

Erling Berge, 24 August 2009

SOS3508 Resource management: Institutions and institutional design

Based on contributions from sociology, political science, neo-institutional economics, anthropology, geography, biology, history, and philosophy the goal of the class is to understand better how variations in formal and informal institutions affect economic and social development in general and in particular the sustainable use of resources. Today redesigning institutions to improve on the sustainability of resource use is a primary concern for most governments at all levels.

Requirements for the class are to write a book review and a term paper:

1. Book review

Write a book review of either Diamond 2005 or Reinert 2007 (from the suggestions on further readings)

The book review can be maximum 600 words.

The book review ought to be done no later than 20 October.

2. Presentation in class

Present in class a chapter chosen from Elster (2007) part 5 (pages 299-444). Presentations will be scheduled in the period 22-29 October.

3. Term paper

Write a term paper on some topic from the class readings. It is expected to be some 5600-7500 words or 15-20 pages and should in addition to required readings utilise readings from outside the required reading list. In writing the term paper you should follow the standard given by

http://www.svt.ntnu.no/iss/studentinfo/vitenskapelig_form_og_stil.pdf (in Norwegian).

Alternatives, not quite equivalent, are available in English, for example

<http://www.sv.ntnu.no/thecommonsjournal/CurrentAuthorGuidelines.pdf>

Deadline for term paper is 23 November.

Required reading (pensum):

Elster, Jon. 2007. *Explaining Social Behaviour: More Nuts and Bolts for the Social Sciences*. Cambridge: Cambridge University Press.

Henrich, Joseph, and Natalie Henrich. 2007. *Why Humans Cooperate A Cultural and Evolutionary Explanation*. Oxford: Oxford University Press.

North, Douglass C. 2005. *Understanding the Process of Economic Change*. Princeton: Princeton University Press.

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

Rothstein, Bo. 2005. *Social Traps and the Problem of Trust*. Cambridge: Cambridge University Press.

Reading of the texts on the reading list will cover the stuff for examinations. The central texts are the books by Rothstein, North, and Ostrom. After the introductory text of Rothstein you might want to take a look at Henrich and Henrich, and Elster.

On the Suggestions for further reading you may note that Schmid (2004) provides a very good alternative introductory text directed at economics students. Platteau (2000) is an excellent discussion of institutions in developing economies similar to those found in Sub-Saharan Africa. Chapters in Goodin (1996) and Hanna & al. (1996) provide supplementary perspectives. Searle (1995) provides a valuable philosophical perspective on the construction of institutions.

Up to 40% of the required reading can upon approval be replaced by other relevant readings according to the student's choice.

Suggestions for further relevant readings (annen anbefalt litteratur):

Some relevant papers are found at Erling Berge's homepage <<http://www.sv.ntnu.no/iss/Erling.Berge>>

Introductory texts

- Peters, B. Guy. 2005. *Institutional Theory in Political Science: The New Institutionalism*, Second Edition. London: continuum
- Schmid, A Allen. 2004. *Conflict and Cooperation. Institutional and Behavioral Economics*. Oxford: Basil Balckwell.
- Scott, W. Richard. 1995. *Institutions and Organisations*. London: Sage. (Read chapters 1-6.)

Very readable surveys

- de Soto, Hernando. 2000. *The Mystery of Capital*. New York: Basic Books.
- Diamond, Jared. 2005. *Collapse: How Societies Choose to Fail or Succeed*. New York: Viking.
- Fagan, Brian. 2004. *The Long Summer: How Climate Changed Civilization*. New York: Basic Books.
- Fagan, Brian. 2000. *The Little Ice Age: How Climate Made History: 1300-1850*. New York: Basic Books.
- Reinert, Erik S. 2007. *How Rich Countries got Rich ... and Why Poor Countries Stay Poor*. London: Constable & Robinson.

Extensions of class readings

- Berge, Erling and Nils Chr. Stenseth, ed. 1998. *Law and the Governance of Renewable Resources*. Oakland: ICS Press.
- Crosby, Alfred W. 1993. *Ecological Imperialism: The Biological Expansion of Europe, 900-1900*. Cambridge: Cambridge UP.
- Douglas, Mary. 1987. *How Institutions Think*. London: Routledge & Kegan Paul.
- Goodin, Robert E., ed. 1996. *The Theory of Institutional Design*. Cambridge: Cambridge UP.
- Hanna, Susan, Carl Folke & Karl-Göran Mäler, eds. 1996. *Rights to Nature*. Washington: Island Press.
- Luhmann, N. 1985. *A sociological theory of law*. London: Routledge and Kegan Paul.
- North, Douglass C. & Robert P. Thomas. 1973. *The Rise of the Western World: A New Economic History*. New York: Cambridge UP.
- North, Douglass C. 1990. *Institutions, Institutional Change and Economic Performance*. Cambridge: Cambridge UP.
- Ostrom, Elinor. 1990. *Governing the Commons: The Evolution of Institutions for Collective Action*. Cambridge: Cambridge UP.
- Platteau, Jean-Philippe. 2000. *Institutions, Social Norms, and Economic Development*. London: Overseas Publishers Association/ Routledge.
- Searle, John R. 1995. *The Construction of Social Reality*. New York: The Free Press.
- Williamson, Oliver E. 1996. *The Mechanisms of Governance*. Oxford: Oxford University Press.

Useful web-links

<http://dlc.dlib.indiana.edu/>

<http://www.thecommonsjournal.org/>

<http://www.iascp.org/>

<http://otto.idium.no/desotowatch.net/>

<http://www.undp.org/legalempowerment/>

<http://www.statkart.no/IPS/?module=Articles;action=ArticleFolder.publicOpenFolder;ID=2852>