

Fall 2020
LAW B592/POLS Y673/SPEA P710

Seminar: Institutional Theory
Mondays, 9:30-11:40am, via Zoom

Prof. William Blomquist, blomquis@iu.edu

COURSE DESCRIPTION

Formal institutions (e.g., laws) and organizations (e.g., courts, firms) and informal institutions (e.g., norms) are important determinants of individual and group decisions and behaviors. Individual and group decisions and behaviors, in turn, create and change formal and informal institutions and organizations. In this seminar, we will review, discuss, and compare some important analytical approaches to understanding these interrelationships between institutions and behaviors. One of those approaches is the Institutional Analysis and Development (IAD) framework associated with the Ostrom Workshop at IU and what is sometimes called the “Bloomington School.” This framework was developed and refined over time to aid theory and research on how organizations and institutions (including laws, rights, and other rule-governed relationships) develop, operate, and change, and how organizations and institutions shape individuals’ choices and actions.

COURSE DESIGN AND BASIC WORKPLAN

The central idea of the course is to understand the framework by examining its fullest presentation – Elinor Ostrom’s 2005 book, *Understanding Institutional Diversity*. We will read and discuss that book along with several other readings.

Some of the readings are collected under the general heading of “influences.” They are presentations of ideas or lines of thought the IAD either assumes or explicitly draws upon. There is not a direct historical trajectory to these readings, though – some of them appeared decades before the IAD, others appeared contemporaneously with it, and two were written by either Vincent Ostrom or Elinor and Vincent Ostrom. Nevertheless, they are good representations of ideas that influenced the development of the IAD.

Another group of readings is collected under the heading of “aids and bridges.” Some of them explain or elaborate certain aspects of the IAD. Others describe ways in which the IAD is or can be useful.

A third group of readings is collected under the heading of “extensions, critiques, and links other literatures.” These are generally more recent works that have either built upon the IAD in some way or pointed out deficiencies and offered ideas for improving the

framework. Although the IAD framework first came together in the 1980s, it continues to undergo critique and refinement, and is used in new ways.

We will all read *Understanding Institutional Diversity*, plus two readings by Michael McGinnis about the IAD framework and a book chapter by Scott Shackelford on collective action at the global scale.

We will divide up the other readings – the 27 articles or chapters listed below under Influences, Aids, and Extensions. Each of those readings will be assigned to a seminar participant whose task will be to read that selection and present a brief (5-minute) summary of it during a live Monday seminar meeting.

During the live seminar meetings, students will summarize the readings they were assigned, and we will all discuss those as well as the readings we have all done.

Students will go beyond reading and discussion of the two frameworks by applying them to a subject of the student's interest and choosing, subject to my approval. This will be done in the form of a research paper. The paper should combine relevant readings from this seminar with whatever outside sources are pertinent to the student's chosen topic.

Early in the semester, students will identify a paper topic and share it with everyone in the seminar. Students may then proceed to work on their papers throughout the semester once I have approved their topics.

In the last two weeks that we meet live, on November 30th and December 7th, students will make brief presentations about their papers to one another.

Final papers are due on or before December 14th.

THE READING LIST

[*Note: all readings other than Ostrom 2005 are posted on Canvas.*]

To be read by everyone

Ostrom, Elinor (2005) *Understanding Institutional Diversity*. Princeton, NJ: Princeton University Press

McGinnis, Michael D. (2011) "An Introduction to IAD and the Language of the Ostrom Workshop: A Simple Guide to a Complex Framework." *Policy Studies Journal*. Volume 39, Number 1 (February), pp. 169-182

McGinnis, Michael D. (2019) "Connecting Commons and the IAD Framework." In *Routledge Handbook of the Study of the Commons*. Blake Hudson, Jonathan Rosenbloom, and Dan Cole, eds. New York, NY: Routledge, pp. 50-62

Shackelford, Scott J. (2020) "Managing Cyber Attacks as a Global Collective Action Problem." Chapter 2 in *Governing New Frontiers in the Information Age: Toward Cyber Peace*. Cambridge, UK: Cambridge University Press, pp. 87-172

Additional Readings (to be divided up and assigned)

Influences

Commons, John R. (1931) "Institutional Economics." American Economic Review. Volume 21, pp. 649-657

Demsetz, Harold (1967) "Toward a Theory of Property Rights." American Economic Association Papers and Proceedings. Volume 57, Number 2 (May), pp. 347-359

Hayek, F.A. (1945) "The Use of Knowledge in Society." The American Economic Review. Volume 35, Number 4 (September), pp. 519-530

Hodgson, Geoffrey M. (2009) "On the Institutional Foundations of Law: The Insufficiency of Custom and Private Ordering." Journal of Economic Issues. Volume 43, Number 1 (March), pp. 143-166

North, Douglass C. (1991) "Institutions." Journal of Economic Perspectives. Volume 5, Number 1 (Winter), pp. 97-112

Ostrom, Vincent and Elinor Ostrom (1971) "Public Choice: A Different Approach to the Study of Public Administration." Public Administration Review. Volume 31, Number 2 (April), pp. 203-216

Ostrom, Vincent (1980) "Artisanship and Artifact." Public Administration Review. Volume 40, Number 4 (July/August), pp. 309-317

Searle, John R. (2005) "What Is an Institution?" Journal of Institutional Economics. Volume 1, Number 1, pp. 1-22

Simon, Herbert A. (1962) "The Architecture of Complexity." Proceedings of the American Philosophical Society. Volume 106, Number 6 (December), pp. 467-482

Aids and Bridges

Alexander, E.R. (2005) "Institutional Transformation and Planning: From Institutionalization Theory to Institutional Design." Planning Theory. Volume 4, Number 3 (November), pp. 209-223

Child, John (1972) "Organizational Structure, Environment and Performance: The Role of Strategic Choice." Sociology. Volume 6, Number 1 (January), pp. 1-22

Cole, Daniel H. (2017) “Laws, Norms, and the Institutional Analysis and Development Framework.” Journal of Institutional Economics. Volume 13, Number 4 (December), pp. 829-847

Cole, Daniel H. and Peter Z. Grossman (2002) “The Meaning of Property Rights: Law versus Economics?” Land Economics. Volume 78, Number 3 (August), pp. 317-330

Elster, Jon (1989) “Social Norms and Economic Theory.” Journal of Economic Perspectives. Volume 3, Number 4 (Autumn), pp. 99-117

Heikkila, Tanya and Krister Andersson (2018) “Policy Design and the Added-Value of the Institutional Analysis Development Framework.” Policy & Politics. Volume 46, Number 2 (April), pp. 309-324

Hodgson, Geoffrey M. (2006) “What Are Institutions?” Journal of Economic Issues. Volume 40, Number 1 (March), pp. 1-25

North, Douglass C. (1994) “Economic Performance through Time.” American Economic Review. Volume 84, Number 3 (June), pp. 359-368

Extensions, Critiques, and Links to Other Literatures

Battilana, Julie and Thomas D’Aunno (2009) “Institutional Work and the Paradox of Embedded Agency.” In Institutional Work: Actors and Agency in Institutional Studies of Organizations. Thomas B. Lawrence, Roy Suddaby, and Bernard Leca, eds. Cambridge, UK: Cambridge University Press, pp. 31-58

Bennett, Abigail, Leslie Acton, Graham Epstein, Rebecca L. Gruby, and Mateja Nenadovic (2018) “Embracing Conceptual Diversity to Integrate Power and Institutional Analysis: Introducing a Relational Typology.” International Journal of the Commons. Volume 12, Number 2, pp. 330-357

Brisbois, Marie Claire, Michelle Morris, and Rob C. de Loe (2019) “Augmenting the IAD Framework to Reveal Power in Collaborative Governance – An Illustrative Application to Resource Industry Dominated Processes.” World Development. Volume 120 (August), pp. 159-168

Fuenfschilling, Lea and Bernhard Truffer (2014) “The Structuration of Socio-Technical Regimes – Conceptual Foundations from Institutional Theory.” Research Policy. Volume 43, Number 4 (May), pp. 772-791

Geels, Frank W. (2004) “From Sectoral Systems of Innovation to Socio-Technical Systems: Insights about Dynamics and Change from Sociology and Institutional Theory.” Research Policy. Volume 33, Numbers 6-7, pp. 897-920

Hotimsky, Samy, Richard Cobb, and Alan Bold (2006) “Contracts or Scripts? A Critical Review of the Application of Institutional Theories to the Study of Environmental Change.” Ecology and Society. Volume 11, Number 1, Article 41

Lawrence, Thomas B., Roy Suddaby, and Bernard Leca (2009) “Introduction: Theorizing and Studying Institutional Work.” In Institutional Work: Actors and Agency in Institutional Studies of Organizations. Thomas B. Lawrence, Roy Suddaby, and Bernard Leca, eds. Cambridge, UK: Cambridge University Press, pp. 1-27

Lubell, Mark (2013) “Governing Institutional Complexity: The Ecology of Games Framework.” Policy Studies Journal. Volume 41, Number 3 (August), pp. 537-559

Markey-Towler, Brendan (2019) “The Competition and Evolution of Ideas in the Public Sphere: A New Foundation for Institutional Theory.” Journal of Institutional Economics. Volume 15, Number 1, pp. 27-48

Whaley, Luke (2018) “The Critical Institutional Analysis and Development (CIAD) Framework.” International Journal of the Commons. Volume 12, Number 2, pp. 137-161

WEEK-BY-WEEK SCHEDULE

Monday, August 24th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Introduction to the seminar

Monday, August 31st

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Everyone reads and discusses: Ostrom, Chapter 1 and McGinnis 2011.
- Blomquist presents/summarizes and everyone discusses: Simon 1962, Ostrom & Ostrom 1971, Searle 2005, Demsetz 1967

Monday, September 7th

We do not meet and there are no assignments.

Monday, September 14th

We do not meet and there are no assignments.

Monday, September 21st

Blomquist will be on Zoom from 9:30am to 11:45am, Eastern Time U.S., but we do not meet.

Monday, September 28th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Students describe their paper topics.
- Everyone reads and discusses: Ostrom, Chapters 2 and 3.
- Individual seminar participants present/summarize and everyone discusses: V. Ostrom 1980, Commons 1931, Hayek 1945, North 1991, Hodgson 2009, Cole & Grossman 2002.

Monday, October 5th

Blomquist will be on Zoom from 9:30am to 11:45am, Eastern Time U.S., but we do not meet.

Monday, October 12th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Everyone reads and discusses: Ostrom, Chapters 4 and 5.
- Individual seminar participants present/summarize and everyone discusses: Cole 2017, Elster 1985, Hodgson 2006.

Monday, October 19th

Blomquist will be on Zoom from 9:30am to 11:45am, Eastern Time U.S., but we do not meet.

Monday, October 26th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Everyone reads and discusses: Ostrom, Chapters 6, 7, 8, and 9, and McGinnis 2019.
- Individual seminar participants present/summarize and everyone discusses: Child 1972, Alexander 2005, Heikkila & Andersson 2018, North 2014.

Monday, November 2nd

Blomquist will be on Zoom from 9:30am to 11:45am, Eastern Time U.S., but we do not meet.

Monday, November 9th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Individual seminar participants present/summarize and everyone discusses: Battilana & D'Aunno 2009, Lawrence et al. 2009, Lubell 2013, Fuenfschilling & Truffer 2014, Geels 2004, Bennett et al 2018, Brisbois et al. 2019, Hotimsky et al. 2006, Whaley 2018.

Monday, November 16th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Everyone reads and discusses: Shackelford 2020.

Monday, November 23rd

We do not meet and there are no assignments.

Monday, November 30th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Students present their draft final papers and we all discuss them.

Monday, December 7th

We meet live via Zoom from 9:30am to 11:45am, Eastern Time U.S.

- Students present their draft papers and we all discuss them.

Monday, December 14th

We do not meet – final papers are due.