

# The Possibilities of Local Commons

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Over the past several years, the idea of the “commons” has once again began to gain traction as a governance model. What kinds of possibilities exist for local communities to revitalize themselves through cooperative management of their own resources? This paper explores the policy implications of the emerging concept of the “local commons.”

Japan today faces an epidemic of vacant homes and unused plots of land throughout the country, contributing to a phenomenon known as the “spongification of urban areas,” in which a decreasing population density results in the proliferation of pockets of underutilized space. As Japan’s population decline continues to depress both consumer demand and the monetary value of land, it is difficult to imagine a scenario in which market forces alone can ensure the efficient use of land. Amidst this backdrop, a system in which the government coordinates between holders of underutilized land and those who would put it to productive use is beginning to emerge, in which usage rights can be redistributed efficiently without getting tied up by an undue focus on the transfer of ownership. As this dynamic coalesces into a public institution, the emergence of a new “local commons” in which regional sustainability is prioritized and decision making rooted in the diversity of local needs is realized, can be seen.

It is important to note here that the concept of the “local commons” is broader than a mere change in land management practices. It encompasses a revolution in the very rules and networks governing the use of space, and the personal relationships of trust that underpin them. Achieving a true 21st century “local commons”, will require connecting the trust built up over time in and around specific local communities into the global network of information, logistics and services.

## Introduction

In recent years, the idea of the “commons” as an important concept in local governance has been gaining traction. Why however, has there been a resurgence of interest in a concept that originated in medieval English practices of communal management of natural resources such as pastoral land. This report examines the reemergence of the “local commons,” as a concept and its significance for Japan today.

The driving force behind the resurgence of interest in the concept of the "commons" in modern times can be traced back to the famous 1968 article, "The Tragedy of the Commons" written by Garrett Hardin and published in the journal *Science*. The “tragedy” of the commons being that while the shared resources that communities depend on (the commons), can, if properly managed, be used sustainably by large numbers of people, they can also easily be destroyed by a small number of people abusing them for short-term personal gain, often with little to no recourse. Is there no middle ground between national central planning and private property based market mechanisms to avoid this tragedy? This question has been the subject of much debate.

Elinor Ostrom issued a rebuttal to "The Tragedy of the Commons" using case studies from locations all over the world, for which she was awarded the Nobel Prize in Economic Sciences. According to her research, local communities can effectively manage collective resources through a combination of formal and informal systems. Under such a system, mutual supervision prevents rule violations in the day-to-day use of resources, while enabling a flexible approach to resource use based on the observed condition of the resources. The key to this approach is the accumulation of social capital, that is, a high degree of trust and reciprocity, within local communities, an observation with meaningful implications for modern Japan.

In fact, Japan has a long tradition of common land, and research into this historical Japanese concern for the environmental sustainability of common areas is thriving. However, this report, will focus instead on the policy implications of the aforementioned “local commons” for regional communities.

## Increasing numbers of vacant houses and local commons

Let us look at an example. In much of urban Japan, the number of vacant houses and plots of land is increasing rapidly. A 2013 survey conducted by the Ministry of Land, Infrastructure, Transport and Tourism found that the number of vacant houses had increased by 8.3% in the last five years alone, while the total area of vacant land had increased by 28% in the same time period. The increase is even more dramatic when looking strictly at vacant land held by individuals (as opposed to corporations or the government) with a 55% increase in the past five years. In particular,

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land that changes hands through processes such as inheritance is often left abandoned and unused, contributing to the rapid spread of this phenomenon known as “spongy urban areas.”

What is causing this situation, and how might it be properly addressed? Under normal circumstances, a healthy demand for land and housing would allow the problem to resolve itself via market mechanisms. However, demand in Japan has remained chronically depressed due to the declining population, and as a result, the real market value of land is dropping, creating a scenario in which an increasing number of people are choosing to neglect or even outright abandon their inheritance. Japan's land system is based on the assumption of a consistently increasing population (particularly in regards to regulations on zoning and urbanization), and now that this is no longer true, Japanese are left exposed by a contradictory policy that fails to reflect or adapt to reality. The inadequacy of the market as a mechanism to resolve land utilization under Japan's current system, suggests that a new approach may be necessary.

Applying the concept of “local commons” to the problem of land use in Japan stands out among the potential solutions. Assuming there is no dramatic change in Japan's situation, there is a pressing need to establish a new balance in land policy in which, instead of leaving everything to the private sector, government continues to play a stabilizing role, while new types of entities emerge that can push forward with innovative urban policies. Urban development focused associations, foundations, cooperatives, nonprofit organizations, and social enterprises are all examples of the kinds of entities that would take a leading role in this new system. These are all examples of organizations that, despite nominally belonging to the private sector, carry out some form of public service role in local areas.

Alexis de Tocqueville, a thinker in 19th century France, emphasized the roles of spontaneous groupings of residents which he called “associations”—in his observations of American townships. As the stakeholders in modern Japanese urban development continue to increase and diversify, they too, can be thought of as 21st century iterations of the 19th century “associations.”

As alluded to earlier, in areas where demand may be insufficient to guarantee an adequate return on investment, a situation facing many localities in Japan today, there is a need for new kinds of quasi-public institutions that can make decisions based on the specific conditions of individual localities, while emphasizing local sustainability. This is borne out in the urban landscape of various regions of Japan, where local faces turn a profit in a challenging marketplace while serving the public interest through sheer initiative and hard work.

The government has begun to act in response to this newly evolving reality, for example with the passing of the Law on Partial Revisions to the Urban Green Space Conservation Act and Related Measures, enacted in June 2017, which opened the door for the use of parks as well as designated green and open areas spaces to local business and social enterprises, a move that has provided significant momentum for the sustainable use of these public spaces. At a time when the fiscal constraints of local governments inhibit both the construction of new facilities and the renovation of existing ones, these initiatives provide the capital and aid to finance much needed park renovations, by allowing the transfer of green space management functions to civilian entities.

In return, the civilian entities receive relief from otherwise applicable taxes and regulation.

Another example of the government's proactive efforts in this area is the Law on Partial Revisions to the Urban Renaissance Special Measures Law, passed by the House of Representative in April 2018. The revisions allow for the government to coordinate between those with property rights to underutilized land and those wishing to use it, and enable municipalities to create plans in which the usage rights to multiple properties can be reassigned efficiently without an undue focus on ownership. The law has also made it possible for local communities and urban development organizations to work together on the maintenance and management of public spaces such as squares, parks and community centers.

All of these initiatives seek to combat the negative effects of the “spongification” of urban areas occurring throughout Japan by empowering local entities to utilize space cooperatively in a sustainable manner. This avoids the false dichotomy of government versus the market and can be thought of as a modern attempt at establishing a form of “local commons.” Enabling localities to reclaim the use of moth-eaten urban land dotted with vacant lots to contribute to communal goals is a perfect example of the application of the concept of the “commons,” to Japan's present day problems.

The concept of the “commons” is not meant to reject or replace the notion of ownership, but to supplement it in conditions like the present when, for example, simply partitioning all lots of land for private ownership is inadequate. In that sense, there is a certain inevitability to the attention that the concept of the commons is generating in modern Japan, as it addresses one of the central problems facing the country today.

## **From things to people: Connecting unspoken knowledge**

As the origin of the word "commons" lies in pastures and other shared lands, the term continues to be associated with physical space today. That said, the possibilities of local commons are not limited to land usage alone. As shown in Ostrom's research, the concept of the commons is not limited to physical space but extends to the rules, networks and relationships of trust between individuals and organizations, which exist within and around these spaces.

In that sense, fully integrating the idea of the “local commons” into modern Japanese society will require the creation of new rules, networks, and norms for local communities, and thus opportunities for building the trust necessary to carry out such reform should not be forgone. Renegotiating the use of land and public spaces is a grounded medium through which the abstract concept of strengthening local comradery can be explored and local relationships of trust rebuilt. This reconstruction and reconstitution of local relationships of trust is at the heart of achieving a 21st century “local commons.”

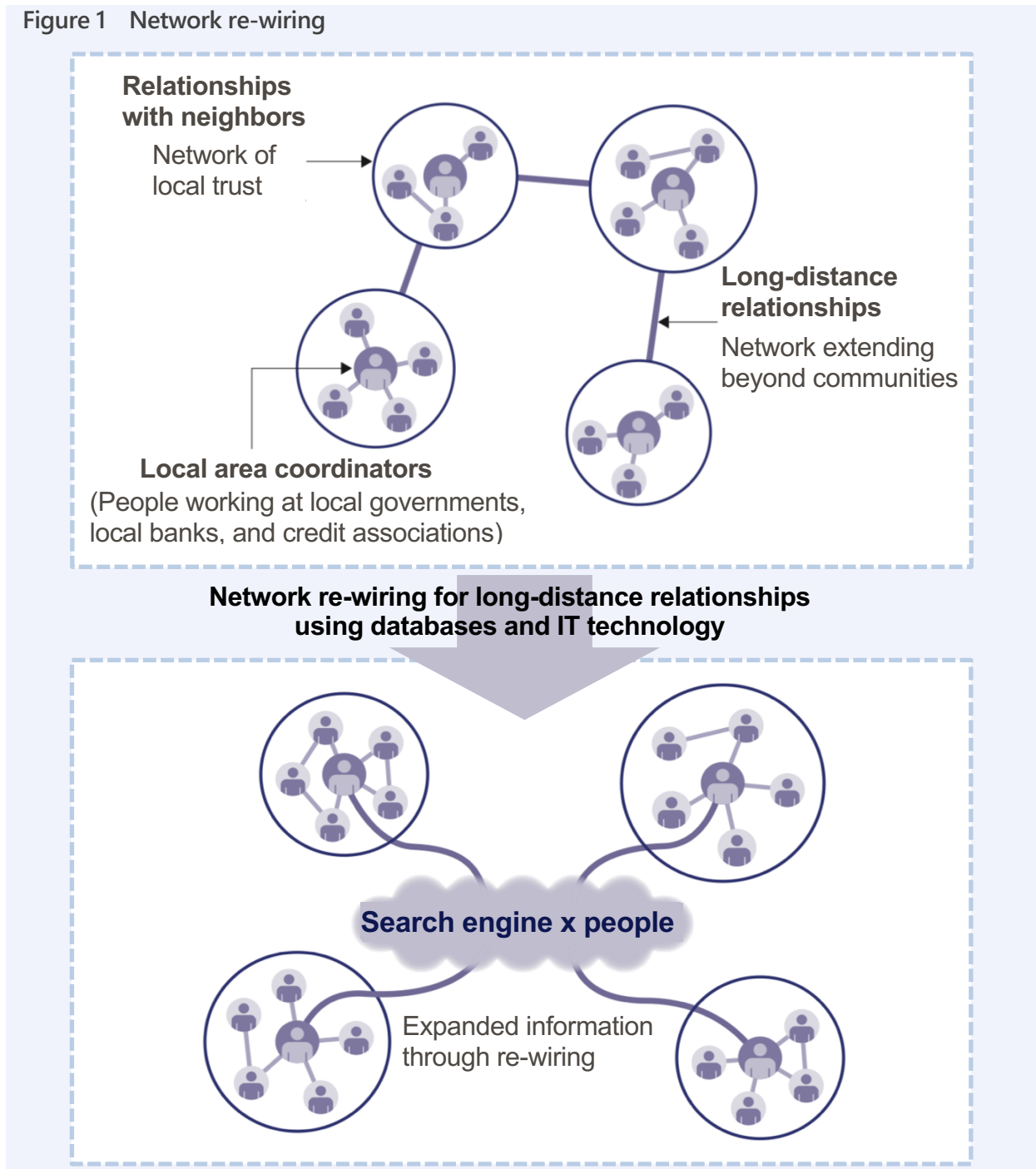
In looking at the urban development of local communities, there are several important commonalities that are often pointed out. Of these, perhaps the most unfortunate is that although the number of people active and successful in any given local community is not small, these local success stories and the valuable lessons they hold for other areas, are not always shared outside

of the locality in which they originate. This compartmentalization of information and know how also creates difficulties in the passing of the torch to the next generation, particularly when it comes to the transfer of "unspoken knowledge" (Polanyi) and "local knowledge" (Geertz), which are critical to the functioning of local communities. The institutionalization of mechanisms to facilitate not only the successful transfer of this critical information and knowledge to the next generation, but also its to ensure that it is shared beyond the borders of individual local communities is a subject of the utmost importance to the revitalization of local communities.

Although numerous initiatives to spur regional revitalization and urban renewal have been created throughout Japan, the reality is that outside of information gathering tours and published profiles, both print and online, of individual areas, the development of a comprehensive framework for information-sharing between local communities is still basically non-existent. Details such as the types of initiatives being carried out in each area, the individuals and organizations responsible, and the financial characteristics of these organizations and initiatives, are critical for the application of local knowledge beyond the area of origin, yet these details are often confined to the areas in which they arise. Overcoming these limitations will be of crucial importance in the coming years, but it will require recognizing that another crucial barrier to the sharing of local knowledge between communities is that there are also many areas in which the sharing of knowledge even within the local community is limited to specific individuals and is not shared as a community resource.

Yoshihiro Maeda, the CEO of Linkers Corporation, a company which provides matching services (including personnel, materials and corporate introductions) for companies in the manufacturing sector, has highlighted a similar phenomenon in the work his company does. According to him, the key to successful matching is creating a "Web x People" platform, in other words to, "combine the engine with the network." For the majority of manufacturing companies however, the sharing of key technical information over the internet carries a risk proportional to the importance of said information. Furthermore, technical information is often tacit knowledge of an unspoken nature that is sometimes difficult to fully explain with words alone. This inability to share critical details on an open platform predictably hinders the personnel matching processes. According to Linkers, the key to overcoming this dilemma is to focus on people in each area, whom he calls "coordinators," that others trust when it comes to the handling of sensitive information, and who have experience working with the manufacturing sector. It was only by creating a network of contacts in organizations such as local governments, regional banks, and credit associations, that the company was able to create a framework for drawing upon the essential unspoken knowledge they possessed to conduct effective personnel matching.

Figure 1 Network re-wiring



What this example highlights is the importance of linking local networks of trust with the logic of a search engine. When used alone, both local relationships of trust and search engines have limitations as tools for localities. It is only by linking the two together that the true value of the information they hold can be aggregated and fully utilized. Achieving a true, 21st century local commons will require empowering those who can unlock the trust built up around physical places over time, so that localities can link into the global logistics and information infrastructure to realize their full potential. In this way, the existing relationships of trust inside local areas can

become interconnected with the outside world, expanding their scope, and accelerating the development of human-to-human and human-to-information networks.

A core concept in modern networking theory is that of "re-wiring." By connecting the cohesiveness of the neighborhood with the indexability and searchability of modern long distance communication technology, the value and efficiency that can be extracted from information is dramatically improved. The "updating of the network," that this facilitates also results in the discovery of people who may have gone relatively unnoticed before, enabling them to become "nodes," who are then able to begin filling important and previously underserved roles (Nishiguchi 2007, Nishiguchi and Tsujida 2017). Linking deep-rooted relationships of trust and the unspoken knowledge possessed by local communities to the outside world is truly the kind of re-wiring that modern society needs.

## **Conclusion**

Looking back at the etymology of the "commons," the concept initially arose from the tension between the duality of openness and membership. In the shared areas of the past, although a large number of people went in and out, there was a system of defined rules and mutual checks among the members. It was this delicate balance between openness and closedness, porousness and regulation, that was the secret to maintaining the commons in the past. Can the concept of the "local commons" be applied to modern Japan to successfully link the accumulated knowledge, built up over time on a foundation of trust within local communities, with the vast resources and openness of the outside world in an appropriate way? Is it possible to create the systems, rules, networks, and platforms necessary to do so? The key to creating a successful local commons in 21st century Japan lies within the answer to these questions.



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