

## New Political Institutionalism

### INTRODUCTION

In understanding the phenomenon of green inside activism and its potential contribution to a more sustainable development, we need to elaborate on political agency in relation to institutions. Agency, in general, and *political* agency, in particular, are neglected themes in the institutionalism literature and need to be systematically addressed in order to further our understanding of institutional change (Beckert 1999; Powell and Colyvas 2008; Peters 2011). In the words of Guy Peters: ‘there must be a mechanism through which the institutions shapes the behavior of individuals, and there must be mechanisms through which individuals are able to form and reform institutions. Unless that linkage can be made clear, institutions will remain only abstract entities and will have little relationship with political behavior’ (Peters 2011, p. 38). Thus, considering the strong emphasis on the structural nature of institutions and the lack of a more nuanced understanding of the micro-mechanisms of human action, institutional theories may very well underestimate the possibility of green change. This is the central theme of this book, and we will contribute by upgrading political agency in relation to institutions, and hopefully opening up new ways of thinking and elaborating on green change.

The neglect of political agency is partly due to hard-driven specialization within different versions of new institutionalism, implying fragmentation and negative consequences for cross-boundary elaboration.

However, in the last decades, interesting efforts have been made to theorize more about the importance of agency and political aspects (Mahoney and Thelen 2010; Lowndes and Roberts 2013; Olsson 2016). This chapter starts with an overview of the history of institutional theorizing, depicted as a development in three major phases: old institutionalism, new institutionalism and a third phase of potential consolidation and convergence. After that, we take a closer look at the dominant versions of new institutionalism: rational choice, normative, sociological, historical, and discursive institutionalism. In this assessment, we focus on the connection between individual agency and institutions and how it may produce institutional change and continuity. In the last section, we develop and argue for an approach labeled new political institutionalism, which will frame and guide our discussions throughout this book.

### THREE PHASES OF INSTITUTIONAL THEORIZING

It is commonplace to argue in the institutionalism literature that our understanding of institutions and organizations has developed in subsequent phases over the years. The most common distinction is the one between the ‘old’ and ‘new’ institutionalism, as two separate phases (Peters 2011, pp. 3–11), but it is also argued that we now have entered a third phase, which gives more room for individual agency and political aspects (Lowndes and Roberts 2013). We will now take a closer look at these three suggested phases.

The phase of ‘old’ or ‘traditional’ institutionalism is usually dated to the ‘modernism epoch’ (1930s–1970s) (Peters 2011 pp. 3–11). This traditional view of institutions is still relevant in empirical research where formal rules and organizations are the objects of study. Old institutionalism has an interest in understanding and explaining political life and its outcomes according to the way it is institutionalized through formal rules and organization. Furthermore, there is often an implicit assumption of a rationalistic, top–down view of governing and thus a risk of overstating the potential of organizational design. Old institutionalism has been criticized for being unreflective when it comes to theory and method; it has a tendency to commonsense thinking, which takes formal facts for granted and neglects the informal side of institutions, like the actual behavior of people within organizations that may reduce their coherence and governing capacity (Lowndes and Roberts 2013, pp. 22–28; Peters 2011, pp. 6–8). Guy Peters summarizes old

institutionalism as a proto-theory with five defining characteristics: *legalism*, which is concerned with law and its central role in governing; *structuralism*, which assumes that structure matters and determines behavior to a large extent; *holism*, in which whole systems of governments are often studied as sui generis, even though comparisons sometimes are made with other countries; *historicism*, which is concerned with how political systems are embedded in their historical development as well as their socioeconomic context; and *normative analysis*, which has a strong normative element with a concern for ‘good government,’ while at the same time constructing a clear distinction between facts and norms, which implies a clear dichotomy between politics and public administration (Peters 2011, pp. 6–11). Overall, ‘old’ institutionalism has a number of implicit assumptions of government and public administration, which give it a formalistic and rationalistic character.

The second phase is the birth of what we today call new institutionalism, usually dated from the early 1980s to the late 1990s. New institutionalism can be differentiated from old institutionalism in three respects. First, new institutionalism scholars have expanded their concern to also include informal aspects of institutions, such as norms, ideas, networks and coalitions. Second, new institutionalists do not take political institutions at face value, but rather, they take a critical look at the way institutions actually work in practice. This is based on the insight that the traditional emphasis on formal structures was overstated. Third, new institutionalism rejects the determinism of old institutionalism, but still maintains that institutions, understood in a broader sense, constrain individual behavior, while also acknowledging the agency of actors to be somewhat relevant in relation to change and stability of institutions (Lowndes and Roberts 2013, pp. 28–29). The new institutionalism phase has been characterized by a rapid development of different versions of new institutionalism, which has meant not only creative theorizing but also divergence and fragmentation. Most researchers agree on three well-established versions: sociological, rational choice, and historical institutionalism. Guy Peters argues that normative institutionalism is a version of its own and constitutes the roots of the new institutionalism theorizing in general (Peters 2011), while others include normative institutionalism within the sociological camp (Lowndes and Roberts 2013).

Vivien Lowndes and Mark Roberts suggest that we have entered a third phase of institutional theorizing since the early 2000s, characterized by convergence and consolidation between different versions

of new institutionalism. They argue that there are theoretical debate and convergence on six interrelated themes (Lowndes and Roberts 2013, pp. 41–44). The first one is about the formal and informal character of institutions, and they argue that ideas, beliefs, and values are perceived as more and more important in institutional dynamics. It is thus an upgrading of discursive aspects such as narratives and stories. The second theme is about institutional stability and dynamics, and the argument here is that we can see a convergence in terms of understanding institutions as only ‘relatively stable’ in need of continuous support to persist. It is increasingly understood that institutional stability and dynamics are affected by the institutional complexity and that both endogenous and exogenous forces contribute to institutional change and continuity. The third theme is about institutions, power, and criticism. Even though institutions constrain and even oppress certain groups of actors, Lowndes and Roberts argue that there is convergence on the idea that there is always room for resistance, which is argued to be present to a larger extent than has traditionally been assumed within new institutionalism. Fourth, they argue that institutions are increasingly seen as messy and differentiated in terms of not working coherently and being increasingly complex and pervaded by different actors and power resources. The fifth theme is about contingency in terms of institutions seen as located within a wider institutional context, and institutional dynamics understood through the mutual constitutive character of agents and institutions. The sixth theme concerns how to ‘bring the actor back in’ to find a new point of balance on the structure–agency continuum (Lowndes and Roberts 2013, p. 145).

This third phase thesis on the convergence and consolidation of new institutionalism is not entirely convincing as a description when considering the persistent relevance and development of quite different versions of new institutionalism, in particular, rational choice institutionalism in comparison with normative and discursive institutionalism. However, the argument of Lowndes and Roberts can be seen as a constructive theoretical contribution in itself, which can open up new lines of theorizing with potential cross-fertilization between at least some, more similar, versions of new institutionalism. We will explore this further in this chapter.

In summary, the three phases show a clear change in theorizing from assumptions about structuralism to more space for agency; from a strong focus on formal and material aspects (rules and organization) to increasing attention to informal aspects such as relational practices, norms,

and discourses; and from a coherent view of institutions to a more differentiated understanding, acknowledging also contradictory elements within institutions.

## UNDERSTANDINGS OF AGENCY AND CHANGE IN INSTITUTIONAL THEORY

In the following, the dominant versions of new institutionalism are assessed by focusing in particular on the connection between individual agency and institutions and how it tends to produce institutional change or stability. Two concepts are essential in the following sections: logics of action and micro-mechanisms. *Logic of action* is a specific, dominant pattern of action that is theoretically deduced, for instance, appropriate action or rational choices. *Micro-mechanisms* are defined as praxis-relevant types of action in particular situations, for instance, imitation, rule interpretation, or subversive action.

## RATIONAL CHOICE INSTITUTIONALISM

In rational choice institutionalism, it is commonplace to conceptualize institutions as ‘the rules of the game,’ giving an incentive structure for presumably rational actors (North 1990). Rational action in the strict version is theorized as self-interested actors with fixed preferences who seek to maximize expected returns by choosing the best course of action among a number of systematically investigated alternatives. For most rational choice scholars, the preferences of the actors are exogenous to the models and are of limited or no interest to their theorizing. The few researchers who have an interest in preference formation argue that individuals have to adapt to and learn institutional values if they are to be successful (Katznelson and Weingast 2005; North 1990; Ostrom 2005, 2007).

Rational choice institutionalists do not theorize about variations among individuals, even though there is considerable and theoretically relevant variation in human behavior. This is a self-conscious and self-imposed limitation intended to assure that conclusions can be stated in confidence, but for rational choice critics, this is a ‘flight from reality’ (Green and Shapiro 1994; Shapiro 2005). In attempts to overcome this dogma, rational choice scholars have directed their attentions toward the ways that rational actors are constrained by rules and incentive

structures (North 1990; Ostrom 2007) and how preferences are created in the interaction between individuals and institutions (Katznelson and Weingast 2005). To conceptualize institutions as the ‘rules of the game’ is relatively common among institutionalist scholars and not only rational choice institutionalists (North 1990; Rothstein 1996; Lowndes and Roberts 2013). This metaphor, though, is misleading and limiting for at least two reasons. First of all, it gives a false impression that all players have the same conditions, which contradicts our praxis-based experience of fundamental differences when it comes to positions, responsibilities, and resources. Second, this metaphor leads our minds to accept the view of a clear distinction between the rules of the game and the game actually played. This in turn indicates that institutional rules will persist over time, which gives us a static view of the game. If the games actually played are unable to change the rules of the game, institutional change must in some sense occur through actions or events external to the game and its rules. Thus, rational choice institutionalists (and others) using the rules of the game metaphor are better equipped to study the game in itself rather than to understand how and why institutional rules and norms change and persist (Peters 2011, Chap. 3). However, the considerable variation in rational choice theorizing indicates a possibility to theorize on the micro-foundations by softening some assumptions, like the idea of a narrow self-interest (Eriksson 2011, Chap. 3; Shepsle 2006). More realistic assumptions could also open up for cross-fertilization between rational choice institutionalism and other versions of new institutionalism. An example of this ambition is the actor-centered institutionalism of Fritz Scharpf, focusing on ‘games real actors play’ (Scharpf 1997).

## NORMATIVE INSTITUTIONALISM

James G. March and Johan P. Olsen developed a new form of institutionalism in the 1980s, which constituted a direct challenge of the dominant positions of behavioralism and rational choice within political science (March and Olsen 1984, 1989). As argued by André Lecours, this new institutionalism gave the discipline of political science a ‘structuralist turn’ (Lecours 2005, p. 8), even though it never managed to undermine its opponents. This new institutionalism was later called normative institutionalism and is often perceived as the antithesis of rationalism (Peters 2011, Chap. 2). March and Olsen understand institutions as ‘a relatively

enduring collection of rules and organized practices' perceived as relatively invariant to the turnover of individuals and changing environments (March and Olsen 2006, p. 3). They further argue that there are constitutive rules and practices prescribing appropriate behavior for specific actors in specific situations. This logic of appropriate action is a key concept. It is sociological in nature and is fundamentally different from the economic-rationalistic logic of rational choice.

In normative institutionalism, appropriate action is the basic building block for understanding institutional change and stability. Furthermore, this building block is mostly used as a heuristic device rather than as a theoretical concept for systematic empirical inquiry on the individual level. Even in theorizing about fragmentation and unresolved conflicts, there is a tendency to discuss them in terms of different 'pockets' of appropriate action or 'multiple cultures' within organizations rather than to elaborate on institutionalized agency and different logics or forces of action (Olsen 2010; Peters 2011, Chap. 2). Human action is portrayed to be subsumed under social forces of institutional adaptation; that actions in institutional contexts are not so complex as to make a more varied toolbox of micro-mechanisms necessary.

March and Olsen made their vital theoretical distinction between the logic of consequentialism and the logic of appropriateness in their debate with rational choice scholars (March and Olsen 1984, 1989). Rational choice and new institutionalism have dominated political science for decades and have developed mostly in parallel, which also holds for rational choice institutionalism, even though its name signals something else (Eriksson 2011; Peters 2011; Shepsle 2006). More recently, March and Olsen have argued that the logic of consequentialism and appropriateness is complementary (March and Olsen 2006, p. 9), but at the same time, they have continued to distance themselves from 'micro-rational individuals' (March and Olsen 2006, p. 16). These two logics are fundamentally different in an ontological and epistemological sense. The logic of consequentialism or anticipation is an economic-rationalistic concept with strict assumptions about agents but with limited elaborations on the importance of institutions and contexts, while the appropriate action is sociological and context-sensitive in its nature. In short, we can speak of 'a calculus approach' and 'a cultural approach' (Hay and Wincott 1998), which are difficult to combine, and such combination is seldom done (March and Olsen 2006; Christensen and Røvik 1999). It can be questioned if this is a fruitful way forward for a more elaborated micro-level

theorizing. Normative institutionalism remains a fundamental perspective in new institutionalism, but appropriate action cannot work as the sole micro-foundation for political agency.

### SOCIOLOGICAL INSTITUTIONALISM

Sociological institutionalism and normative institutionalism have important similarities, and some scholars even group them together under the label of sociological institutionalism (Hall and Taylor 1996; Lowndes and Roberts 2013), while others keep them apart as two distinct versions of new institutionalism (Peters 2011). While sociological institutionalism is a broad research tradition with great variety and with active scholars foremost within sociology and organization studies (Powell and DiMaggio 1991; Greenwood et al. 2008), normative institutionalism is a more coherent theoretical project of political institutions (March and Olsen 1989, 1995, 2006). Apart from these differences, there are many similarities between the two perspectives. In sociology, institutions and organizations have always been of great concern and are seen as important structures in society that provide stability and meaning to social behavior through cognitive, normative, and regulative mechanisms. Thus, individual behavior is seen as largely socially constructed, which means there is an important element of habits and taken-for-granted action (Jepperson 1991; Scott 1995). Sociological institutionalism has a broad interest in institutions, including intra-organizational and inter-organizational studies, private and public institutions, symbolic and material aspects, and so forth. A central perspective within sociological institutionalism is to view institutional change on the macro-level as resulting from adaptations of organizations to their environments (imitation, diffusion, isomorphism). Ideas are important in these processes, and adaptations do not necessarily mean material change; symbolic changes are also perceived as important for organizations to gain legitimacy. This research tradition has been debated within sociology, and Lynne Zucker, for instance, argues that these processes largely remain a ‘black-box’ unless they are complemented by a micro-level approach that pays attention to the cognitive processes involved in the creation and transmission of institutions (Zucker 1991, pp. 103–106).

In sociological institutionalism, there is a theme of institutional entrepreneurship that tends to upgrade the role of actors (individuals or organizations) (DiMaggio 1988). Institutional entrepreneurship has been



defined as ‘activities of actors who have an interest in particular institutional arrangements and who leverage resources to create new institutions or to transform existing ones’ (Maguire et al. 2004, p. 657). In an overview of this literature, Cynthia Hardy and Steve Maguire argue that there are two different narratives of institutional entrepreneurship, an actor-centric narrative and a process-centric narrative (Hardy and Maguire 2008). The actor-centric narrative tends to paint a picture of rational, problem-solving activities where the (usually successful) institutional entrepreneur possesses some reflexivity or insight (Hardy and Maguire 2008, p. 211). In this narrative, entrepreneurs are perceived to have extraordinary political and social skills that allow them to intervene strategically to realize institutional change by mobilizing resources in creative ways. As a contrast, the process-centric narrative focuses on the process of entrepreneurship as an emergent outcome of various activities among spatially dispersed actors who face considerable difficulty in achieving effective collective action. In this view, the process is seen as impregnated by conflicts, power relations and contested meaning-making, where failure is just as likely as success (Hardy and Maguire 2008, pp. 211–213). Hardy and Maguire end their overview by warning that even though the institutional entrepreneurship theorists respond to the need to move beyond the constraining effects of institutions and to put agency back into the institutional analysis of organizations, ‘there is a risk that the pendulum will swing too far in the other direction—celebrating heroic “entrepreneurs” and great “leaders”.’ (Hardy and Maguire 2008, p. 213). They conclude that sociological institutionalism should keep matters of power and process central to the study of institutional change. This illustrates the ‘paradox of embedded agency’ within sociological institutionalism, which for a long time has been a source of controversy and debate (Peters 2011, pp. 138–139).

## HISTORICAL INSTITUTIONALISM

Historical institutionalism is the most structural version of new institutionalism, with path dependency as a fundamental concept, stressing the legacy of the past as a strong force behind present and future actions. Considering the structural nature of historical institutionalism, the formative stage of institutions is of vital interest. Where do institutions come from and how were they established? Ideas are generally seen as important in the formative stage, and some kind of creative actors are thus

needed who can efficiently represent the ‘new’ ideas, even though a favorable context also is an important condition (Peters 2011, Chap. 4). A problem here is that historical institutionalism for a long time has lacked theoretical elaboration on actors and their interaction with institutions. Historical institutionalism understands major institutional change as a sudden break of continuity. A long period of institutional stability is punctuated by dramatic external disruptions, which undermine and replace existing institutions with new ones. Thus, the lack of theorizing about actors means that the traditional version of historical institutionalism is a rather simple structural theory of institutions (Peters 2011, Chap. 4).

To handle this basic problem, some historical institutionalists have increasingly borrowed ideas from other versions of new institutionalism, in particular rational choice and sociological institutionalism (Steinmo et al. 1992; Streek and Thelen 2005; Mahoney and Thelen 2010). This can be interpreted as an effort of integration and consolidation (Peters 2011, p. 89; Lowndes and Roberts 2013), but can also be more critically assessed as eclecticism with potentially negative consequences for historical institutionalism as a distinct theoretical perspective (Weyland 2008, p. 312).

To illustrate this argument, the logic of path-dependent action can be interpreted in a number of ways. For instance, Paul Pierson (2000) makes a ‘soft’ rationalistic account when arguing that path dependency can be understood as a reinforced process, thanks to positive feedback from initial policy choices (‘increasing returns’). A similar argument is that decision-makers, facing complex problems in situations of strong uncertainty, must employ some form of induction, which may enable learning from the outcomes of previous choices (Holland et al. 1986; Denzau and North 1994). Furthermore, path-dependent action can be understood within the framework of normative institutionalism if the logic of appropriateness is seen as a mechanism of continuity, which is transmitting rules and normative legacies from the past. Thus, decision-making procedures and patterns of action that seem to work well in a number of respects are likely seen as appropriate and will thus be repeated in the future. Guy Peters even argues that historical institutionalism ‘comes close to being just a version of normative institutionalism, given its tacit acceptance of “logics of appropriateness” in shaping behavior’ (Peters 2011, p. 88).

To conclude, the logic of path dependency can in practice work through quite different types of logics or mechanisms of action, but this is not theoretically elaborated on and integrated into the framework of historical institutionalism. Thus, it largely remains a structural theory weak on micro-level theorizing. In favor of historical institutionalism, it should also be stressed that it mainly deals with macro-level processes and events over long time spans. Furthermore, as already mentioned, recent contributions have theorized about agents and endogenous processes behind change and continuity (Streek and Thelen 2005; Mahoney and Thelen 2010), offering novel ideas of general relevance to micro-level theorizing within new institutionalism.

### DISCURSIVE INSTITUTIONALISM

The ‘argumentative turn’ in social science has been a great source of inspiration for theorizing about discursive aspects in relation to institutions (Fischer and Forester 1993). Discursive or constructivist institutionalism is a more recent version and is thus relatively controversial and debated, even though it is increasingly accepted as a version in its own right (Peters 2011; Hay 2006). Among the proponents for a discursive institutionalism, there are quite different understandings of discourses and institutions, from poststructuralist positions with no or limited influence of actors (Bacchi and Rönblom 2014) to constructivist positions, which gives actors a considerable creative capacity to change rules and norms (Hay 2006; Schmidt 2008, 2010). Vivien Schmidt (2008, 2009, 2010), one of the most influential and ambitious scholars of discursive institutionalism, theorizes agents as active, reflexive, and influential, and as political and social, not calculating rationalists. Schmidt is critical toward rational choice institutionalism and recent contributions in historical institutionalism, which increasingly builds on rational choice principles. Her way of conceptualizing agency is very much the antithesis to rational choice. In contrast to rational action, Schmidt argues that ideas and communication are central concepts for explaining institutional change. ‘Sentient actors’ may change institutions by following a ‘logic of communication’ in everyday practice. Institutional change is theorized as ‘the product of sentient agents engaged in thinking up new ideas about what to do and how to do it and then engaging in discussions in efforts to persuade others that this is indeed what one needs to do and ought to do’ (Schmidt 2009, p. 533). One could in fact perceive

this view of institutions as a micro-version of sociological and normative institutionalism, but one that acknowledges considerable discretion by individual actors. Schmidt herself actually admits that the differences between her approach and sociological/normative institutionalism often are ‘quite fuzzy’ and depend on how the latter approaches theorize action. Her basic criticism is that these approaches tend to theorize about static ideational structures and institutions, macro-patterns consisting of ‘action without agents’ (Schmidt 2010, p. 13). Schmidt argues that the neglect of ideas, actors, and communication (discourse) within the three dominant versions of new institutionalism (sociological/normative, historical, and rational choice) makes it necessary to develop a new fourth discursive institutionalism (Schmidt 2010). It is easy to agree when she discerns previous shortcomings within new institutionalism, but to take ideas and discourse seriously, it can be argued that we can elaborate on existing versions and thus avoid one more *ism* (Bell 2011; Alasuutari 2015). Two essential problems with discursive/constructivist approaches are their tendency to downplay the structural nature of institutions and to upgrade creative agency to such an extent that it is doubtful whether and in what sense it belongs to the tradition of new institutionalism. A critical question we should ask the constructivist institutionalists is how and to what extent sentient actors are constrained by existing rules, norms, and practices.

### SUMMARY AND IMPLICATIONS

To conclude, this assessment shows that theorizing on agency and change within the five dominant versions of new institutionalism is underdeveloped in a number of ways. First, they have their own theoretically derived action logics, single logics that are mainly used heuristically. Actors are theorized as acting in a specific role, for instance as either a rational calculating or a socially adaptive actor. This contradicts our commonsense experience of individual action as driven by mixed motives and mechanisms. Second, there are weak ambitions to elaborate on how various logics and mechanisms of action work in combinations in specific situations as well as in sequences. Some contributions in this direction have been made, but indicate that there is a risk of theoretical eclecticism. Thus, there is a difficult challenge to combine theoretical coherence with broad empirical relevance. Third, we see some theorizing about types of actors, such as institutional entrepreneurs, who are perceived as change

agents in institutional dynamics. However, it is far from enough to conceptualize types of actors; we also need theorizing about the micro-mechanisms of action in dynamic processes of institutional change and continuity. Fourth, political aspects and concepts such as authority, conflict, and power play a minor role in new institutionalism. Instead, concepts of economic rationality and sociological concepts such as identity, norms, and social adaptation have dominated for a long time, and as will be argued below, we need to pay more attention to political agency. Fifth, we see a growing interest for discursive aspects within new institutionalism, to such extent that some propose a discursive version of new institutionalism. Certainly, we need to pay more attention to discursive aspects in theorizing about the importance of political agency and institutional change, but we should not do it by downplaying the phenomenon of institutional inertia. Both discursive aspects and structural conditions are too important to specialize in just one of them. Rather, we need more cross-fertilization between different versions of new institutionalism, even though Lowndes and Roberts (2013) hope for fundamental forces of convergence may be overoptimistic.

### TOWARD A NEW POLITICAL INSTITUTIONALISM

For several decades, new institutionalism has been dominated by theoretical ideas inspired by economics and sociology, with the unfortunate consequence of neglecting fundamental political dimensions and concepts. We will, in this section, develop an argument on how to take political agency seriously in institutional theory by retaking some insights from ‘old’ institutionalism and combining them with more recent ideas of political institutionalism. This strategy can hopefully take us toward an updated version of political institutionalism: a new political institutionalism.

The ‘paradigmatic’ 1980 debate between rational choice and normative institutionalism led to a sharp break between ‘old’ and ‘new’ institutionalism (or rather a construction of that distinction), which was overstated, according to the institutional pioneer Philip Selznick (1996). Unfortunately, it meant that political aspects such as power, authority, and formal organization were put aside to a large extent. Despite this development, some political scientists have continued to stress the importance of formal political aspects of institutions; they argue that these aspects still make a difference with important distributional

consequences (Goodin 1996; Rhodes 2006; Mahoney and Thelen 2010). For instance, Robert Goodin argues that actors who hold formal positions within organizations have a better capacity to ‘work their will upon the world at the expense of others lacking access to such institutionalized power resources’ (Goodin 1996, p. 16). He further states that this was an important theme of old institutionalism and is still of central importance to new institutional analysis. In other words, we need to further acknowledge that ‘hard’ political power can consolidate organizations, for instance, through the authoritative imposing of new regulations and different control measures, and the use of threats and punishments. This also highlights the question of how to perceive formal power in connection with normative institutionalism and its more sociological perspective. A critical issue is the extent to which social adaptation is actually dependent on the shadow of formal power and its ability to control, command, and punish, but we can also assume that unclear values and lack of socialization efforts will likely make the use of formal power more difficult and ineffective.

Acknowledging the continuing relevance of traditional institutionalism does not mean that there is a way back to formalism in terms of old rationalism, top-down governing and a clear dichotomy between politics and administration. We are restrained from that by a number of empirical insights and theoretical developments over the years such as incrementalism, bottom-up implementation, the argumentative turn, and governance. We have learned that actors, including top managers and politicians, are more or less constrained, not only by institutional rules, norms, and practices, but also by forces of power and actions exercised by their subordinates such as protests and subversive actions (Olsson 2016). They need to be able to cooperate and to organize concerted action among actors with partly different ideas and interests. Their autonomy and their power to get things done are restricted and highly contingent on not only formal mandates but also the support of the organization. Old institutionalism was not sensitive to these constraints, and we therefore also need to develop political institutionalism along new lines of ideas.

Considering the increasing complexity of political and democratic governance, we need more than ever to perceive political institutions as arenas containing both logics of social adaptation and power struggles and leave it to empirical study to determine how and to what extent formal organizational structures and positions matter. We should thus

be sensitive to formal power structures and positions and at the same time critically assess their actual relevance and importance in different situations and contexts. In short, we can draw some lessons from traditional institutionalism in upgrading political aspects in institutional theory, but we also need to consider more recent, inspiring contributions in new institutionalism.

To conclude, we assume that formal institutions structure the behavior of individuals, granting them both opportunities for and restrictions on political agency. However, and contrary to old institutionalism, such institutions *condition* the behavior of individuals, but do not *determine* it. Furthermore, politics matter in the sense that institutions are formed and changed over time through processes of political action, driven by adaptive as well as conflictual behaviors among actors inside and outside the institution.

### INSTITUTIONAL POLITICAL AGENCY

For political agency to be taken seriously, an important point of departure is to avoid such reductionist micro-theorizing as occurs with rational choice, because we acknowledge a commonly held experience that human thinking and behavior vary to a great extent and are potentially relevant for explaining institutional change and continuity. Such a view is also supported by modern psychological research; people vary to a great extent when it comes to intelligence, values, and behavioral patterns (Holt et al. 2015). We agree with Vivien Lowndes and Mark Roberts, who argue that it is important to bring in ‘actors with real human heads and hearts, who engage critically and strategically with institutions rather than simply playing pre-assigned roles’ (Lowndes and Roberts 2013, p. 145). Therefore, it is important to explore and elaborate on the multi-dimensional character of agency in the context of public institutions. To do this, we now move on to identify and elaborate on important aspects of political agency.

The political agency is, first of all, about forming, prioritizing, and realizing the authoritative allocation of values (‘who gets, what, when, and how’) (Lasswell 1950). The policy process is political in nature characterized by goal-oriented action and conflict handling. We perceive of rational decision-making as a sub-category of *goal-oriented action*. We further assume the strict version of rational decision-making to be rather unusual in practice due to demanding requirements such as clearly

specified goals, a number of well-assessed alternative choices, and the ability to anticipate consequences of those alternatives. This is usually too complicated and expensive, which means that few decisions and actions in practice come close to this heuristic ideal. ‘Bounded rationality’ is generally accepted as a more realistic version of rational decision-making (Simon 1947; Forester 1989). Moreover, the goal-oriented action is varied and comes in different shapes. It can have both the character of intentional, calculated decision-making and a more intuitive character (Klein 2009, 2013; Kahneman and Klein 2009; Thiele 2006). From psychological research, we know that human thinking and acting can be understood by the interplay of ‘fast’ intuitive thinking and ‘slow’ calculation, which varies between actors and which is largely context dependent (Kahneman 2011; Simon 1947). Real-life political agency often demands intuitive goal-oriented action due to the complexity of situations, limited time frames, and sudden events. Shooting well from the hip is an important quality for political agency, just like calculated decision-making.

Second, political agency involves various logics of action, and thus, we need to avoid theorizing about single action logics inherent in much institutional theory. People have different motives and desires in the daily life of politics and public organizations, for instance, narrow self-interest (often disguised), obligations and duty, as well as beliefs, values, and ideas about ‘good’ government actions. Furthermore, people often have mixed motives and inconsistent preferences. Policy preferences may change over time in political and administrative processes, but fundamental values and beliefs tend to be relatively stable and formed to a large extent through socialization during childhood and youth (Hurrelmann 2009; Sears and Brown 2013). We further argue that emotions are largely neglected as driving forces in policy actions, although there are some recent contributions on this (e.g., Durnová 2015). Emotions and desires can, for instance, be a force in terms of passionate commitment to an important issue, anger over an ill-prepared decision, or sentient and engaged actors deliberating over difficult value priorities. In line with this, Donald D. Searing argues convincingly that rational choice models are overly cognitive and tend to obscure and dismiss the wide variety of desires that continuously shape the goals of actors. Desires and emotions influence both the goal formation and the perception of which courses of action will most likely satisfy the goals (Searing 1991, p. 1253). In a similar vein, Mats Alvesson and André Spicer question the one-sided thesis that contemporary organizations rely on the mobilization of cognitive



capacities. It is important to realize, they continue, ‘that emotions are key elements in how we relate to and interpret the world, which often informs cognitive processes’ (Alvesson and Spicer 2012, p. 1200).

Third, political agency also places emphasis on discursive and communicative aspects that deserve much more attention in new institutionalism theorizing. Important insights on discursive action can be found among discursive institutionalists (Hay 2006; Schmidt 2010), in critical policy analysis (Fischer et al. 2015), and in planning studies (Laws and Forester 2015). Discursive actions are played out in different ways and in different contexts and situations. They may take the form of open deliberation among ‘sentient’ actors, as theorized by Vivien Schmidt (2010), but can also take place behind the scenes in the form of chit-chat and gossip. Thus, there is nothing inherently ‘good’ in discursive institutionalism, even though it seems to be a bias toward benevolent aspects and effects in this tradition. Discursive abilities can surely serve in deliberative processes to the benefit of an entire organization or in street-level relations with citizens (Laws and Forester 2015), but they can also undermine the management of an organization by obfuscating facts and constructing subversive stories. Language use and communication are vital forces in the development of cultures and subcultures within and across organizations (Forester 1989; Olsson 2016).

Finally, political agency integrates two contradictory forces or logics of action: social adaptation and combative action. The logic of social adaptation is a synthesis of the main ideas within sociological and normative institutionalism, while the logic of combat is constructed on ideas and arguments developed in more recent theorizing about political institutionalism. We theorize these logics as fundamental forces of any public organization and do not argue that one of these logics is more important than the other. On the contrary, they are both highly relevant, and to understand the life of public organizations, we need to analyze how they interact in different situations.

The two logics manifest themselves through various praxis-based micro-mechanisms, which work in combination and in sequences in interaction with institutional rules, norms, and practices. Adaptive mechanisms are, for instance, to rely on established rules and norms within an organization, to adapt to norms and practices that superiors find appropriate, to imitate ‘good’ appropriate examples in other departments or organizations, and to interpret norms so as to preserve the status quo.

Combative mechanisms are, for instance, to protest against deviations from essential rules, to resist change efforts of a new management, to argue for an alternative course of action, and to act subversively to undermine or secure institutions. These examples underscore that both logics of action can work for continuity as well as for change. For instance, social adaptation—usually perceived as a stabilizing force—can also come to expression in terms of adopting appropriate practices from another organization, which likely lead to institutional ambiguities and seeds of change in one’s own organization. The logic of combat—often associated with change efforts—can also be a force in favor of existing institutions.

There are also mechanisms that are not easily associated with either of the two logics, but come to use in processes of both social adaptation and combat. *Negotiations*, for instance, can have a combative zero-sum character as well as a more cooperative nature through embeddedness in a common normative framework. Similarly, *calculation* is based on facts and experiences, which can be appropriately used to strengthen existing institutional rules and norms, but can also be employed by, for instance, a critical subgroup to challenge the status quo by arguing convincingly for alternative paths. Thus, we assume considerable dynamics on the level of praxis-based micro-mechanisms, which tend to circle around the two dominant logics. Social adaptation in the public realm is a fundamental logic thanks to its open character and widespread use, giving it a natural legitimate flavor. However, the importance of combative action within public organizations is probably seriously underestimated due to its conflictual and sensitive nature, implying that it presumably takes place to a large extent behind closed doors, through secret conversations, and by subversive forms of action. Agency within public organizations is dualistic by nature. We have previously argued that inside activism tends to be:

dualistic, like Janus, the two-faced Roman god. On the one hand, inside activism is open, deliberative and consensus-seeking, especially in official documents, formal meetings and public presentations (“the Habermasian face”); on the other hand, it is about goal-attainment through tacit, tactical, and power-driven action (“the Foucaultian face”) (Olsson and Hysing 2012, p. 8).

On the one hand, we have the ‘light’ side where actors’ behavior is largely shaped by established institutions, captured by the logic of social adaptation. It is also the side often shown publicly in official documents, formal meetings, and public presentations. Any change efforts are carried

out in accordance with established rules, norms, and practices, which often means that it is open, deliberative, and consensus-seeking. On the other hand, we have the ‘dark’ side where actors’ act politically to attain their goals. This side is captured by the logic of combat, which often remains hidden and rather takes place behind the scenes. Change efforts are tacit, tactical, and power-driven. These light and dark dimensions of political agency should not be understood as a dichotomy but rather as a spectrum of different actions. In practice, we expect inside activists to engage in various practices and actions of different shades of light and dark. This will be illustrated empirically in Chaps. 5 and 6.

## CONCLUSIONS

This chapter presents an overview of the history of institutional theorizing, depicted as a development in three major phases: old institutionalism, new institutionalism, and a third phase characterized by consolidation and convergence as well as continual fragmentation and contrasts. After that, we take a closer look at the dominant versions of new institutionalism (rational choice, normative, sociological, historical, and discursive institutionalism) and assess the connection between individual agency and institutions, and how it may produce institutional change and continuity. It is argued that hard-driven specialization within different versions of new institutionalism has led to fragmentation and limited cross-boundary elaboration. In the last decades, interesting efforts have been made to theorize more on the importance of agency and political aspects (Mahoney and Thelen 2010; Lowndes and Roberts 2013; Olsson 2016), but political agency is still a largely neglected aspect. Building on these efforts, the last section develops and argues for a theoretical approach labeled new political institutionalism, which is framing and guiding our discussions throughout this book.

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