Review of Contents of Section 1 of *Governing Complexity*

by

William Blomquist and Mark Stephan

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Section 1 Purpose and Overview

Commons scholars understand the influence of governance arrangements on the

sustainability or failure of common-pool resource use and management. For several

reasons, the governance arrangements for common-pool resources are typically

polycentric. This section focuses on ways of thinking about polycentric governance and its

important characteristics. We address polycentricity as a concept that people have used to

identify and understand complex multi-organizational settings.

Polycentricity is a phenomenon to be identified and studied in the social world, but it is

also a way of thinking about the social world—a lens through which situations involving

multiple organizations may be perceived and understood. This section of the book

addresses polycentricity as a concept that people use to identify and understand

phenomena and as a lens for viewing the social world—particularly in the context of

natural resources, in keeping with the interest and focus of this book. To address this, the

chapters in this section explain the ideas of polycentricity and polycentric governance and

their significance for understanding complex multi-organizational settings, compare

polycentricity with and distinguish it from other closely related and overlapping concepts

(e.g., network governance, multi-level governance, federalism, etc.), and describe the

impact and effects of examining social phenomena through the perspective of polycentricity.

We discuss several previously published definitions of polycentricity as a way of illuminating polycentric governance through commonalities and differences in those definitions. From there, the discussion proceeds into an examination of key aspects of polycentric governance such as centers and their relationships, reasons why polycentric arrangements exist and how they can function, how polycentric orders may evolve and change without being directed by a central authority, and criteria for evaluating the performance of polycentric systems comparatively and/or over time. Another distinctive feature of polycentric governance appears to be the perspective of interconnected action situations that connect levels of rules (i.e. constitutional, collective choice and operational rules). The section also considers the shortcomings of polycentric governance, as a way to further understand the concept. An important theme of the section is how polycentric governance is distinguishable from chaos, fragmentation, or anarchy.

Making this distinction entails a review of key themes associated with polycentric governance such as differentiation and overlap, and foundational concepts such as scale and levels of action. We also compare polycentric governance with, and distinguish it from, other closely related and overlapping concepts (e.g., network governance, multi-level governance, federalism, etc.), and describe the impact and effects of examining social phenomena through the perspective of polycentricity. Given the multi-faceted nature of polycentricity, it is not surprising that many concepts seem to be related to it in some way or another. Polycentric governance may be a superset that encompasses these other governance concepts, each of which emphasizes different aspects of polycentricity.

Chapter 1. An Introduction to Polycentricity and Governance

The purpose of Chapter 1 is to discuss polycentric governance in some detail, while also giving a bit of attention to polycentricity as a broader term. We use the term "polycentric governance" to cover a wide array of manifestations of the basic logic of polycentricity, as manifested in a diverse range of policy settings. We build upon the classic version of polycentric governance, what Ostrom, Tiebout, and Warren (1961) referred to as a "polycentric political system." We link this concept with Polanyi's broader conceptualization of polycentricity and survey the related ideas that have been investigated around the concepts of polycentric political systems, polycentric order, polycentric governance, and polycentric arrangements. Our aim in doing so is not to arrive at a definitive understanding of polycentric governance, but rather to interrogate the extent of coherence across this cluster of concepts, and to set the stage for the ways other contributors to this volume use these terms.

Governance is concerned primarily with the production and financing of collective goods, and especially with tough decisions involving tradeoffs among alternative goods, each of which are high priority items for different parts of society. Since the benefits of enjoying collective goods cannot be easily appropriated exclusively by the individuals who invest their time and resources in producing them, some kind of authority is critical for solving the problems of free riding typically associated with the collective action required for the production of collective goods (Olson 1965). These authorities usually need to be able to enforce at least a minimal level of legitimate coercion to gather the resources

needed to produce collective goods, either by forcing all individuals to pay taxes to all who benefit from them or charging fees for access to them.

Traditional principles of public administration imply that this collective action should be organized monocentrically by 'government', with its decisions implemented by elaborate hierarchies of officials. Ostrom, Tiebout, and Warren (1961) acknowledged that a centralized political system can be appropriate for providing collective goods under certain circumstances, e.g., goods that benefit the public at a single, large (e.g., national) scale. For collective goods benefiting more exclusive (e.g., local) publics, however, they argued that any economies of scale achieved by centralization would likely be outweighed by diseconomies arising from the complexity of the required bureaucratic and hierarchical structures. They observed that this complexity tends to make overly centralized arrangements unresponsive to localized public interests, and provided an example where two or three years may be required to secure improvements to a sidewalk even where local residents have undertaken to cover the costs. A polycentric political system was seen as alleviating such unresponsiveness by enabling closer matching of the level of decision making for a particular collective good to the level of the public that would benefit from the good.

Polycentric governance is not an easy term to pin down. It is not that there are wildly divergent uses for the term, but there are a myriad of slight variations in meaning. In a side-bar we list examples of definitions or other statements that illustrate these variations.

Chapter 1 Outline of Contents

1. Polycentricity in Science, Local Politics and Governance
2. An Expanded Understanding of Governance

Chapter 2. Analyzing Polycentric Governance: Foundations and Diagnostics

The challenge of governance lies fundamentally in the complexities of the environment, of human-environment interaction, and human-human interaction. These complexities underlie the existence of polycentric governance—not in the sense of justifying polycentricity or making it the only or best or right form by which governance may be ordered, but in the sense of making it more nearly understandable as a form. Chapter 2 presents some of the concepts that link polycentric governance with those complexities, providing the foundations for understanding and analyzing polycentric arrangements that derive from human choice and action. We can use those linkages in constructing a set of diagnostic inquiries by which to structure the empirical identification and explanation of the structure and functioning of polycentric forms, as well as the assessment of their operation, outcomes, and opportunities for change.

Chapter 2 begins with some conceptual foundations of polycentric governance that are connected with complexities of the environment and human-environment interactions. We add some foundations of polycentric governance regarding human decision-making, action,

and interaction. Additional concepts involve forms of interaction among organized units through which people interact with each other and the environment as they try to accomplish purposes and resolve problems. That discussion leads to the identification of diagnostics and means of explaining and assessing polycentric arrangements.

These many concepts are introduced and discussed in Chapter 2 demonstrate that the existence of polycentric governance stems from some basic characteristics of the world and people's interactions with and within the world. Those foundational concepts are then carried into a introduction and discussion of inquiries and criteria of evaluation and of the vulnerabilities of polycentric governance. Throughout these discussions, the aim is to enhance our ability to understand and analyze polycentric arrangements and not to offer an argument for or against them.

Polycentricity is a phenomenon in the governance of human affairs, but in another sense it is also a way of viewing complex situations. Polycentricity is not only a thing in the world, but a lens through which to look at the world. One encounters many situations characterized by multiple units, organizations, centers, firms, governments, groups, rules, laws, institutions, etc. What one makes of those situations depends to a considerable degree on how one looks at them and thinks about them. They may be seen as simply indecipherable and even maddening chaos, in which case one would likely care to look no further. Thinking polycentrically, as we have titled this section of the book, means taking a different view, at least initially. Perhaps there is an order of some sort in this complexity, or at least some patterns of interaction and some possible intentions behind the many entities that have been created. Taking this approach does not mean presuming or finding

a well functioning or rationally designed system. It does, however, typically entail at least

some further inquiry, and we hope the conceptual tools in Chapter 2 help along the way.

<div align="center">Chapter 2 Outline of Contents</div>

A. Foundations
   1. Scale
   2. Multidimensionality and Multifunctionality
   3. Design, Spontaneity, and Emergence
   4. Intentionality and Bounded Rationality
   5. Levels of Action
   6. Organizational Diversity
   7. Independence and Autonomy
   8. Information and Contestation
   9. Duplication, Overlap, and Redundancy
   10. Leadership
   11. Competition
   12. Coordination
B. Diagnostics
   1. Vulnerabilities
   2. Inquiries
   3. Evaluation

Chapter 3. Situating Polycentric Governance: Alternatives and Comparisons

Polycentric governance is not the only available lens through which to view complex

systems. Scholars have developed many other perspectives that provide alternatives to

thinking in terms of polycentricity. In Chapter 3, we compare polycentric governance with

other concepts that have been discussed in the literature in relation to governance and

complexity. Examples of such concepts are subsidiarity, multi-level governance, network

governance, and federalism, although our comparison will not be limited to this set of

examples.

We undertake these comparisons initially using a minimal definition of polycentric

governance that was introduced in Chapter 1, and consider additional features of

polycentric governance where useful. Our comparisons include identifying the similarities

and overlaps between these concepts and polycentricity and their differences. We also

provide a graphic to highlight the comparisons between polycentric governance and these

other concepts. Chapter 3 should help readers situate polycentric governance in relation to

other literatures with which they may be familiar already, and indicate how polycentricity

contributes to understanding complex governance arrangements.

Chapter 3 Outline of Contents

Polycentric governance compared with

1. Collaborative governance
2. Complex adaptive systems
3. Decentralization
4. Ecology of games
5. Federalism
6. Functionally overlapping and competing jurisdictions (FOCJ)
7. Institutional collective action
8. Institutional fit, scale, and interplay
9. Intergovernmental relations and management
10. Local public economies
11. Multi-level governance
12. Network governance
13. Subsidiarity
14. Type I and Type II governance