Contents

List of Illustrations xi
Acknowledgments xiii

PART I: AN OVERVIEW OF THE INSTITUTIONAL ANALYSIS AND DEVELOPMENT (IAD) FRAMEWORK 1

One
Understanding the Diversity of Structured Human Interactions 3
  Diversity: A Core Problem in Understanding Institutions 4
  Is There an Underlying Set of Universal Building Blocks? 5
  Holons: Nested Part-Whole Units of Analysis 11
  Action Arenas as Focal Units of Analysis 13
  Zooming Out to an Overview of the IAD Framework 15
  Viewing Action Arenas as Dependent Variables 16
  Institutional Frameworks, Theories, and Models 27
  The Limited Frame of This Book 29

Two
Zooming In and Linking Action Situations 32
  An Action Situation as a Focal Unit of Analysis 32
  Example of a Simple Action Situation 35
  The Basic Working Parts of Action Situations 37
  Linking Action Arenas 55
  Predicting Outcomes 64
  Evaluating Outcomes 66

Three
Studying Action Situations in the Lab 69
  The Trust Game in the Experimental Laboratory 70
  A Commons Dilemma in the Experimental Laboratory 78
  Structural Changes in the Laboratory 85
  Replications and Extensions of Commons Dilemma Experiments 93
  Conclusions 97

Four
Animating Institutional Analysis 99
  Animating Open, Competitive Processes 100
The Challenge of Imperfect Information 101
Assumptions Used in Animating Participants 103
Variety and Complexity: An Asset or a Liability? 116
A Focus on Collective Action to Overcome Social Dilemmas 119
Norms Fostering Collective Action 121
Emergence and Survival of Norms in Evolutionary Processes 125
Conclusion 131

PART II: FOCUSING ON RULES 135

Five
A Grammar of Institutions, Sue Crawford and Elinor Ostrom 137
Parsing Institutional Statements 137
The Syntax of a Grammar of Institutions 139
The Syntax Components 140
Applying the Grammar 152
Using the Grammar in Empirical Field Research 171
Some Next Steps 173

Six
Why Classify Generic Rules? 175
Solving Babbling Equilibrium Problems 176
The Policy Analyst’s Need to Understand How to Reform Situations 180
Moving beyond Slogan Words to Describe Institutions 181
Coping with the Immense Diversity by Identifying Generic Rules 181
The Role of Rules as Information Transformation Mechanisms 184
An Underlying Universality? 185

Seven
Classifying Rules, Elinor Ostrom and Sue Crawford 186
The Horizontal Approach: Classifying by the AIM of a Rule 187
Position Rules 193
Boundary Rules 194
Choice Rules 200
Aggregation Rules 202
Information Rules 206
Payoff Rules 207
Scope Rules 208
Default Conditions: What Happens if No Rules Exist Related to Components of an Action Situation? 210