

How to Draw Boundaries Around Markets: A Knowledge Commons Perspective

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Both for conceptual purposes and regulatory purposes the definition of the boundaries of markets is of importance. This paper/presentation argues that market boundaries are jointly produced by markets actors through repeated interaction, a process which can be understood through the framework of the knowledge commons. This perspective highlights that boundaries are not created primarily through top-down rules, or through private governance, but through a social process which can be called polycentric. Since boundaries create both stability and reduce uncertainty, they are important for the functioning of markets. Individual actors, or particular communities, might have strong incentives to contest existing boundaries.

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