

Conflict & Creation: The Effects of Political Competition in Utica, New York's Service Sector for the Unhoused

August 15th, 2023

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Abstract

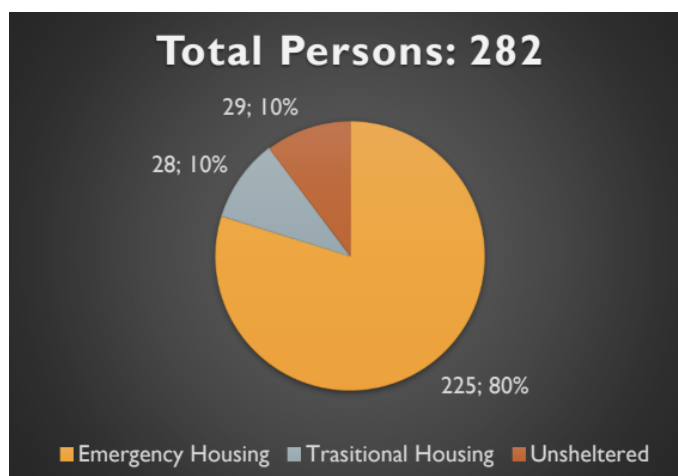
When might competition and conflict between governing bodies improve social services? F.A. Hayek exemplifies the view that economic competition leads to results that embody more knowledge than what anyone involved had before competing. Elinor Ostrom and the Bloomington School extended Hayek's theory to governing bodies, advocating for more decentralized, "polycentric" governments that encourage "experimental efforts at multiple levels." This paper uses the polycentricity theory to analyze how different conceptions of homelessness have come into conflict throughout Utica's polycentric social service sector. I study how the introduction of new service providers like the Morrow Warming Center generated brand new information about different policies' effects after becoming a new low-barrier shelter in Utica, changing the structure of other overlapping organizations. I find that organizations can best coordinate with their competitors when there is another organization that can mediate their disputes. However, these mediations are not always consistent or clear throughout the social service sector in Utica. To improve coordination, members of the Mohawk Valley Housing and Homeless Coalition might offer to help make compromises between other members with overlapping services or jurisdictions. Conflict between different perspectives is inevitable; it is especially important to manage those conflicts when they determine the well-beings of some of the least well-off: people experiencing homelessness.

I. Background

People Experiencing Homelessness in Utica

Housing & Urban Development (HUD) mandates that each community in the United States must take a census of all its citizens experiencing homelessness near the end of January. They take this snapshot of the unhoused population usually every year, and it is considered a Point-In-Time (PIT) count. Utica does not have its own PIT count for the city alone, but the Mohawk Valley Housing & Homeless Coalition (MVHHC) groups it in with the rest of the Mohawk Valley when doing their count. Figure 1 shows the MVHHC's breakdown of the Mohawk Valley's population experiencing homelessness as of January 25th, 2023.

Figure 1. PIT Count of Oneida County's Unhoused Population

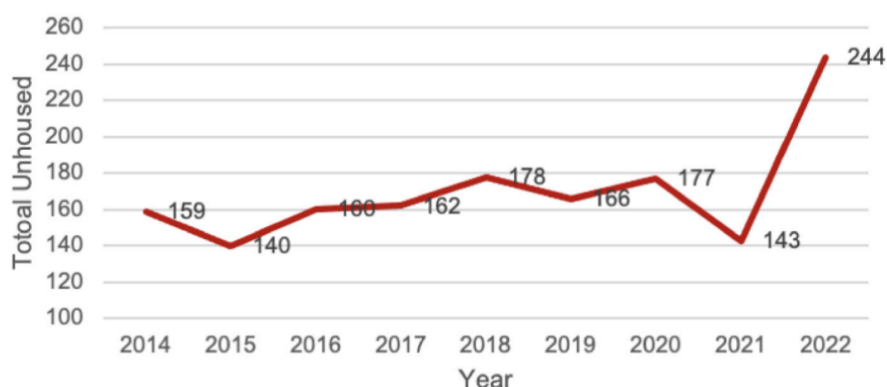


Source: Mohawk Valley Housing & Homeless Coalition, "2023 Point In Time Count Data Highlights"

Of the 282 people experiencing homelessness at that point in time throughout Mohawk Valley, the vast majority of them had emergency housing—such as a motel room—that the government or a nonprofit pays for. Others had “transitional” housing for up to 24 months, and the rest of the people in this PIT sleep in “places not meant for human habitation.”¹ Even though this is a range of different housing situations that goes beyond people who consistently live on the street, HUD considers all of them to be homeless.

If one looks at how these PIT counts change overtime, the data suggests that the overall number of people experiencing homelessness in Mohawk Valley is growing more dramatically than it ever has over the past decade. Figure 2 shows changes in the PIT counts of people experiencing homelessness from 2014–2022.

Figure 2. PIT Counts of Unhoused Populations, 2014–2022



Source: Gwendolyn Dordick, Bram Mansbach, Peter Huleatt, & Zack Schuman, “The Chronically Unhoused Population of Oneida Square and the Service Landscape: Analysis, Best Practices, and Initial Recommendations” (Arthur Levitt Public Affairs Center, 2022), pg. 3

¹ Mohawk Valley Housing & Homeless Coalition, “2023 Point In Time Count Data Highlights,” pg. 3

Before 2021, the total number of unhoused people in the Mohawk Valley never exceeded 200. But in 2022, that number reached 244. The change from 2021 to 2022 may not have actually been as dramatic as the data suggests, since the 2021 Annual Homeless Assessment Report did not include unsheltered counts in its annual PIT counts. Still, the available PIT counts suggest that the number of unhoused people in the Mohawk Valley continues to rise, going from 244 to 282 from 2022 to 2023.

Homelessness Service Providers in Utica

There is a diverse range of service providers for Utica's unhoused population, with multiple levels of governments and nonprofits centered around the Cornhill district. Figure 3 shows the geographical layout of only some of these providers, with Cornhill outlined in red and the Morrow Warming Center circled in green.

Figure 3. Locations of Homelessness Service Providers in Utica



Source: Gwendolyn Dordick, Bram Mansbach, Peter Huleatt & Zack Schuman, “The Chronically Unhoused Population of Oneida Square and the Service Landscape: Analysis, Best Practices, and Initial Recommendations” (Arthur Levitt Public Affairs Center, 2022), pg. 7

Since many of Oneida County’s services for the homeless are based around Cornhill, that district is a Service Hub: an area that “utilizes geographic proximity to create a functional and integrated supportive service environment for their clients.”² Different nonprofits and government agencies can therefore serve the same client in similar (or even identical) ways. Some of these organizations meet to discuss specific clients, debating which services are best suited for them. This collaborative discussion is possible in part thanks to the organizations’ proximity to each other, which allows them to better understand each other and their clients more personally than they otherwise would.

Many of the organizations in Utica’s service hub are members of the Mohawk Valley Housing & Homeless Coalition (MVHHC), a Continuum of Care (CoC) that is supposed to

² G. Dordick, B. Mansbach & P. Huleatt, “The Chronically Unhoused Population of Oneida Square and the Service Landscape: Analysis, Best Practices, and Initial Recommendations,” pg. 8

coordinate a “program development and program integration process that targets public and private, local, state, and federal resources to the areas of greatest need.”³ Membership in the Coalition is free, and there are about 350 members from across Oneida, Herkimer, and Madison counties. Members include nonprofits like the Neighborhood Center as well as the Oneida County Department of Social Services. A governance board of about 20 people annually reviews the policies and requests of those members to help decide which projects and organizations to allocate HUD funding towards.

But not all of the homelessness service providers in Utica are part of the coalition, even though HUD does encourage cooperation between the coalition and others. HUD scores the MVHHC’s success in helping people experiencing homelessness based on the Integrated Community Alternatives Network’s (ICAN) success in their street outreach funding. ICAN, even though it is a nonprofit offering services for people experiencing homelessness, does not take part in the MVHHC’s local competition for funding. While the MVHHC is not an all-encompassing governing body, public agencies do reward successful collaboration between the MVHHC and other groups.

While some organizations must be very cooperative with the MVHHC, others have come into strong conflict with them based on different beliefs about the best way to help people experiencing homelessness. When the county government looked to open a warming service for people experiencing homelessness, Pastor Mike Ballman used the space in the Cornerstone Church to open the Morrow Warming center. Starting in 2020, Morrow “provide[d] a low barrier/ harm reduction emergency overnight shelter for people experiencing homelessness during NY’s code blue season,” which is during the winter when no person experiencing

³ “Mission & History,” mvhomeless.org, Mohawk Valley Housing & Homeless Coalition, accessed August 9th, 2023

homelessness can be denied shelter if the temperature drops below freezing during the evening.⁴ However, the center is not a member of the MVHHC. Pastor Ballman has disapproved of how major members of the MVHHC inconsistently serve people experiencing homelessness on local newspapers and radio stations, and has been critical of the County Executive's perceived inaction.⁵ At several points since Morrow's founding, the organization has offered other services for people experiencing homelessness that overlap with services that members of the MVHHC also offer, like free nightly dinners. Morrow is the main example of disagreement and overlapping services for people experiencing homelessness in Utica's service sector.

II. Literature Review

The disagreement and overlap between different agencies' services for Utica's homeless population affects the type and quality of services that population receives, allowing different perspectives on homelessness to serve the same population. In order to understand the conditions that are more likely to let this overlap create more client satisfaction, I draw from three bodies of literature. Market process economics offers a definition of competition that explains why market agents change their services in light of how their competitors act. The polycentric governance tradition then expands this theory of competition into the public sector, explaining how each organizations' actions depend on the others' (and vice versa). Simmel's Formal Sociology then focuses on the group dynamics of this process, partially accounting for how these larger and smaller organizations either resist change or push it forward over time. Taken together, these

⁴ "Morrow WC," cornerstoneutica.com, accessed August 10th, 2023

⁵ Thomas Caputo, "'Housed Not Hidden:' How local pastor Michael Ballman is breaking the stigma of homelessness," (The Rome Sentinel, 2022)

three research programs make up a coherent theory of beneficial competition that this paper will then use to partly explain the political competition in Utica's housing services sector.

Market Process Economics: Competition as Dynamic Discovery

The Market Process tradition's emphasis on a dynamic definition of competition begins with Friedrich Hayek. Starting in the 1930s, Hayek pushed back against economists who believed that competition was merely a matter of allocating given means toward given ends based on known cost and revenue curves. Under those assumptions, the most efficient production method would be unambiguous.⁶ Instead, Hayek argued, "the method which under given conditions is the cheapest is a thing which has to be discovered, and to be discovered anew, sometimes almost from day to day, by the entrepreneur."⁷ For Hayek, each agent in the market might have a different perception of what future market conditions—including consumer demand and resource availabilities—might look like. They won't know if these anticipations were right until trying them out and bringing in profits or losses. This theme of entrepreneurs relying on dispersed instead of complete knowledge to make economic plans pervades Hayek's whole body of work,⁸ and leads to his definition of competition as discovering new knowledge rather than finding an efficient allocation of resources based on given knowledge.

Hayek's students in the market process tradition continue to work from his definition of competition. In his widely-cited monograph on entrepreneurship, Israel Kirzner—who sees

⁶ For a detailed discussion of the history of this "static" assumption, see Don Lavoie, *Rivalry & Central Planning* (Cambridge University Press, 1985)

⁷ Friedrich .A. Hayek, *Individualism & Economic Order* (University of Chicago Press, 1949), pg. 196

⁸ Gerald O'Driscoll, *Economics as a Coordination Problem: The Contributions of Friedrich A. Hayek* (New York University Press, 1977). See also F.A. Hayek, "The Meaning of Competition" (1946) and "Competition as a Discovery Procedure" (1968)

himself as simply restating Hayek's position—defines entrepreneurship as changing the means & ends framework. He then claims that competition and entrepreneurship are identical acts.⁹ More recently, Candela et al. applies Kirzner's framework to understand the emergence of container shipping, and Cheang uses it to explain the successes and failures of Singapore's industrial policy.¹⁰ Each of these works defines competition as offering altogether new services, prices, and quantities to outdistance one's fellow producers, and shows that Hayek's conception of competition is still a widely accepted paradigm in market process economics.

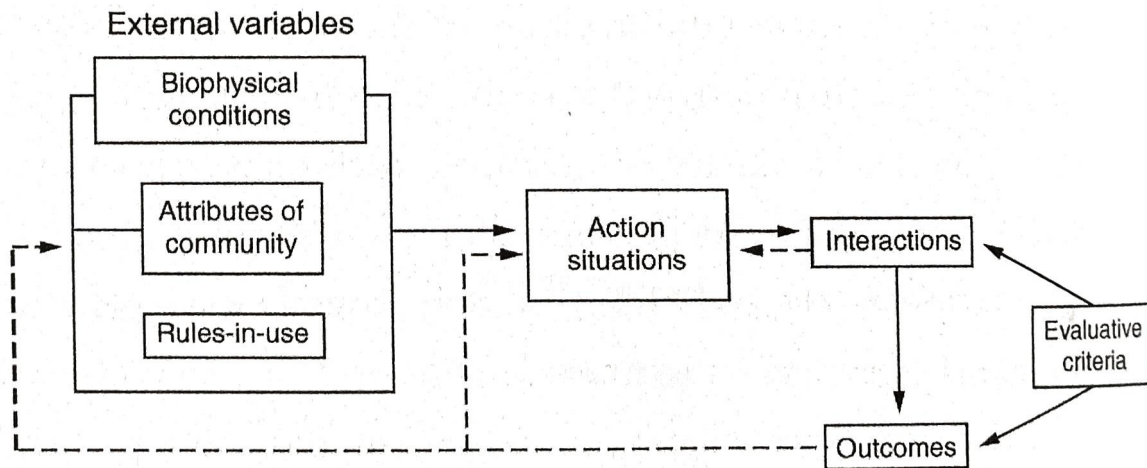
Polycentric Governance: From Economic Order to Political Order

One could also describe this entrepreneurial competition as a “polycentric order,” a concept that is also applicable to groups outside of the market. A group of service providers is “polycentric” when there are multiple, competing nodes of authority within that group. Importantly, each members' actions depend on each of the others' in an infinite loop. The opposite of polycentricity is monocentricity, where each member of a group follows the orders of one authority figure. Elinor Ostrom combines these elements of polycentricity in Figure 4, showing the importance of each actions' effects on the conditions that shape future actions.

⁹ Israel Kirzner, *Competition & Entrepreneurship* (University of Chicago Press, 1973)

¹⁰ Rosolino Candela, Peter Jacobsen & Kacey Reeves, “Malcom McLean, Containerization and Entrepreneurship” (Review of Austrian Economics, 2020); Bryan Cheang, “What Can Industrial Policy Do? Evidence from Singapore” (Review of Austrian Economics, 2022).

Figure 4. Conditions of Polycentric Activity



Source: Elinor Ostrom, “Beyond Markets and States: Polycentric Governance of Complex Economic Systems” in *Mainline Economics: Six Nobel Lectures in the Tradition of Adam Smith*, ed. Peter Boettke, Stefanie Haeffele-Balch & Virgil Henry Storr (Mercatus Center, 2016), pg. 204

According to Elinor Ostrom, people in a polycentric environment have to navigate both how they anticipate their peers to act and the rules that dictate how much authority they have to act without merely following another agent’s orders. These rules can also be informal “rules-in-use,” such as social norms that create an expectation for certain agencies to collaborate on a project rather than working separately. Polycentricity depends on the interplay not only between how individuals want to interact with people they perceive as competitors, but also on the interplay between those wants and what individuals believe they have the authority to do.

The marketplace is the prime example of a polycentric order because polymath Michael Polanyi invented the term to better explain Hayek’s theory of entrepreneurial competition. Polanyi begins his explanation of polycentricity by stating that his main goal is to apply “the concept of self-coordination—known since Adam Smith to operate within a market—to various

other activities in the intellectual field.”¹¹ Polanyi then mentions Hayek in particular to have offered the most complete statement of the market process, agreeing with his argument that a “model which is useful in revealing the system of choices involved in the economic system cannot in fact be used for calculating the result of these choices, [since] the "given data" have mostly no numerical significance.”¹² In short, the result of economic activity is greater than the sum of information going into it because entrepreneurs create brand new information when they compete against each other. The theory of polycentricity therefore relies on the Hayekian insight that competition creates information.

Thanks to Polanyi’s influence, Vincent Ostrom et al. is the first to use the concept of polycentricity in the public administration literature. They describe how the main problem of a polycentric system is how the different services providers can coordinate their activities with one another:

To the extent that [polycentric governing bodies] take each other into account in competitive relationships, enter into various contractual and cooperative undertakings or have recourse to central mechanisms to resolve conflicts, the various political jurisdictions in a metropolitan area may function in a coherent manner with consistent and predictable patterns of interacting behavior.¹³

While a polycentric order might be largely competitive, like a marketplace where many independent producers sell products to outperform each other, they probably will not be *exclusively* competitive. Ostrom et al. points out that “[c]ooperative arrangements pose no difficulty when joint activities produce a greater return to all parties concerned,” but it is not the case that all parties concerned are always involved in the decisions that affect them. The costs

¹¹ Michael Polanyi, *The Logic of Liberty: Reflections and Rejoinders* (University of Chicago Press, 1951), pg. 170

¹² Ibid., pg. 182

¹³ Vincent Ostrom, Charles Tiebout & Robert Warren, “The Organization of Government in Metropolitan Areas: A Theoretical Inquiry” (American Political Science Review, 1961), pg. 831

and benefits of one organization's actions might impact organizations that had no input in that decision. In these cases, competition and conflict is likely to spring up between these agencies that do not even have a contractual agreement with each other.¹⁴ One of the main problems for service providers in a polycentric order is therefore how formally independent organizations can resolve these conflicts. Still, polycentricity does not necessarily preclude both cooperation *and* competition.

More recent scholarship has specified the nature of the rules that best resolve conflicts between polycentric organizations. In their comprehensive review of the polycentricity literature, Boettke et al. conclude that polycentric systems are the most effective at resolving conflicts when “the members of the system do not see the rules as deliberately frustrating their goals.” Moreover, each organization must have a clearly defined jurisdiction on what issues they have the authority to act or coexist with other organizations' actions, and a clear process of how the rules that govern them are designed.¹⁵ For the organizations in a polycentric order to be coordinated and effective at solving inevitable conflicts between them, they must each know their roles relative to each other.

As for which governing body ought to enforce these rules, Boettke et al. argues that each organization within the polycentric system should take turns enforcing the rules upon their fellow organizations. This method would encourage the organizations to enforce the rules faithfully, since the others could punish any organization that abused their power once they gave it up. Taking turns enforcing rules rather than establishing an outside governing body to enforce them eliminates the infinite regress of needing more rulers to govern each ruler.¹⁶ In theory,

¹⁴ Ibid., pg. 835

¹⁵ Peter Boettke, Paul Dragos Aligica & Vlad Tarko, “Public Governance and the Classical Liberal Perspective” (Oxford University Press, 2019), pg. 147

¹⁶ Ibid., pg. 143

polycentricity works best both when each organization clearly understands the rules they must follow and are partly responsible for enforcing those rules upon everybody else.

Recent evidence suggests that Boettke et al.'s theory of rule enforcement at least partly holds true for polycentric homelessness services. In their national survey of the Continuum of Care (CoC) system, Jang & Valero argue that the coordination of a CoC depends on "identifying potential members and establishing ground rules for the members are other important network design factors that impact the collaboration process and collective goal achievement." To enforce those ground rules, organizations in the CoC must "[maintain] stable memberships [and hold] partner agencies accountable to identifying and securing resources."¹⁷ Some networks have even maintained this stability by "grow[ing] to the point of establishing their own self-standing nonprofit that is responsible for managing the affairs of the network."¹⁸ While Jang & Valero's analysis does not necessarily go as far as Boettke et al. in suggesting that rule enforcement should alternate between different members of the service sector, it still affirms that rule enforcers ought to be one another's peers in the service sector. Those enforcers must clarify to the rest of their peers which rules they will enforce and when.

Simmelian Sociology: Agreeing Despite Heterogeneity

Polycentricity focuses on how organizations with different perspectives come into and resolve conflicts with each other, but organizations do not really have one perspective. They are groups of heterogeneous individuals, so they are likely to consist of heterogeneous perspectives.

¹⁷ Hee Soun Jang & Jesús N. Valero, "Public-Nonprofit Collaboration and Policy in Homeless Services: Management, Measurement, and Impact" (Palgrave Macmillan, 2022), pg. 63–64

¹⁸ Ibid., pg. 75

Sociologists, particularly Georg Simmel, explain how different individuals might come together to form a group despite this heterogeneity.

Simmel's theory of group behavior is largely consistent with the polycentricity literature because they both start from the same premise. He begins by accepting the basic thesis of the polycentricity literature, claiming that "one must treat [a group] as if it actually did have its own life, and laws, and other characteristics" because everyone else's general attitudes might sway our own individual actions and vice versa.¹⁹ Like a polycentric order, a key characteristic of groups is that each members' actions influence the others'. A group therefore cannot be reduced to its individual members, so the group itself can be seen as its own actor in this larger organizational field. These groups' characteristics are therefore different from the sum of their individual parts.

Groups are more likely to form when their members believe that the "purpose" of a group—whatever that might be—agrees with whatever they want for themselves. According to Simmel, "the aims of the public spirit, as of any collective, are those that usually strike the individual as if they were his own fundamentally simple and primitive aims." And these aims are more primitive if many people have pursued them for a longer period of time.²⁰ In order for groups to form—especially large ones, each of the members will probably perceive their own basic purposes as compatible with the basic purposes of others in the group.

However, since a group's overall characteristics will not perfectly align with the characteristics of each individual member, those members will probably feel that the group is not always acting in their own best interest. A group's overall "character springs from the very multitude of the individual members and their effects," and this process causes the group's

¹⁹ Georg Simmel, "The Social and the Individual Level" in *The Sociology of Georg Simmel*, ed. Kurt Wolff (The Free Press, 1950), pg. 26

²⁰ Ibid., pg. 28

“general element to emerge at such a distance from it that it seems as if it could exist by itself, without any individuals, to whom in fact it often enough is antagonistic.” As a result, “it is hard to reconcile personal relations, which are the very life principle of small groups, with the distance and coolness of objective and abstract norms without which the large group cannot exist.”²¹ While groups depend on common characteristics and objectives between its members to exist, how the group comes to behave as a whole will disagree with how some of those members would prefer it to act.

Scholars have further developed Simmel’s theory of group heterogeneity; they argue that this disagreement is precisely what allows smaller, new, and innovative groups to form. Simmel concludes that individuals who eventually come to disagree with their own groups’ overall characteristics “are apt, in the course of time, to split up into factions... [i]t is as if each individual largely [feels] his own significance only by contrasting himself with others.”²² Since heterogeneous disagreement accounts for individuals feeling significant relative to others in their own group, Oliver & Marwell argue that this heterogeneity accounts for the leaders with high interests who innovate when trying out new solutions for collective problems.²³ Scott Page tests this theory, finding that “diverse groups of people may outperform groups of the best [homogenous] individuals”²⁴ Paul Dragos Aligica contextualizes these theories and findings with the rest of the heterogeneity literature, affirming that while the results are mixed, overall the literature suggests that heterogeneous perspectives promote innovation.²⁵ Group heterogeneity allows for polycentricity and thus entrepreneurial competition.

²¹ G. Simmel, “On the Significance of Numbers for Social Life” in *The Sociology of Georg Simmel*, ed. Kurt Wolff (The Free Press, 1950), pg. 97

²² G. Simmel, “The Social and the Individual Level,” pg. 31

²³ Pamela Oliver & Gerald Marwell, “Whatever Happened to Critical Mass Theory? A Retrospective and Assessment” (Sociological Theory, 2001), pg. 309

²⁴ Scott Page, *Diversity and Complexity* (Princeton University Press, 2010), pg. 369

²⁵ Paul Dragos Aligica, *Institutional Diversity and Political Economy: The Ostroms and Beyond* (Oxford University Press, 2013)

Mosley in particular claims that the heterogeneous nature of services for the unhoused lends them to a more polycentric structure. She argues that since the unhoused population is an especially vulnerable group, “responses need to be carefully tailored and adjusted to changing conditions, [and] the need to take advantage of the expertise of a diverse group of people becomes even more important as a tool to meet that complexity.” But the resulting diverse group of organizations leads to “ongoing tensions regarding autonomy versus interdependence” as well as the challenge of “negotiat[ing] participating organizations’ competing narratives of homelessness.”²⁶ The heterogeneity of the unhoused population makes smaller, polycentric organizations who can get to know them better more effective at serving them, but the heterogeneity of those organizations means that they must also resolve inevitable conflicts.

Drawing from market process economics, this paper defines political competition as different perceptions of the means/ends framework overlapping in the same polycentric public jurisdiction. While organizations as a whole do compete with each other, sociology shows how individuals within those organizations will also compete and thus develop smaller, more innovative organizations. This paper will now use these theories to interpret some of the results of political competition in Utica’s service sector for the unhoused.

III. Method

From the end of May 2023 through the beginning of August 2023, I interviewed 13 people who have experience working in Utica’s homelessness service sector. Of these, 6 people are in management positions in either the MVHHC or nonprofits that have worked with the

²⁶ Jennifer Mosley, “Cross-Sector Collaboration to Improve Homeless Services: Addressing Capacity, Innovation, and Equity Challenges” (The ANNALS of the American Academy of Political and Social Science, 2021)

MVHHC. Five are academics who have extensive ties with individuals from those organizations. One is a member of Utica's city government, and another is a former County Executive. I asked each video interviewee permission to record our video interviews, allowed all interviewees to refuse to answer any question they'd like, and I allowed public officials to change their answers *ex post* if they said anything they would not be comfortable making public. If I conducted interviews over the phone instead of a video call, I did not record the interviews but still imperfectly transcribed the interviewee's answers. I wanted to ensure that each interviewee felt as comfortable as possible when discussing their relationships with other organizations and members of their own organization.

The baseline set of questions that I asked most interviewees are as follows:

- A) How did you get involved with helping the homeless in Oneida county?
- B) How has your organization's methods of helping the homeless changed over time?
- C) When have your organizations' goals changed, and why did they change? Have you noticed any changes in other organizations' approaches over time? Why do you think they changed?
- D) Are there any governing bodies you feel you have cooperated with particularly well? Are there any you feel more competitive with?
- E) What are the overarching rules you feel that your organization has to follow in order to cooperate or resolve conflicts with other organizations?

When asking these questions during the interviews, I did not stick to this phrasing perfectly. I replaced the phrase "your organization" with the name of the organization that the interviewee worked for or with. I asked follow-up questions to these as well, which mostly looked to clarify dates, details, or a specific example of a general theme the interviewee mentioned.

Based on this method, my research project was not an ethnographic study nor a case study of any particular organization. Such a project would have demanded consistent "hanging

out” in the organizations, observing how many people in them operate on a daily basis. As a virtual researcher, I did not have the ability to do that observation. I also could not cross-reference my interviewee’s accounts of any examples with official records, since many of the organizations sign non-disclosure agreements when discussing social service clients.²⁷ Since it uses the perspectives of a relatively small number of people, my research only suggests how polycentric conflict might have been beneficial for low-barrier service provision in Utica.

IV. Results & Discussion

Polycentricity in Utica: How Much Is There?

Utica’s social service sector for people experiencing homelessness is currently polycentric, and the MVHHC in particular has gotten more polycentric over time. According to an MVHHC program manager, ‘because the CoC is used to trusting the MVHHC chair, the coalition’s decisions weren’t always collective decisions.’ The coalition’s written standards for what kinds of services they should endorse used to be only ‘very superficial and technical’ for about 20 years. An organization where one perspective dictates what others will do without much (if any) feedback from them is a monocentric order, not a polycentric one. But recently, the MVHHC adopted new standards ‘written with the input of the full membership. People are actually reading things now and asking questions.’ Members of the coalition have given the program manager feedback on their policy changes, encouraging them to look at organizations’

²⁷ For more on what makes “good” qualitative evidence, see David Skarbek, “Qualitative research methods for institutional analysis,” (Cambridge University Press, 2020)

performances over a longer time frame when considering whether to fund them in full. With reciprocal feedback between the different members becoming the norm in the MVHHC, it is relatively more polycentric than it used to be.

Within the MVHHC, there are other smaller polycentric orders of organizations. Several nonprofits in the coalition, like the Neighborhood Center, are members of the County Government's Single Point of Access (SPOA) program. The program identifies the "individuals most in need of services, and manages service access and utilization."²⁸ SPOA attempts to allocate people with serious mental illnesses into the existing housing stock, and the MVHHC attempts to grow that housing stock over time. A Neighborhood Center case manager reports that members from different organizations who have experiences with the same client will often debate with one another over which service would be best for them. This reciprocal feedback makes SPOA a smaller polycentric order overlapping with the MVHHC.

Agencies in the coalition are also involved in the polycentric county government. The Oneida County Department of Social Services is a member of the coalition, and has also participated in regular meetings with every county department head. In those meetings, the department heads would "share projects they were most excited about and problems with them to try to build a good team effort approach." According to a former County Executive, departments could submit their preferred plans for the year and have a direct discussion with the County Executive and other agencies if their plans did not mesh perfectly. Because of this level platform for feedback and different domains of authority for each of these organizations, the MVHHC itself and the county government involved in it are both polycentric.

²⁸ "Program Oneida County SPOA - Adult," nyconnects.ny.gov, accessed August 11, 2023

Rules and Authority: Does Each Organization Have a Clear Domain?

Each organizations' domains of authority are not consistently clear, and the overarching rules that ought to help resolve conflicts can be blurry. When organizations have different opinions about clients going through SPOA, the Case Manager claims that it is hard for each organization to determine whether another's claim is a mere opinion or a fact. There is no outside mediation between those opinions. The only clear rule guiding how they act with each other is a non-disclosure agreement for what they discuss in their meetings. The absence of a clearly understood method for resolving conflicts beyond having a debate means that SPOA lacks what Ostrom et al. consider a key feature of effective polycentricity: having access to central mechanisms of conflict resolution.

Outside of SPOA, central conflict resolution mechanisms have been successful for solving conflicts between service providers within and beyond the coalition. During a large, intense public dispute between the County Executive and Pastor Ballman, the Community Foundation moderated a meeting between the two. As a result of this meeting, the County Executive allowed Pastor Ballman to text him whenever he found somebody who needed housing during the working hours of Code Blue. This meeting is similar to the mediation process that the County Executive has done for their department heads, and it fostered a compromise with the inputs of both organizations. Not only is this meeting a central mechanism for conflict resolution, but a fellow organization within the order also enforced it. This conflict resolution method satisfies Boettke et al.'s recommendation for organizations to help enforce rules upon each other.

The coalition's method of designing its rules seems to satisfy Boettke et al.'s suggestion of having a clear process for doing so that is not at odds with each member's goals. It is probably true that the rules are still somewhat harmful to every member, since there are over 300 members of the MVHHC. The coalition's governance board is also 'comprised of people with CoC funds to help homeless people,' so 'there could be some bias toward larger donors' within the board. But since the MVHHC created new written standards with the "input of the full membership," those rules are less likely to be completely harmful for any given member compared to if the governance board alone quietly drew up those rules.

However, these overarching rules for the coalition are not rules for resolving conflicts between the members. Conflict resolution for agencies involved with the coalition seems to depend on the personal ties that people in the agencies have. In theory, Elinor Ostrom allows for conflict resolution rules to be both "formal" and "informal," and personal ties would fall under the "informal" category. In some situations, these ties have been effective. The program manager called ACR Health for last-minute LGBTQ+ competency training when it became necessary to get CoC funding. But these ties are hardly reliable in Utica's service sector for people experiencing homelessness. The County Executive's responses to Pastor Ballman's text message became less frequent over time, dropping to near-zero after the bode blue season ended. Having another organization act as a central conflict resolver for the Pastor and County Executive was enough to establish coordination between the two, but that organization seems to not have overseen their relationship over time. Pastor Ballman and the County Executive's coordination therefore disintegrated. Personal ties have helped coordinate some organizations within Utica's polycentric order, but the lack of clearer formal rules around their responsibilities with each other has also hindered that coordination.

If conflicts do arise between members of the MVHHC, the personalities with the most input in the decisions of the coalition are apt to avoid conflicts rather than come to a compromise to resolve them. While the program manager has encouraged more organizations to engage with the coalition's decisions about who to fund and which metrics they should look at for those decisions, Pastor Ballman claims that her higher-up—the MVHHC chair—‘doesn’t wanna back them up so nothing real ever happens.’ The program manager’s account of the chair supports this sentiment, claiming that they are conflict-averse. The MVHHC does have more input from members on its policies than ever before, but those who are in the best position to be a central mechanism of conflict resolution seem less likely to take on that responsibility.

Competition in Polycentricity: Morrow’s Challenge & Its Consequences

The Morrow Warming Center’s overlapping services with a member of the coalition revealed new information about the size of Utica’s chronically unhoused population: people with emergency housing or none at all, a disability, and at least one cumulative year of being homeless.²⁹ Before Pastor Ballman opened the Morrow Warming Center, the Rescue Mission was the main place where people experiencing chronic homelessness could access some form of shelter. But Ballman only decided to open up the Morrow Warming Center when a person came to the church seeking shelter after the Rescue Mission kicked them out. According to Ballman, the Rescue Mission denied people shelter because they did not believe in low-barrier housing, only letting people maintain their emergency housing if they met some standard of sobriety or acceptable behavior. The Morrow Warming Center, on the other hand, decided not to deny

²⁹ Mohawk Valley Housing & Homeless Coalition, “2023 Point In Time Count Data Highlights,” pg. 3

people housing based on those standards. After opening up to serve the same population that was previously relying on the Rescue Mission, the Center learned that there were more unaccounted for people who did not have emergency housing than the county had previously known about. Consistent with Market Process economists' theory of competition, Pastor Ballman's competition with the Rescue Mission generated new knowledge about Utica's unhoused population that nobody knew before the competition took place.

Pastor Ballman's competition with the Rescue Mission changed the Rescue Mission's structure over time, pulling it closer to low-barrier practices. After Pastor Ballman 'made so much noise about creating a low barrier center' in Utica, they received low-barrier warming center funds and opened a drop-in center while supposedly 'trying harder than they used to to not kick people out.' Ballman claims that this center, even though he says that it is low-quality and unreliable, 'wouldn't exist without us.' To Ballman, it is better than no center at all. Political competition revealed new knowledge about service providers' clients, and also encouraged those providers to change their services based on that new knowledge. This competition from Pastor Ballman was only possible because of the authority he had to test a different approach to serving people experiencing homelessness in Utica. The polycentricity of the county's service landscape as a whole gave him that authority.

Some of the Morrow Warming Center's services demonstrate not merely duplication of the Rescue Mission's competing services, but creative innovation to them. Both Morrow and the Rescue mission used to offer free nightly dinners, but according to Pastor Ballman the Rescue Mission received funding to provide those services at no monetary cost to themselves. As a result, Morrow focused on offering dinners on days when other organizations did not, and they offered fresher food. They also invested in community-building activities, starting a studio art

program for the unhoused and low-income. Morrow's services drew in more clients than they anticipated, and these clients claimed that their services were the best available in the area. Morrow's competitive services revealed more information about its clients' preferences. Their competition is thoroughly Hayekian, since it tried to outdistance its competition—mainly the Rescue Mission—by changing the means it uses to draw clients in.

The main source of the MVHHC's move towards an even more polycentric structure was Pastor Ballman's critiques of coalition members' infidelity to low-barrier harm reduction. The program manager jumped off of Ballman's critique of coalition members to 'light a fire' under the members for staying more faithful to low-barrier services for people experiencing homelessness. After Ballman's critique, she created a committee with governance board members and other coalition members to educate the rest of the members on 'CoC 101, the basic [low-barrier best practices] that HUD says organizations have to accomplish, what our data looks like, and our opportunities to improve services.' Even though Pastor Ballman's service is not a member of the MVHHC, his alternative perspective on service provision encouraged structural change from within the coalition.

Cornerstone is not the only source of structural change from competing perspectives in Utica's service sector for people experiencing homelessness. Just before the 2020 pandemic, the MVHHC chair approached the executive director of Rebuilding the Village about studying whether Black and Brown people experiencing homelessness actually received the coalition's services in the county. The executive director critiqued the coalition's almost entirely white representation at its meetings, arguing that this cultural disconnect between white service providers and non-white clients was largely responsible for Black and Brown people not following up with paperwork to receive housing services. Thanks to the executive director's

critique, they now ‘hold monthly cultural competency training meetings for a committee of volunteers from the CoC.’ Structural change within the MVHHC has occurred thanks to competition from the perspectives of both outside organizations and individuals’ competing perspectives from within the coalition, like the executive director and the program manager.

The structural innovation from relatively small competitors supports the Simmelian heterogeneity literature’s theory of decentralized, diverse perspectives causing existing groups to change and new groups to form. The MVHHC’s previous lack of interest in questioning the chair’s proposals is an example of Simmel’s point that a group’s overall “character springs from the very multitude of the individual members and their effects.” The MVHHC’s behavior as a whole did not reflect the sum of its parts, which in this case would include the program manager. This disconnect between the individual program manager and their group encouraged their innovative efforts. According to the former County Executive, other organizations like the Johnson Park center resulted mostly from one person’s effort to buy and renovate Cornhill’s dilapidated housing stock. The program manager, Morrow, and the Johnson Park Center are examples of social service innovation that support Oliver, Marwell, Page, and Aligicia’s argument that heterogeneous perspectives encourage entrepreneurship. This entrepreneurship happens thanks to the disconnect that Simmel noticed between group behavior and individuals’ preferences, and these entrepreneurs can try innovating thanks to their authority in a polycentric structure.

V. Conclusion & Implications

Utica’s social service sector for people experiencing homelessness is relatively polycentric, with disagreement between its members on how to best serve their clients. This

structure and heterogeneity gives organizations like Morrow the authority to experiment with alternative approaches, revealing new knowledge about their clients that other service providers can use to change their own approaches. These innovative results of competition from individuals and organizations like the program manager and the Morrow Warming Center suggests that the Market Process economists' theory of information-generating competition is also somewhat applicable to political competition.³⁰

Political competition is likely to be the most productive and coordinative if there is a clear method to resolve the inevitable conflicts between overlapping organizations. These conflict resolution methods are not consistent throughout Utica's polycentric order, undermining the coordination between organizations like Morrow and the County Executive. A possible reform, consistent with Boettke et al.'s theory of rule enforcement, would be to follow in the Community Foundation's and county government's examples. Different organizations could take turns mediating ongoing discussions between members of the coalition, offering a clearer space for them to collaborate on compromises that go beyond unreliable phone calls and text messages.

Organizations' loyalties to their funding sources may limit efforts to reform them, but funding does not always strictly determine how organizations behave. Pastor Ballman argues that the MVHHC has not changed the types of homelessness services it funds because the governance board 'wants to control the small amount of money they get.' Any innovations might jeopardize that funding. However, the program manager's successful changes to the coalition's structure seemed to have occurred without major changes in where they get their funding from. The

³⁰ A major difference between political and economic competition is that political organizations do not always sell their services, so they do not necessarily have profit and loss figures to judge the success of their services by. There are other metrics they can and do use, like the volume of people who use their services over other organizations'. Still, it is not always clear that political organizations will be rewarded with more funding for attracting more clients.

coalition's changes in spite of having the same funding sources during that time shows that the MVHHC is not doomed to do nothing but obey its funders.