Institutions and Organizations in Historical Perspective
Avner Greif

This course examines various approaches to the study of institutions in Economics, the applications of these approaches to economic history, and their evaluation and extension through historical analysis. The class is conducted mainly through discussion and you are expected to read all papers marked with a star. The notation (JA) indicates a paper that can be accessed through Jackson Library ejournals and (JS) indicates a paper in JSTOR. Some papers can be directly downloaded (DD).

Class participation accounts for 25 percent of the final grade (and, unfortunately, about 100 percent of what you will learn in class). The other requirement for the class is a written "research project" that can take several forms: a critical summary and evaluation of a relevant paper or book; a proposed research agenda; or a term paper. I strongly advise you to write a paper since the lack of practice in defining and conducting a research agenda is a main factor in delaying graduation. Practice helps.

You have to decide on your research project prior to Nov. 22 and get my approval. The last date to complete the project is the end of next September. Feel free to consult with me regarding possible projects. I will be happy to assist you. I will also circulate a list of possible projects in a week or so.

General Readings on Institutions:


Topics

I. Old Institutionalism and the Neo-Classical Approach

• Old Institutionalism


• The Neo-Classical Approach: Institutions as Responses to Market Failures


II. The New Institutional Economics (NIE) to the 1990s

• Transaction Costs Economics


• Institutions as Rules and the Property Rights Approach:


IIa. (Optional): Rent-seeking and Collective Actions.
III. Preliminary to Institutional Analysis Beyond the NIE

This issue is dealt with in the context of institutions that governed per-modern trade: This trade was at first a shapeless, chaotic mass with the spirits of many economists brooding over the water trying to examine exchange in the absence of law.

Background:


Analysis:


The substantive issue of these papers is Business or Social Networks. On this issue, see also:


IV. Game Theory in the Service of Institutional Analysis
• Classical and Evolutionary Game Theory


• Integrating Game Theory and Insights of Various Disciplines


VI Is Institutional Dynamics a Historical Process?

• The Functionalist Approach


• Path Dependence


• The Game Theoretic Approach

VII How Do Institutions Influence Behavior?


This substantive issue of this paper is Institutions Governing Political Relationships. On this issue, see also:


___________. 1993 (September). "Dictatorship, Democracy, and Development." American Political Science Review 87(3), 567-76. (JS)


The following two papers that are discussed below also relate to the issue of politics:


VIII Institutional Elements and Self-enforcing Institutions

* Chapters XI and XII from Greif, Historical Institutional Analysis. (If these chapters are in a sufficiently advanced form.)

IX How Institutions Influence Their Rates of Change?

X The Influence of Past Institutions on the Direction of Institutional Change

* Chapter XIV in Greif. *Historical Institutional Analysis.*

- Context-specific Analysis of Institutional Dynamics


Some fun topics that we will not have time to cover in class:

- The Evolution of Institutions that Governed Pre-Modern Trade (or Exchange in the Shadow of the Law)

  Background:


  Analysis:


- The Organization of Production.

  Background:

Analysis:


- **The Nature and Historical Origin of the Institutional Foundations of Modern Economies**


