Old and New Institutionalism in Economics

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Abstract

The original (or old) and the new institutionalisms are alive in economics. Both are heterogeneous, dynamic, and thus difficult to define. In addition, despite some important differences, there are also some similarities between them, as well as some complementarity. Consequently the intellectual demarcation between the old and the new institutional economics is not always clear-cut. Sociologically, the original institutionalism has been marginalized in the profession for several decades, whereas some subsets of the new institutionalism have managed to penetrate mainstream economics, partly, but not only, because of a greater degree of mathematical formalization. Furthermore, other approaches that emphasize institutions are also relevant.

Introduction

Although institutions – mostly by other names – had been discussed since the days of Adam Smith and other political economists, institutional economics as such was born in the United States in the early twentieth century, with Thorstein Veblen, Wesley Mitchell, and John Commons as its founding fathers.

According to Malcolm Rutherford (2001: pp. 173–174), this early institutionalism "became a significant element in American economics in the interwar period, only to decline rapidly in position and prestige after World War II." In other words, it became part of – and later was excluded from – what was mainstream economics in America, if one adopts the following definition: "mainstream economics is that which is taught in the most prestigious universities and colleges, gets published in the most prestigious journals, receives funds from the most important research foundations, and wins the most prestigious awards" (Dequech, 2007: p. 281). Also part of American mainstream economics at that time was neoclassical economics, which had emerged in the 1870s in Europe and is a school of economic thought defined by its reliance on the assumptions of (1) utility maximization, as a criterion for rationality, and (2) equilibrium, as the state in which the (micro or macro) economic system under study is or tends to be. It may seem obvious, especially in the eyes of other social scientists, that institutions matter greatly in economic issues, but, for several decades, this was not part of the consensus among economists. Neoclassical economics, in particular, emulated physics and often did not treat economics as an explicitly social science. After World War II, its prominence grew, together with its degree of mathematical formalization. Indeed, it can be argued that its influence grew – at the expense of the original institutionalism, in the case of the United States – largely because it became more mathematical. In the 1950s and 1960s, a specific subset of neoclassical economics, namely standard general equilibrium theory, represented by the Arrow–Debreu model, was very influential and prestigious. This model is substantially ahistorical and noninstitutional, at least in its explicit hypotheses (for a partly similar discussion by a new institutionalist, see Joskow (2008: pp. 1–4), on what he calls neoclassical economics (as distinct from a subset thereof), in the first three decades after 1945). In one of the possible interpretations, the Arrow–Debreu model is intended to be applicable to any economy, in any place and at any moment in time. In a less generalist reading, the model is mono-institutional, as it explicitly assumes only one institution: the market. Moreover, it conceives this institution in an extremely restrictive manner: this is not a market that resembles markets in the real world, but rather an imaginary market, reduced to the price mechanism (the interaction between supply and demand). Other institutions, including a few institutions without which real markets cannot exist, are ignored. Property rights are taken for granted. There are no transaction costs, no information asymmetries, and no binding contracts. The list of goods and services and their respective qualities are perfectly known by every potential buyer. Firms (or self-employed workers–producers) are reduced to a production function, and organizational issues are neglected.

This situation began to change in the 1970s, as economists became increasingly interested in institutions (again). In terms of impact in the profession, a crucial factor in this resurgence of interest was the appearance of the self-identified new institutional economics (NIE). The term 'new institutional economics' was coined by Oliver Williamson in a 1975 book. It was then that the approach originally developed by Veblen, Commons, Mitchell, and their descendants started to be called the 'old' institutional economics (OIE). Both because the adjective 'old' may sound derogatory and because that approach is still alive and has actually been revitalized and improved, the more neutral term 'original institutional economics' is employed here (with the same acronym, OIE).

Neither the OIE nor the NIE is easy to define or to characterize. As a matter of principle, the definitions should be based on ideas. In this sense, the economists who defend a certain set of ideas should be called original institutionalists or new institutionalists. At the same time, communication is not helped by definitions that are very distant from common usage. One must also consider the ideas that are defended by economists who see themselves, and/or are usually seen by others, as members of one of these two subsets of institutional economics. In this second sense, the OIE is that which the original institutionalists do; the same applies to the NIE. However, this does not necessarily amount, in each case, to a consistent group of ideas. In fact, both the OIE and the NIE are heterogenous. In addition, some of the ideas in the OIE may be similar to (and others may be compatible with) ideas in the NIE. As a result of all these complications, the demarcation between the OIE and the NIE is not always clear-cut. In any

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case, the label that is usually attached to a work is not as important as the work's intellectual content.

The Original Institutional Economics

The American roots of the OIE can be traced back to the pragmatist philosophy of John Dewey, William James, and Charles Sanders Peirce. This was a strong and distinctive influence, which partly accounts for the originality of the approaches of Veblen, Commons, and other early institutionalists. For Veblen, in particular, Darwin was another major source of inspiration, leading him to propose an evolutionary economics. The term 'institutional economics' was coined in 1919 by Walton Hamilton in an article in the American Economic Review. In the following two decades, the OIE gained considerable prominence in American academia, as mentioned above. Although marginalized in the postwar period, and remaining so until today, the OIE has survived. At first, this happened mostly in the United States, even though European scholars like Karl Polanyi and William Kapp (who both taught at American universities for some time) became influential within the approach, as did Gunnar Myrdal, perhaps to a lesser extent. Authors like John Kenneth Galbraith, Clarence Ayres, Dudley Dillard, and Allan Gruchy were among the main exponents of the OIE in the first decades after World War II (Gruchy referred to this generation as the neoinstitutionalists, but the label is not used often). The OIE even gained an organizational basis, with the creation of the Association for Evolutionary Economics (AFEE), in 1965. AFEE has taken part in the Allied Social Sciences Association annual meetings and, since 1967, has published the Journal of Economic Issues (which is available through JSTOR, journal storage). Many of the scholars who can be called original institutionalists have some connection with AFEE and/or with its journal. Especially after the mid-1980s, the OIE has spread through Europe and other parts of the world.

There is no unified grand theory in the OIE. Hodgson (2004: p. vxii) states that "by 1945 American institutionalism was fractured and diverse, and lacking a consensus on its own methodological and theoretical foundations. Despite the contributions of postwar theorists, these fractured foundations largely account for the failure of institutionalism to re-establish anywhere the prominence that it enjoyed in interwar America." At least two strands of the OIE coexist, one more influenced by Veblen, the other by Commons (Rutherford, 1994: pp. 1–2). They are not necessarily in conflict, but a consensus synthesis does not seem to have emerged yet. Not even an outright rejection of neoclassical economics unites the OIE. According to Warren Samuels (1995: p. 569, n. 2), some institutionalists 'consider [original] institutionalism and neoclassicism to be supplementary.' This seems to be a minority position among current members of AFEE, but historically it has been mostly associated with the Commons' branch of the OIE. Samuels himself defended this view as an eclectic one, which for him did not require internal consistency.

Despite its internal diversity, the OIE can be said to embrace at least three core theoretical ideas (which are variously interconnected and developed within the approach): open-ended evolution, habit, and the strong influence of institutions on individuals.

Veblen was particularly influential in the adoption of an evolutionary perspective combined with the argument that there is no predetermined end to the evolutionary process. Relatedly, the notion of equilibrium, as distinct from process, is not often employed in the OIE. Institutions are the transmission mechanism in the economic evolutionary process. Other evolutionary approaches have been developed in economics, among which the neo-Schumpeterian one is the most compatible with the OIE. Without getting into details about the controversial relation between technology and institutions, one can more vaguely state that technological innovation plays a major role in any original institutionalist theory of economic change.

Habits have been conceptualized in different ways within the OIE. Some authors treat habits as synonymous with habitual behavior, while others see habits as dispositions (inclinations) to behave or to think in a certain way, so that habitual behavior and habitual thought are not habits, but manifestations of habits. In any case, habits imply that not all behavior and thought is completely deliberate and purposeful, in contrast to an influential view in economics. The role of habits has occasionally been overstated by some original institutionalists, which makes it difficult to explain endogenous change. In addition, habits imply some automaticity and inertia. On the other hand, the role of habits is more adequately understood when combined with the notion of bounded rationality, of which the early original institutionalists were precursors (Herbert Simon, who coined the term 'bounded rationality,' acknowledged Commons' influence). Given that the human mind is limited and decision environments are often complex, habits free mental resources from some tasks and thus allow us to make deliberate and sometimes innovative decisions about other issues. From this perspective, habits are not seen as usually opposed to purposeful deliberation nor to innovation, but rather are preconditions for them, although habits can in fact sometimes get in the way.

The OIE is against taking the individual as given in relation to institutions. On the contrary, it argues that individuals are strongly influenced by institutions. We propose below a way of specifying the meaning of this strong influence. In the past, some original institutionalists may have taken this argument too far and fallen into some sort of collectivist determinism. (See Rutherford (1994: pp. 38–42) and Hodgson (1998: p. 181). It must be noted, however, that not all self-identified methodological collectivists or holists have committed this mistake.) Currently there seems to be a consensus within the OIE that individuals and institutions are mutually dependent.

Since its inception, the OIE has been very open to influences from, and dialogue with, other social science disciplines. This may be a defining feature of the OIE (as argued by Gruchy), but it does not differentiate it from the NIE, which is also very interdisciplinary, as explicitly argued by some of its main exponents. What is distinctive of the OIE in comparison with the NIE in this regard is that the OIE is one of the schools of economic thought that are closest to the nonrational-choice approaches in the other social science disciplines.

In methodological terms, the OIE does not share the widespread belief among economists that rigor requires mathematical formalization. This is an important reason why the OIE is not part of contemporary mainstream economics, which is unified by that belief, if by any idea. Some OIE models are mathematical, but most are not.

In political-ideological terms, the OIE is predominantly in favor of an active role of government in planning and regulating the economy, although this need not be seen as a defining feature of the approach, as a few authors who have associated themselves with the OIE had a more laissez-faire orientation. In the interwar period in the United States, original institutional economists reached their peak of influence not only in academia, but also in government. Several of them held important positions during the New Deal.

The New Institutional Economics

Some of the earlier uses of the label 'new institutional economics' may have applied it to transaction cost economics, but the NIE became a much broader and more complex set of approaches. The NIE too has an organizational basis, namely the International Society for the New Institutional Economics (ISNIE), which was founded in 1997. ISNIE has an annual conference, but, unlike AFEE, it does not have its own journal. According to the ISNIE website, "[t]he New Institutional Economics is an interdisciplinary enterprise combining economics, law, organization theory, political science, sociology and anthropology to understand the institutions of social, political and commercial life. It borrows liberally from various social-science disciplines, but its primary language is economics. Its goal is to explain what institutions are, how they arise, what purposes they serve, how they change and how – if at all – they should be reformed." This characterization is quite open in terms of theoretical, methodological, and political ideas. It allows for the presence of different approaches within the NIE, with some important foundational differences among them. In turn, this makes it difficult to refer to the NIE as a school of thought – perhaps even more so than in the case of the OIE.

Transaction costs are an important concept in the NIE and play a central role in the work of Coase (who first developed the notion and its use in the theory of the firm), Williamson and North, among others. Given the importance of these authors within the NIE and the above-mentioned fact that Williamson coined the term 'new institutional economics,' no one would deny that transaction cost economics is a crucial subset of the NIE. It is based, according to Williamson (1985: p. 30), on two behavioral assumptions: bounded rationality and opportunism (self-seeking with guile). In addition to transaction cost economics, other subsets of the NIE also adopt some variant of the bounded rationality hypothesis. This leads us to a controversial issue: the relation between the NIE and neoclassical economics. Depending on how it is interpreted, the assumption of bounded rationality may be either contrasted with, or treated as a special case of, utility maximization. The latter alternative was rejected by Simon. In the former alternative, which opposes bounded and maximizing rationality, substantial parts of the NIE clash in this specific regard with neoclassical economics, as defined above. This seems to be implied by Claude Ménard and Mary Shirley (2005: p. 1), for example, when they state that NIE "abandons the standard neoclassical assumptions that individuals have perfect information and unbounded rationality and that transactions are costless and instantaneous. NIE assumes instead that individuals have incomplete information and limited mental capacity and because of this they face uncertainty about unforeseen events and outcomes and incur transaction costs to acquire information." This means rejecting at least one assumption that is essential for neoclassical economics in any of its variants (and not only the 'standard' one), namely unbounded rationality, which seems necessary for utility maximization. (We will not discuss here whether positive transactions costs and bounded rationality are inevitably linked to one another). Ménard and Shirley (2005: p. 2) insist that new institutionalists "accept orthodox assumptions of scarcity and competition," and thus "NIE does not [completely] abandon neoclassical economic theory" (for a similar statement, but without any references to utility maximization or bounded rationality, see Alston (2008)). Ménard and Shirley seem to define neoclassical economics more restrictively than we do here – perhaps as something similar to the Arrow–Debreu version of general equilibrium theory. For Ménard and Shirley, NIE "has a much broader reach than neoclassical economics, which has been largely concerned with prices and outcomes. … NIE asks questions that neoclassical economics does not address" (p. 2).

So far, we have mentioned the possibility of (partly) opposing the NIE and neoclassical economics and/or differentiating them in terms of scope. Other interpreters, however, identify a neoclassical wing or strand within the NIE. It is true that neoclassical economics did largely neglect institutions for several decades, but such neglect was not implied by the defining ideas of neoclassical economics, namely, utility maximization and equilibrium. On the contrary, since at least the 1970s the neoclassical approach has been extended in order to deal with institutions other than the market, as well as with the market as more than the price mechanism, moving beyond the Arrow–Debreu model in both aspects. In their book-length study of the NIE, Eirik Furubotn and Rudolf Richter (2005) accept that some members of the NIE do indeed adhere to core neoclassical assumptions, especially utility maximization, but Furubotn and Richter claim that this has persisted only at the cost of unsolved inconsistencies in what they call 'hybrid models.' The difficulties in formalizing bounded rationality seem to have played a part in the combination of the new institutionalism and the utility maximization hypothesis, but there exist mathematical models that assume some form of bounded rationality without treating it a special case of utility maximization.

Also controversial is the relation between the NIE and Austrian economics. One of the first books to refer to the NIE in the title or subtitle was a collection of essays edited by Richard Langlois (1986) and containing, among others, a few chapters written by Austrian economists, including Langlois. The NIE may not have evolved in the direction that Langlois and other Austrians had signaled, but some new institutionalists still have links with Austrian economics. Accordingly, some internal and external observers have referred to an Austrian strand within the NIE (perhaps even North could nowadays be classified therein, as he has in some senses become closer to the Austrian approach over the years). In contrast, other important reviewers (e.g., Furubotn and Richter, 2005) seem to treat the NIE in such a way as to exclude an Austrian strand. Among the original proponents of the NIE, so did Williamson (1985).

In his characterization of the NIE and its scope, Williamson (2000) distinguishes among four levels of analysis. "The top level is the social embeddedness level. This is where the norms, customs, mores, traditions, etc. are located. … Level 1 is taken as given by most institutional economists." The supposed reason for this is that "[i]nstitutions at this level change very slowly – on the order of centuries or millennia" (p. 596). This would be the terrain of economic historians, sociologists, and other social scientists outside economics. Williamson seems unaware, however, that several economists have been studying informal institutions. This has long been true of the OIE, and it has become increasingly so within the NIE and within mainstream economics. "The second level is referred to as the institutional environment" (Williamson, 2000: p. 598). This includes formal rules such as constitutions, contract laws, and property rights. Only exceptionally will major events (such as civil wars, occupations, etc.) open a window of opportunity for broad reform. "Absent such a window, major changes in the [formal] rules of the game occur on the order of decades or centuries" (p. 598). The third level is that of the institutions of governance. This is what transaction cost economics investigates, focusing on the governance of contractual relations and comparing different governance structures (such as markets, hybrids, firms, bureaus, etc.). Here lies, for example, the issue of vertical integration or, in other words, the make-or-buy decision that was originally explored by Coase. "The possible reorganization of transactions among governance structures is re-examined periodically, on the order of a year to a decade, often at contract renewal or equipment renewal intervals" (Williamson, 2000: p. 599). A large part of the NIE works at levels two and three. When discussing level three, Williamson (2000: p. 599) himself notes that Commons was a precursor of this kind of analysis. Within the OIE, the strand more strongly influenced by Commons has continued this line of research. Finally, the fourth level refers to resource allocation, involving the determination of prices and quantities, and incentive alignment. This "is the level at which neoclassical economics works. Optimality apparatus, often marginal analysis, is employed" (Williamson, 2000: p. 600). In terms of time reference, 'adjustments to prices and output occur more or less continuously' (Williamson, 2000). Williamson's scheme may suggest that at this level institutions do not matter, except for incentives.

Methodologically, the NIE is, on average, much more inclined to mathematical formalization than the OIE. On the other hand, some important new institutionalists, such as Coase, North and Williamson, have not usually built mathematical models (although some of their ideas have been expressed in mathematical terms by others). Nor have the representatives of the Austrian wing of the NIE.

The greater degree of mathematical formalization certainly helps explain why a significant portion of the NIE has been admitted into mainstream economics, but the three authors mentioned in the previous paragraph have, even without mathematically formalizing their ideas, reached the pinnacle of prestige in the profession by winning the Nobel Prize in Economics. So did Elinor Ostrom, who shared the Prize with Williamson and was a member of ISNIE. In other cases, the fact that more traditional neoclassical economics already was part of mainstream economists has helped the extension of the neoclassical apparatus to a range of institutional issues join the mainstream club. In contrast, there are also parts of NIE – especially if we can include an Austrian wing therein – that have remained at the margins of mainstream economics.

The NIE is not defined by a unified political-ideological stance. Several of its proponents criticized the way earlier authors, using neoclassical theory and the notion of market failure, had defended state intervention on the basis of a comparison between a concrete economy and an ideal benchmark deprived of many institutions. The NIE argues instead for a more realist comparative institutional analysis, which may or may not be favorable to an institutional set up with a more active state. Some important authors within the NIE have had links with the Mont Pelerin Society, like Coase and property rights theorists Armen Alchian and Harold Demsetz, and several others are inclined toward a minimal state, but not all new institutionalists are neoliberals.

The Demarcation between the Original and the New Institutional Economics

There are numerous issues about which the OIE and the NIE can be compared and contrasted. In an attempt to differentiate and legitimate their approach, some authors, such as Coase, Langlois, and Williamson, have tried to distinguish the NIE from the OIE by arguing that the latter is nontheoretical or, even worse, antitheoretical. This was not true of Veblen and other early authors, nor is it true in recent decades. For example, the collection of articles originally published in the Journal of Economic Issues and edited by Marc Tool (1988) is intended to provide a comprehensive set of theoretical discussions of several issues that are relevant for the OIE (even if somewhat dated, this compilation is still useful, because of its organization, quality, and comprehensiveness). More recently, another major example is the work of Geoffrey Hodgson, the main and most prolific theorist in the original institutionalist tradition nowadays.

For Hodgson (1998), the crucial demarcation criterion is that the NIE takes the individual as given, for the purposes of economic analysis, while the OIE does not. Other important original institutionalists have defended similar arguments. Dequech (2002), however, maintained that recent developments in the NIE have made the demarcation more complicated. Some proponents of the NIE can be said to have acknowledged and even emphasized what we generically called above the strong influence of institutions on individuals. But what exactly does this strong influence mean?

This can be discussed with the help of the following distinction among types of influence that institutions exert on individual thought and behavior. The cognitive influence of institutions is threefold: informational, practical, and profound. They provide information (in particular about the likely behavior of others), they incorporate practical or tacit knowledge about how to do things, and they influence the way in which individuals select, organize, and interpret information. The motivational influence of institutions is twofold: simple and profound. The simple variant consists in providing incentives, given the individuals' values, objectives, and obligations. The profound motivational influence is exerted on the values that individuals hold, the objectives they pursue in their instrumental actions, and the obligations they attribute to themselves in their noninstrumental actions. Institutions may also influence the individuals' emotional state, thereby having an emotional influence. Either directly (as rules that give power to individuals occupying certain positions) or through the above-mentioned roles they play, institutions allow individuals to do many things. They thus have an enabling influence. On the other hand, institutions also act as constraints; this is their restrictive influence.

What was called above the strong influence of institutions on individuals can now be argued to include, more specifically, the profound variant of (1) the cognitive and/or of (2) the motivational influences. While arguing that institutions constrain individuals and provide them with information and incentives, one could still see the individual as essentially given in relation to institutions. If, however, one accepts that institutions affect the way in which people select, organize, and interpret information, and/or that institutions influence people's values, objectives, and obligations, then one should acknowledge that institutions partly explain individuals, instead of being completely explained by them. In this case, the individual cannot be the single starting point of institutional theory.

This latter argument goes against what can be called extreme forms of methodological individualism. On the other hand, going beyond the argument that institutions strongly influence people's cognition and motivation, and maintaining that institutions determine them would correspond to an extreme form of methodological collectivism. However, terms like methodological individualism or methodological collectivism have been given a wide array of different meanings. Instead of using these labels, it is better to discuss how a certain approach or work allows or does not allow institutions to have those various types of influence on individuals, and individuals to transform institutions.

Whether the profound variety of the cognitive and motivational influences is highlighted or not is indeed a crucial question that distinguishes some approaches to institutions from others. It does work to distinguish the OIE from a large part of the NIE – but not all the NIE. Eminent authors who are associated with the NIE, such as North (1990, 2005), Greif (2006), and Aoki (2001), have, in their own way and with their own concepts, recognized these profound institutional influences, thus pushing the frontiers of the NIE and, more broadly, of mainstream economics.

This is one among other possible examples that labels like the OIE and the NIE have a limited usefulness.

Other Approaches that Emphasize Institutions

In addition to the OIE and the NIE, there are several other approaches within economics that emphasize institutions. Some of them, like the regulationist school and the economics of conventions (both originated in France), even have major exponents who describe themselves as institutionalists (of a different kind from both the OIE and the NIE). To a lesser extent, this also happens within Post-Keynesian economics, which since its inception in the 1970s has argued that institutions matter (Post-Keynesians who see themselves as institutionalists usually have closer ties to the OIE than to the NIE). The variety of behavioral economics put forward by Herbert Simon has placed special emphasis on organizations and, to a lesser degree, on other institutions. Partly under Simon's influence, so has neo-Schumpeterian economics. Austrian economics – which is not restricted to the Austrian wing of the NIE – has always devoted a great deal of attention to institutions, starting with Carl Menger. A more recent approach, evolutionary game theory, has focused on institutions assuming some sort of bounded rationality. In a sense, we are all institutionalists now.

In the last three or four decades, new institutionalisms have also appeared in other disciplines, like sociology and political science. As Paul DiMaggio (1998) convincingly argues, however, it is better to categorize different works by theoretical orientation than by discipline. DiMaggio distinguishes between three types of new (or neo) institutionalisms. Rational-action new institutionalism "views actors as coherent and strategic, and interests as stable and exogenous." Most of this work "explains the prevalence of economic and political institutions on the basis of problems that these institutions solve for actors who adopt them." Social-constructionist new institutionalism "argues that all the elements of rational-action models – actors, interests, and preferences – are 'socially constructed' and therefore endogenous and variable. … Its proponents emphasize that how pressures to appear legitimate, environmentally imposed uncertainty, and normative schemes embedded in professional training and practice" lead to organizational convergence, not necessarily to greater efficiency. Finally, mediated-conflict new institutionalism focuses "on how state institutions structure and mediate conflict among the interests of groups. … Cross-national policy differences and variation within polities over time are seen as reflecting changes both in the relative power of interests groups and in the openness of political institutions to different forms of political action" (DiMaggio, 1998: pp. 696–697).

A large part of the NIE can be seen as belonging to DiMaggio's rational-action new institutionalism. In contrast, the OIE has a greater degree of proximity to social-constructionist and mediated-conflict institutionalisms. However, classification is not so simple, both within economics, as already argued above, and across disciplines. DiMaggio himself points out that hybrids have emerged, and areas of potential collaboration exist among the three new institutionalisms he identifies. It should be added that outside economics, too, there are approaches that emphasize institutions without being labeled as institutionalist.

Much more dialogue is desirable among the various approaches that study institutions, both within economics and across disciplines. Their languages are varied, and communication is not always easy. Even after suitable translations there will be cases of conflicting ideas. However, there is a great deal of potential similarity or, more frequently and perhaps even better, compatibility and complementarity between several approaches. Journals like the Journal of Institutional Economics, which is linked to the European Association for Evolutionary Political Economy (EAEPE), help promote an open-minded debate, by publishing contributions from mainstream and nonmainstream economists, as well as noneconomists. In the same vein, also promising is the recently formed World Interdisciplinary Network for Institutional Research (WINIR), which involves scholars from several disciplines and proponents of many different approaches.

See also: Ideologies, Institutions, and the New Institutionalism; Institutionalism and Neo-institutionalism: History of the Concepts; Institutionalism; Institutions; Law and Economics; New Institutionalism in the Analysis of Complex Organizations; Norms; Organizations, Sociology of; Regulation, Economic Theory of; Regulation, Political Economy of; Sociology and the New Institutionalism; Transaction Costs and Property Rights.

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