Institutional Analysis: Concepts and Applications  
POLS Y673/ECON E724/SPEA P710  
TR 1:00–2:15 p.m.  
Ostrom Workshop, 513 N. Park Ave., Tocqueville Room, 1st Floor

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COURSE DESCRIPTION

The basis of institutional analysis is that formal institutions (e.g., laws) and informal institutions (e.g., norms) are important determinants of individual and group behavior. Behavior, in turn, affects socio-economic development. In the first part of the course, our initial focus is to take institutions as exogenous and understand how institutions lead to different socio-economic paths of development. After understanding the grand forces at play in shaping development paths, we will explore at a more micro level the outcomes of institutions, e.g. the rights that individuals and groups have to resources (property rights); and the forms of organization of production and exchange (markets and contracts). In Part II of the course, we explore the determinants of formal institutions (interest groups, legislative, executive and judicial branches, and the bureaucracy), taking as fixed the basic constitutional rules and the current realization of economic performance. In part III, we analyze the circumstances under which norms and beliefs can change and how those changes can lead to transitions to different economic and political trajectories (beliefs, leadership, constitutions). Throughout the course, we use case studies as well as econometric evidence to help students engage in applied work in institutional analysis.

REQUIREMENTS

This is a writing-heavy and participation-heavy course. Students are required to produce a 1-page precis to be submitted on Wednesdays no later than 5pm. The precis should summarize the main arguments in the weekly readings, and formulate observations and questions. An excellent precis seeks to relate the readings to each other and with material covered in the previous weeks. In addition, each week on Thursday a student will be the residual claimant of the readings. She or he will be the first to reply to questions about the readings from others in the class. Finally, a good portion of your grade in this course will depend on the final research paper. Each student will present an outline of the paper in class on week 10 and receive feedback from fellow students and instructors. Students will submit an electronic copy of their complete outline with bibliography to the instructors no later than October 23 at 5pm. We will repeat the same exercise on weeks 15 and 16 for the first draft of the paper, which is due no later than November 27 at noon. This time, however, students will not present in class. Instead, the papers will be made available to students on CANVAS ahead of time. It will be your responsibility to read the papers
and come prepared with comments and suggestions. The final draft of the paper is due on
Sunday, Dec. 11 at midnight. The course culminates in a mini-conference. More information
about the mini-conference is available at

GOALS OF THE COURSE

The basic goal of this class is to provide you with a toolkit that will sharpen their ability to
analyze institutions in their social, political, economic, and legal context; to see institutions as a
major driver of development in historical as well as contemporary societies; and to learn from
what worked and what did not work in the development of institutions through time in order to
better understand the challenges ahead. This kind of analysis requires an interdisciplinary
approach, which is best developed when students with different disciplinary background come
together to share ideas. This course also aims at developing your skills as researchers by
exposing you to a variety of social scientific research methods. Finally, this course aims at
improving your writing and presentation skills through targeted exercises, including the weekly
précis, the residual claimancy, class presentations, and the mini-conference.

REQUIRED READINGS

All readings on the syllabus are required. Links to selected readings as well as working papers
are available on the online copy of the syllabus
(https://ostromworkshop.indiana.edu/opportunities/courses/index.html or ON CANVAS). If you
wish more sources relevant to any area that we cover, especially in preparation for your final
paper, please let us know.

COMPONENTS OF GRADE

Class participation 40%
Weekly precis 10%
First draft and presentation 25%
Final paper 25%

STUDENTS WITH DISABILITIES

If any student will require assistance or academic accommodations for a disability, please contact
us after class, during our office hours, or by individual appointment. You must have established
your eligibility for disability support services through the Office of Disability Services for
Students in Wells Library W302, 812-855-7578.

RELIGIOUS HOLIDAYS

It is the policy of Indiana University that instructors must reasonably accommodate students who
want to observe their religious holidays at times when academic requirements conflict with those
observances. This policy is intended to ensure that both faculty and students are fully aware of
their rights and responsibilities in the accommodation of students’ religious observances. If a
conflict with a religious observance exists, a student must make a request to the instructor for a reasonable accommodation for that observance by the end of the second week of the course. Students seeking accommodations for religious observances can find the necessary form here: http://www.indiana.edu/~vpfaa/forms/index.shtml.

ACADEMIC MISCONDUCT

Academic misconduct is defined as any activity that tends to undermine the academic integrity of the institution. Academic misconduct includes, but is not limited to, the following: cheating, fabrication, plagiarism, interference, violation of course rules, and facilitating academic dishonesty. The faculty member may take into account the seriousness of the violation in assessing a penalty for acts of academic misconduct. The faculty member must report all cases of academic misconduct to the dean of students, or appropriate official. The university may discipline a student for academic misconduct.

SYLLABUS

Week 1 Introduction to the course
Aug 23-25

Tuesday: Overview of the course and requirements
No readings

Thursday: The Framework: three levels of institutional analysis
Readings:
- Alston et al. Introduction (ON CANVAS)

Week 2: History and methodology
Aug 30- Sept 1

Tuesday: Methodology
Readings:

Thursday: Institutional Analysis from a Founder
Readings:
Week 3 Institutions
Sept 6-8

Readings:
Tuesday:
- Alston et al. chapter 2

Thursday:

Week 4 Property Rights
Sept 13-15

Readings:
Tuesday:
- Alston et al. chapter 3

Thursday:

Week 5 Contracts
Sept 20-22

Tuesday:
- Alston et al. ch 4

Thursday:
Week 6 Interest groups  
Sept 27-29

Readings:
Tuesday:
- Alston et al. Intro to part II
- Alston et al. chapter 5

Thursday:

Week 7 Legislative and executive  
Oct 4-6

Readings:
Tuesday:
- Alston et al chapter 6

Thursday:

Week 8 Judiciary  
Oct 11-13

Tuesday:
- Alston et al. chapter 7

Thursday:

Week 9 Bureaucracy
Oct 18-20

Readings:
Tuesday:
- Alston et al. chapter 8

Thursday:
- TBD

Week 10 Student presentations
Outline and Bibliography
Oct 25-7

Week 11 Beliefs and leadership
Nov 1-3

Tuesday:
- Alston et al. Intro to part 3
- Alston et al. chapter 9

Thursday:
- Eggertsson, T. Imperfect Institutions 2005 (excerpts TBD)
- Schofield, N. Architects of Political Change 2006 (excerpts TBD)

Week 12 Constitutions and Dynamics
Nov 8-10

Readings:
Tuesday:

Thursday:
- Carugati, F. “Constitution and Coordination,” in progress. (ON CANVAS)

Week 13 Beyond Markets and States
Nov 15-17

Readings:
Tuesday:

Thursday:

Week 14 Thanksgiving break

Week 15 Student presentations
First Draft
Nov 29-Dec 1

Week 16 Student presentations
First Draft
Dec 6-8

EXAM WEEK
MINI-CONFERENCE
Dec 12-16
(TBD)