  - Mechanisms for reaching compromises and resolving conflict
  - Capacity to recognize and correct error

# Challenges for Design

- Representation: *open-ended stakeholder self-identification and inclusion*
- Institutional design: *unique to environment ; adaptive;*
- Problem articulation: *recognize multiplicity of perspectives*

# Some Design Elements

- Local actors who depend on the ecosystem have the most at stake - *internalize externalities*
- Local knowledge, perspective and resources are fundamental to problem solving
- Indigenous peoples with cultural, legal, historic, and geographic ties to the ecosystem warrant special status

# The Social Psychology of Risk

- Risk is subjective
  - Risk =  $f(\text{frequency, severity, values, perception})$
- Perception is (in part) a social construct
  - Framing: *loss or gain?*
  - Salience: *emotionally charged recent experience?*
  - Process of engagement: *cues from context*
- Systematic cognitive biases and limitations
  - e.g. Myopia, impatience, excessive discounting, loss aversion

# Managing Risks Across Stakeholders and Cultures (Weber 2010)

- Provide institutions that allow people to overcome cognitive and emotional shortcomings
- Use context to prime appropriate decision goals and values
  - Know your audience (and its segments)
  - Multiplicity of goals: Goals that are active at the time determine decisions
  - Activation levels partly chronic (culture), partly situational
  - Goals can be primed by choice context: locale, symbols, sequencing
- Group context primes cooperation and longer time horizons

# Design Principles for Effective Common Property Institutions

(Ostrom 1990)

1. Clear boundaries and membership - *who has rights to share the benefits must be clearly defined*
2. Congruent rules - *the rules for providing and appropriating benefits must fit the conditions*
3. Collective choice arenas - *most individuals affected by the rules can participate in modifying the rules*

# Design Principles *cont.*

## 4. Conflict resolution mechanisms

- *all parties have ready access to arenas to resolve conflicts*

## 5. Nested units

- *appropriation, provision, monitoring, enforcement, conflict resolution, and governance activities are organized in multiple layers of nested institutions, such that...*
- *The scope of the unit matches the scope of the problem*

## 6. Monitoring

## 7. Graduated sanctions

## 8. Recognized rights to organize

# Who sits at the table?

- Key stakeholders
  - Stake: potential costs and benefits
  - Power: authority and influence
  - *Public interest*
- Scale
  - Span the scope of the problem
  - Diverse expertise
- Legitimacy
  - Representation, accountability, transparency and capacity

# Conclusions and Recommendations

- One size does NOT fit all
  - *be flexible and adapt to local conditions and institutions*
- Each LME in Alaska is unique ecologically, sociologically and institutionally
  - *Create regional CMSP boards*
- State of Alaska does not effectively represent the spectrum of local interests, knowledge, resources and capacities for planning and action

# Conclusions and Recommendations *cont.*

- Federally recognized tribes in Alaska are small, village-based entities with no land title or resource management authority or capacity.
- Marine mammal co-management commissions represent the best indigenous knowledge about Arctic ecosystems and subsistence practices

→ *Develop partnerships that include boroughs and co-management organizations on an equal footing with state and federal agencies*

# References

- **Conklin**, Jeff (2005). “Wicked Problems and Social Complexity,” <http://cognexus.org/wpf/wickedproblems.pdf>
- Haley, S. L. Chartier, G. Gray, C. Meek, J. Powell, A. Rosenberg, and J. Rosenberg (2011). “Strengthening Institutions for Stakeholder Involvement and Ecosystem-based Management in the U.S. Arctic Offshore,” Chapter 4.8 in *North by 2020: Perspectives on a Changing North*, eds. Amy Lovecraft and Hajo Eicken; with; forthcoming 2011.
- **Haley**, Sharman (2004). “Institutional Assets for Negotiating the Terms of Development: Indigenous Collective Action and Oil in Ecuador and Alaska,” *Economic Development and Cultural Change*, vol. 53 no. 1, October 2004, pp. 191-213.
- **Ostrom**, Eleanor (1990). *Governing the Commons: The Evolution of Institutions for Collective Action* .
- **Rittle**, Horst and Melvin **Webber** (1973). “Dilemmas in a