

Erling Berge, 4 September 2007

## **SOS3508 Resource management: Institutions and institutional design**

Based on contributions from political science, neo-institutional economics, sociology, anthropology, 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.

The class will be thought in English if anyone so wishes.

Participants are expected to write a book review, make an oral presentation and write a term paper:

**1. Book review**

Write a book review of one of the books Diamond 2005, Easterly 2001, Crosby 1993, Fagan 2000, 2004, or de Soto 2000.

The book review can be maximum 600 words.

The book review ought to be done no later than 3 October.

**2. Oral presentation**

Make an oral presentation in class (10-20 min) of an article or a resource use case **not on the list of required readings**. For example taken from Hanna, Folke and Mäler 1996, Berge and Stenseth 1998, Goodin 1996, Ostrom 1990, or Williamson 1996.

The presentation ought to be held no later than 17 or 24 October

**3. Term paper**

Write a term paper on some topic from the class readings or discussions. 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](http://www.svt.ntnu.no/iss/studentinfo/vitenskapelig_form_og_stil.pdf) (in Norwegian)

Deadline for term paper is 30 November.

<b>Room and time:</b>		
D109, Dragvoll, Building 4 Level 4, Wednesdays at 1215-1600 starting 5 September		
<b>THEME</b>		
1	5 Sep	Introduction to the problems of environmental degradation and socio-economic development: Diamond, Easterly, de Soto
2	12 Sep	Institutional theory, a survey: Peters, Scott
3	19 Sep	Institutions and the use of natural resources: property rights/ land tenure
	26 Sep	<Assignment: prepare book review for 3 Oct>
4	3 Oct	Institutional analysis: Ostrom Ch 1-2
5	10 Oct	Institutional analysis: Ostrom Ch 3-4
6	17 Oct	The construction of social reality: culture, formal vs. informal institutions: Searle
7	24 Oct	The customary foundation of institutions: Douglas
8	31 Oct	The process of economic change: North Ch 1-6
9	7 Nov	A grammar of institutions, Ostrom Ch 5
10	14 Nov	Classification of rules: Ostrom Ch 6-7
11	21 Nov	Using the rules: Ostrom Ch 8-9
12	28 Nov	The dynamics of change: North Ch 7-13
	30 Nov	Term paper due no later than 1200
	18 Dec	Oral examinations

**Required reading (pensum):**

- Diamond, Jared. 2005. *Collapse: How Societies Choose to Fail or Succeed*. New York: Viking. (Read Prologue, from part 2 ch 6-8, from part 3 ch 10&13, and all of part 4)
- Douglas, Mary. 1987. *How Institutions Think*. London: Routledge & Kegan Paul.
- Easterly, William. 2001. *The Elusive Quest for Growth*. Cambridge: MIT 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.
- Peters, B. Guy. 2005. *Institutional Theory in Political Science: The New Institutionalism*, Second Edition. London: Continuum.
- Searle, John R. 1995. *The Construction of Social Reality*. New York: The Free Press. (Read chapters 1-6.)

Lectures are in general (but not exclusively) based on the books on the list of required reading. Reading of the texts on the reading list except those by Diamond, Easterly and de Soto will cover the required reading. The books by Diamond, Easterly and de Soto should be read for inspiration rather than examination. After the introductory texts you might want to read Scott and Luhmann to get to know the early approaches to institutional theory in sociology, economics, and other social sciences. The central texts are the books by Douglas, North, Searle, and Ostrom. Chapters in Hanna & al. supply supplementary perspectives.

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

**Suggestions for further relevant readings (annen anbefalt litteratur):**

From books on the required reading list those chapters not on the list of required readings are of course relevant as additional reading

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

- Berge, Erling and Nils Chr. Stenseth, eds. 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.
- de Soto, Hernando. 2000. *The Mystery of Capital*. New York: Basic Books.
- 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.
- 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. (Read chapters 7 & 9)
- 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.
- Schmid, A. Allen. 2004. *Conflict and Cooperation. Institutional and Behavioral Economics*. Oxford: Basil Blackwell.
- Scott, W. Richard. 1995. *Institutions and Organizations*. London: Sage. (Read chapters 1-6.)
- Williamson, Oliver E. 1996. *The Mechanisms of Governance*. Oxford: Oxford University Press.

**Useful web-links**

- <http://www.iascp.org/>
- <http://www.desotowatch.net/>
- <http://legalempowerment.undp.org/>