

International Journal of the Commons
Vol. 5, no 1 February 2011, pp. 150–151
Publisher: Igitur publishing
URL: <http://www.thecommonsjournal.org>
URN:NBN:NL:UI:10-1-101338
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ISSN: 1875-0281

Book Review

Djelic, M. L. and S. Quack (eds.) 2010. *Transnational Communities: Shaping Global Economic Governance*. Cambridge: Cambridge University Press.

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This edited volume attempts to provide a comprehensive definition of transnational communities and to explore their role in the governance of transnational businesses and economic activities. The 13 case studies presented cover a wide range of phenomena, drawing from various strands of literature on transnational migration, international activism and social movements, professional, epistemic communities and elites.

The volume suggests a new conceptualization of communities. Communities should be intended as social groups no longer restricted to geographical areas or based on physical proximity and direct interaction among their members. Rather, the proposed definition entails more intangible factors such as mutual orientation, shared identity, reciprocal dependence and a sense of belonging to the community. As a result, transnational communities may be considered as loosely integrated and heterogeneous social constructs that emerge across national boundaries and are oriented around a common project or identity. Interestingly, their formation and evolution suggests multiple and diverging dynamics, due to the interplay between cosmopolitanism and the deep-seated nationalism of members' interests and activities. On the one hand, such interplay leads to a complementary relationship between local and global identities, where national groups create a transnational community through lateral and bottom-up dynamics. This is the case for most epistemic and professional communities or ethnic business groups of emigrants. On the other hand, the cosmopolitan identity and the local rootedness tend to be substitute. In these cases, the local dimension may be so overpowering so that it creates obstacles to the formation of transnational communities. Alternatively, small but influential transnational groups are able to ingrain their agenda in different local and national contexts.

Whilst the contributions do not directly address issues concerning common-pool resources, they equally provide quite interesting insights into the analysis of new commons, such as global collective goods and international projects (Hess 2008). Understanding the boundaries of these shared resources and the communities involved is becoming a central issue for scholars who want to study such phenomena according to an institutional analytical framework.

By contrast, less convincing are the arguments used to justify the concept of community as an analytically distinct category of governance structure as compared to markets, hierarchies and networks (Powell 1990). While the coordinating mechanism in markets is exchange, in hierarchies command, and in networks negotiation, in communities it is the mutual observation and the conscious orientation of individual behavior towards shared values, knowledge or skills (p. 29). Such an interpretation may be sound if one considers that transnational communities focus on the interaction between individual members, while the other categories of markets, firms and networks mainly consider organizations as the main players. However, because mutual observation and conscious orientation of individuals reduce coordination and transaction costs, these conditions can be easily included in a model of institutions and governance without the need of establishing a new distinct category (see Denzau and North 1994; Aoki 2001). As a result, evidence about a distinct role on the governance of global businesses and economic activities results is more nuanced as compared to the convincing and inspiring definition of transnational communities.

In conclusion, the main interesting point of the book is whether there is a justification in distinguishing the notion of community from other related concepts, such as relational groups or networks. Arguably, the notion of community may be useful to detect and to analyze common shared beliefs and identity among members of a network. The extent to which this can be helpful in explaining members' behavior in governing shared resources is the most promising research path.

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