

MUNI
FSS

Institutionalist approaches

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Institutionalist approaches

- Small-group activity: How much do institutions matter from a theoretical point of view?

Institutionalist approaches

- Different **institutionalist approaches** have tried to capture (a) the nature of the field of the EU, and (b) to explain how it shapes the behavior of actors, but also (c) the integration process itself.
- New institutionalisms (NI) are ‘**middle range**’ theories (or rather not a single theory, but a set of approaches)
- NI rests on the assumption that ‘**institutions matter**’ in European politics (Nugent, 2003, p.488-9).
- Institutions are political structures that constrain or enable the actions of the actors that operate within them.
- The rise of institutionalist analysis of the EU did not develop in isolation, but reflected a **gradual and widespread reintroduction of institutions into a large body of theories** (such as pluralism, Marxism, and neorealism)

Institutionalist approaches

- Different institutionalist approaches provide **different answers to the questions of**
 - **how and why they are established.**
 - **how institutions shape the integration process.**
- Thus, they also provide us with insights as to why integration in different policies proceeds in specific ways or how specific institutional set-ups may constrain further integration in some areas.

Institutionalist approaches

– Key thinkers of new institutionalism

- Paul J. DiMaggio and Walter W. Powell: **The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields.** American Sociological Review Vol. 48, No. 2 (Apr., 1983), pp. 147-160.
- James G. March and Johan P. Olsen. **The New Institutionalism: Organizational Factors in Political Life.** The American Political Science Review. Vol. 78, No. 3 (Sep., 1984), pp. 734-749. *One of the founding fathers of new institutionalism.*
- James G. March and Johan P. Olsen. **Rediscovering Institutions: The Organizational Basis of Politics.** 1989.
- Pollack, Mark. **The New Institutionalism and EC Governance: The Promise and Limits of Institutional Analysis.** 1996.

Institutionalist approaches

<i>Perspectives</i>	<i>Main assumptions</i>
Rational choice institutionalism	Analysing the factors, which allow political actors to delegate powers to independent bureaucratic authorities
Historical institutionalism	Not only cost-benefit analysis but also historical rules and regularities influence the incremental transformation of policies and institutions
Sociological institutionalism	Informal institutions, identity, shared experiences, cognitive frameworks are the main objects of analysis
Discursive institutionalism	Discourses are 'carriers of ideas' and instruments of change. Research must focus on the content of ideas and the interactive process, which brings them to a head

Rational choice institutionalism (RCI)

- Emerged in the **late 1970s** (began with the effort by American political scientists to understand the origins and effects of US Congressional institutions on legislative behaviour and policy outcomes)
- **Kenneth Shepsle** (1979, 1986): ‘structure-induced equilibrium’.
- Quickly taken up by EU scholars.

Rational choice institutionalism

- Focus on **material incentives** or **costs** that institutions impose + how actors design institutions to secure **mutual gains**.
- **Key question**: why states delegate responsibilities to institutions? (reduction of transaction costs'; cost-benefit rationalism).
- Epstein and O'Halloran (1999), and others (Huber and Shipan 2002): '**transaction-cost approach**' to the design of political institutions: legislators deliberately and systematically design political institutions to minimize the transaction costs associated with the making of public policy.

Rational choice institutionalism

Principal-agent model

- Institutions follow the **logic of efficiency** by becoming agents of the principals (MSs).
- The **agents** have their own agendas → the institutional setting may provide possibilities to “**slip**” → institutions can secure their own goals rather than the **principals**’ preferences.
- The principal–agent problem occurs when one person or entity (the agent) is able to make decisions and/or take actions that impact another person or entity (the principal)

Video on a principal-agent model

Historical institutionalism (HI)

- Focus on
 - **institutional structures and processes within institutions**
 - the way that member states' decisions both within and about institutions create a set of **structural institutional conditions that constrain their future behaviour**
 - **asymmetries of power** within the operation and development of institutions
 - **impact of past choices** and the gaps in Member States' control of these processes

Historical institutionalism

- **Pierson (1996)**: gaps emerging in Member State control over the evolution of European institutions (why these are difficult to close → possibilities for actors other than Member States to influence the further development of integration).

Unintended consequences

- Actors **cannot foresee** the exact consequences of their actions, and initial institutional choices can thus have ‘unintended consequences’.

Historical institutionalism

Path dependency

- Concept of being **constrained** by previous decisions.
- Once a decision has been made, revoking and going back on that decision is **costly** → states therefore have to live and work within their previous decisions.
- Political actors can only marginally correct certain institutional developments due to institutional path dependence (Pierson 1996) and ‘**joint decision traps**’ (Scharpf 1988) even if they realise that institutional developments contradict their initial preferences.
- **Path-dependencies** and **lock-ins** raise the costs of policy reversal to the point where it becomes unpalatable.

Historical institutionalism

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Sociological institutionalism (SI)

- Very **broad definition of institutions** including “not just formal rules, procedures or norms, but the symbol systems and moral templates that provide the ‘frames of meaning’ guiding human action.”
- Interest in the **non-material, sociological qualities** of institutions (norms and shared values that institutions represent and that in turn shape the policy that derives from them; values, ideas and identities)
- Institutions **shape preferences**.
- IS conceives **institutions as constitutive forces** → they constitute and change actors’ understanding of a situation and problem as well as their interests and identities.

Sociological institutionalism

- SI analyses different **mechanisms and conditions** for the transformation of interests and identities of state and non-state actors in international institutions.
- Institutions shape the actors' behavior by creating a **logic of appropriateness** = actors follow what is normatively expected of them in a particular role or situation (March and Olsen 1989: 160–1).

Sociological institutionalism

- Social interaction within institutions involves dynamics of learning and socialization
- **Three dynamics in the process of socialization (Checkel):**
 - the **importance of individual agency** (moral entrepreneurs as agents actively seeking to persuade others)
 - the **importance of policy windows opening** a possibility for entrepreneurs to turn **ideas into broader normative beliefs** as previously held fixed preferences break down.
 - the **importance of social learning** to create the persistence of ideas.

- **Critique:** Limited explicatory force: institutional change, as well as continued conflict and differentiated power relations among actors, could not be explained well.

<i>Perspectives</i>	<i>Main assumptions</i>	<i>Authors</i>
Institutionalism	'Institutions matter'	Evans, Rueschemeyer and Skocpol 1985 March and Olsen 1984, 1989 North 1990
Rational choice institutionalism	Principal-agent model showing that, under certain circumstances, political actors delegate powers to independent bureaucratic authorities	Aspinwall and Schneider 2001 Pollack 1997, 2003 Tsebelis and Garrett 1997 Wonka and Rittberger 2011
<ul style="list-style-type: none"> • EU Executive • EU agencies • EU judiciary • Decision-making 	Transaction-cost model showing that institutions reduce costs that emerge in transaction between actors	Garrett 1992 Garrett and Weingast 1993 Garrett, Kelemen and Schulz 1998 Kreppel 1999 Hosli, van Deemen and Widgren 2002 König 2008 Schneider, Finke and Baltz 2007 Hix, Noury and Roland 2007 Schimmelfennig and Sedelmeier 2005
<ul style="list-style-type: none"> • Enlargement 		

Historical institutionalism	Historical rules and regularities influence the incremental transformation of policies. The establishment of institutions and policies cannot be explained solely as a result of the rationally-motivated preferences of actors. These preferences certainly exist, the results are historically contingent	Thelen and Steinmo 1992 Hall and Taylor 1996 Pierson 1995, 1996, 2000, 2004 Bulmer 1993 Armstrong and Bulmer 1998 Lindner and Rittberger 2003
Sociological institutionalism	Informal institutions, identity, shared experiences, cognitive frameworks are the main objects of analysis. Change can be understood through cognitive processes that interpret reality	DiMaggio and Powell 1991 March and Olsen 1984, 1989 Fouilleux 2000 Jachtenfuchs 2001 Christiansen and Tonra 2004 Thatcher 2011
Discursive institutionalism	Discourses are 'carriers of ideas' and instruments of change. Research must focus on the content of ideas and the interactive process which brings them to a head: from the emergence of ideas through their dissemination and finally their legitimization	Schmidt 2008 Sherman 1998 Hay and Rosamond 2002 Muller and Jobert 1987

Thank you very much for your attention

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