

# The comedy of commons: Democratization, Participation, and OI with sustainability

- Comparative analysis of 3 economies: Jeju Korea, Sorrento or Amalpi Italy, and Nanjing China

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## 1. Introduction

The venture ecosystems which are treated as successful examples such as Silicon Valley in US, JungKwan Chon in China, Cambridge area in UK et al., have similar characteristics. The members of successful venture ecosystem or regional innovation system treat new technologies, business models, or patents as a kind of commons, and agents in the systems communicate each other with democratic, and mutual participant ways, and arrive at creative open innovations. In addition, platform firms such as Uber, Airbnb etc. which are based on two-side network effects of sharing economy or social economy, that are a kind of common goods, let us think about not the tragedy of common but the comedy of common.

We want to know the success conditions and factors of the common good from diverse capitalist economy for us to apply these at the venture ecosystems, regional innovation ecosystem, or sharing & social platforms which tread new technologies or business models as common goods when people collaborate to commercialize them.

*Are there any common or non-common success conditions and factors which can be applied to produce common goods in different economy conditions economy?*

*If then, what are they?*

## 2. Literature reviews and research framework

### 2.1. Literature reviews

There are a lot of examples of common goods in capitalist economy for long time from Alpine Switzerland, Traditional common lands Iriaichi in Japan, to Huerta irrigating farm of in Spain (McC, 1972; McKean & Cox, 1982; Robert McC Netting, 1996; R. M. J. B. Netting & resource, 1982; Ostrom, 1990). The theories of collective action, and the commons that developed in the middle of the twentieth century emphasized the difficulty of collective action, and suggested that overexploitation of shared natural resources inevitable(Poteete, Janssen, & Ostrom, 2010; Sandler, 1992). The tragedy of the commons deals explicitly with the challenges of avoiding overexploitation and degradation of a shared natural resources from Hardin's logic to deep-sea fisheries(Gordon, 1954; Hardin, 1968; Scott, 1955).

But, in the specialized conditions such as enough common goods, non-central control, or enough participants of related agents etc., common goods can be new clues as the comedy of commons according to cases from USA, Japan, and Switzerland (Ostrom, 1990). In fact, helping and supporting each other in the history of human has been contributed for the evolution of social institutions and the culture of mankind(Kropotkin, 1914). According to recent researches such as humans' helping each other in a repeated prisoner's dilemma game, and the coevolution of parochial altruism and war in human history etc., human can have the possibilities to use common goods for now usage and future together without the tragedy of common(J.-K. Choi, 2009; J.-K. Choi & Bowles, 2007; J.-K. J. J. o. E. B. Choi & Organization, 2007).

In some case, if market tries to pay price for some value in common goods, or social value, the price could drive out the social value of common goods or public goods(Sandel, 2012, p. 130). New economy with high network externality, incomplete contracts etc., traditional 3 factors of economy such as land, labor, and capital, can be substituted by brain calculation, information, reputation, with the expansion of common goods economy(Bowles, Edwards, & Roosevelt, 2005, p. 477). As the appearance of capitalism without capital,

intangible investments such as software, databases, R&D, creating entertainment, design, training, market research and branding, business process reengineering etc. are appearing with new issues such as intangible scalability, intangible sunk cost, intangible spillovers which have relations or similarities with common goods, collaboration, or open innovation(Haskel & Westlake, 2018). In fact, the commercialization bias of the new commodity fetishism produces social limits to growth specially in the traditional common goods, and new common goods which are from information and networking (Hirsch, 2005).

By the way, the area of common goods are from non-excludable and rival in consumption. But the appearance of new economy, so to say capitalism without capital, new common good area are appearing (Figure 1).

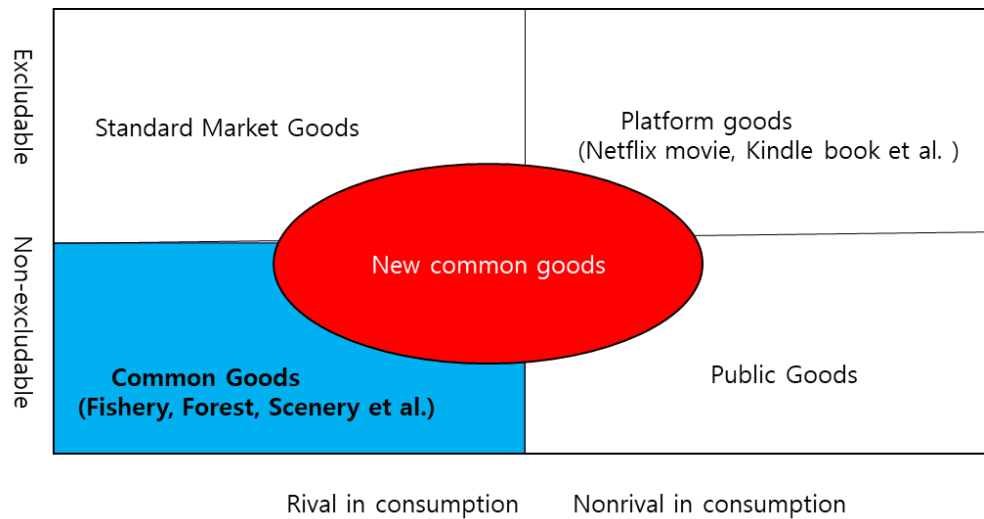


Figure 1. Research Framework

Source (Krugman & Wells, 2012, p. 461) based developed by authors

A Need for Co-Evolution between Technological Innovations and Social Innovations(P. K. J. J. o. O. I. T. Choi, Market, & Complexity, 2020)

An Investigation on Responsible Innovation in the Emerging Shared Bicycle Industry: Case Study of a Chinese Firm(Liu, Ma, Zhu, Ji, & Complexity, 2019)

Basic Income with High Open Innovation Dynamics: The Way to the Entrepreneurial State(Yun, Park, Hahm, Kim, & Complexity, 2019)

## 2.2. Research Framework

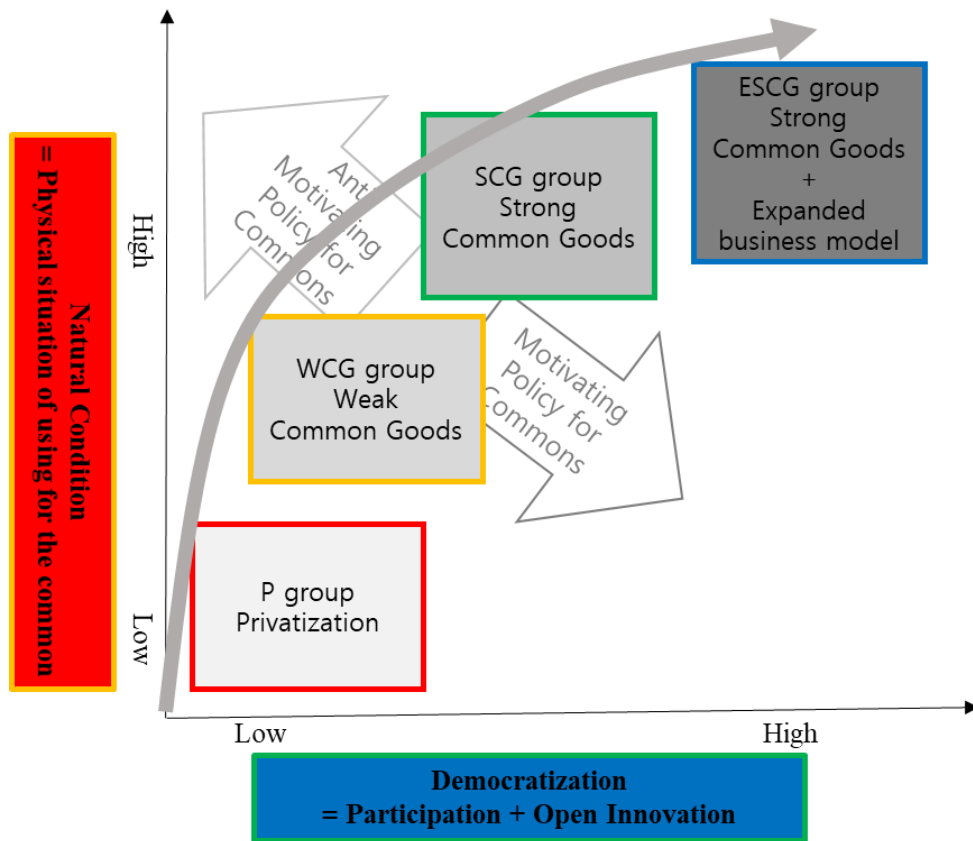


Figure 2. Research framework; diverse evolution direction of common goods

The directions of commons goods can have several candidates such as; Privatization; Maintaining weak common goods; Maintaining strong common goods; or Maintaining strong common goods and expanding business models (Figure 2) according to several cases; common good meadow and forest of Japan, and Switzerland; watering institutions and systems of Huerta areas, Spain; watering community of Ilocanos, Philippine; the logic of the water-right game of Metropolitan water district case of USA. etc.(Coward, 1985; Maass & Anderson, 1978; McKean & Cox, 1982; Robert M Netting & Netting, 1981; Ostrom, 1990, p. 202).

Natural conditions of common goods for the original usage for example, fishing, sea farming, cattle breeding, watering or irrigating etc. decides the evolution direction of common goods even though the detail of natural conditions of common goods are very diverse, and changeable according to social-economical context(Berkes, 1986; Blomquist, 1989).

And, the participating volume, and democratization of the participating for the usage of common goods are deciding the maintenance of the value of common goods, and the expansion of the usage value of the common goods, so to say open innovation and expanding business models. Autonomous organization for autonomous management of common goods will be the best example of participation, democratization, and open innovation of common goods(Ostrom & Walker, 1991). From collective action theory for public goods such as orthodox theories of pressure groups, orthodox theories of state and class etc. to autonomous management theory of common goods by Ostrom, a lot of theories are appearing about the participation of management of common goods(Olson, 2009; Ostrom, 1990). Maybe there are diverse details of participation, democratization, and open innovation according to situations and belonging economy conditions.

In several cases, the intentional or non-intentional policies of governments are giving effects to the direction of common goods such as California State' watering intervention, Turkey government's intervention in the near fish farm etc.

### 2.3. Research Scope and Method

### 2.3.1. Research Scope

- Kora Jesu island; 10 common good near sea fish farms, 10 common good farms (KwonHoo & Kwon SangCheul, 2016)
- Landscapes of Amalfi, or Sorrento which are interpreted as 'common goods' in natural, environmental, human, social, infrastructural, cultural, and financial aspects(Fusco Girard, 2013; L. F. J. B. B. D. C. C. B. Girard, 2013; L. F. J. B. E. Girard, 2014).
- Najing common good fish farms, farms, watering institutions, or forestry (Shen & Shen, 2019; Tian & Liu, 2019; Zhang, Zheng, Zhang, Hu, & Health, 2020)

### 2.3.2. Research Method

- Semi structured questionnaire based deep interview
- Participant observation
- Main Questionnaire: Process of decision making, Participation of people in decision, Maintain and distribution of the property of the common goods, et al.

<Appendix 1> Semi Structured questionnaire

<Appendix 2> Focal points of Participant observation

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