
Choice, Rules and Collective Action

The Ostroms on the Study
of Institutions and Governance

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Introduced and Edited by
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Introduction

The Ostroms' Research Program for the Study of Institutions and Governance: Theoretical and Epistemic Foundations

Paul Dragos Aligica and Filippo Sabetti

This volume brings together a set of key writings of Nobel Prize in Economic Sciences co-recipient Elinor Ostrom and public choice political economy co-founder Vincent Ostrom, in which the two scholars introduce, elaborate and explain their approaches, conceptual frameworks and analytical perspectives to the study of institutions and institutional performance. The book brings together a number of texts representing the main analytical and conceptual vehicles articulated and used by the Ostroms and their collaborators in the creation of the so-called Bloomington School of public choice and institutional theory. The focus is hence on the conceptual lenses and theoretical apparatus that shaped the construction of their work; an attempt to illustrate them, via selected readings organized using a tentative interpretative framework. Its ultimate objective is not only to offer a direct introduction to the conceptual, theoretical and epistemic perspectives that shaped and inspired this prominent research program, but also to point out the fascinating intellectual avenues opened by the Ostroms' and that invite further exploration and investigation.

In other words, the volume is not a comprehensive overview of the Bloomington School. It does not offer an intellectual biography of how Vincent and Elinor Ostrom came to form their exceptional partnership in the adventure of life and work that started at the University of California at Los Angeles in the early 1960s and continued at Indiana University, Bloomington, where they were instrumental in creating an intellectual community around and beyond the today's celebrated Workshop in Political Theory and Policy Analysis. Other sources can be mined for that history which has yet to be written. Nor does this volume deal with the whole range of contributions – theories of governance, common pool resources, public economies, metropolitan reform, the in-depth and comparative case studies, applied institutional analysis etc., all inherent to that research tradition. Hence this volume is not and should not be seen as a substitute for the essential three volume *Readings from the Workshop in Political Theory and Policy Analysis* edited by Michael McGinnis (1999a, 1999b, and 2000), the two volumes honoring the intellectual contributions of Vincent Ostrom edited by Barbara Allen, Filippo Sabetti and Mark Sproule-Jones (Sabetti 2009; Sproule-Jones 2008) and the two volumes of Vincent Ostrom's collected unpublished essays edited by Barbara

Allen (2011 and 2012). At the same time, the volume does not delve into the more applied methodological, research design and execution, the technical research side of the Bloomington scholars' work. The Ostroms and their collaborators were pioneers in developing many innovative approaches to comparative case study, field work, operationalization, measurement and evaluation, mixed and multi-method research design and strategy. This volume is not dealing with that entire domain. In this respect, the ground has already been covered by Amy Poteete, Marco Janssen and Elinor Ostrom in *Working Together: Collective Action, the Commons, and Multiple Methods in Practice* (2010). That is to say, this book should not be viewed as a substitute for that excellent work.

In brief, this book detaches and focuses deliberately only on the theoretical approaches, on the conceptual frameworks and the epistemic foundations of the Bloomington School, as seen through the works of the founders and leaders of this research program, Elinor and Vincent Ostrom. Viewed from this angle, the idea animating the project may be considered a reflection of the Ostroms' own views about the centrality of theoretical thinking in social sciences and a natural continuation of their endeavours to 'reestablish the priority of theory over data collection and analysis' and to better integrate theory and practice. In their view, theory has to be something more basic and more central to social sciences than a mere set of logically connected statements over a set of statistically handled data. The creation of the Workshop in 1973 was in part built on the initial program of a series of working papers on political theory and policy analysis that Vincent edited in the late 1960s and to which several graduate students contributed. That series of working papers was based on the following assumption worth quoting in full:

[...] theory is the only reasoned guide to research that is available. In the absence of theory, inquiry becomes uninformed trial and errors. Conversely, these papers are also based on an assumption that practical political experience reflecting situations relevant to theoretical considerations are appropriate circumstances to test the empirical relevance of theory. Political science, thus, represents a union of interests between political theory and policy analysis.

Echoing Vincent, Elinor Ostrom in one of her very few statements on the epistemological foundations of political science, observed that scientific inquiry should be based on '[...] references to the work of political philosophers, a recognition of the importance of history, an awareness of diverse philosophies of science, a basic concern with the central place of theory in the development of the discipline, the use of formal models and a recognition of the importance of rigorous methods in data analysis' (Chapter Seven). For the Bloomington scholars, social science evolves around theoretical and philosophical thinking without however, becoming too abstract or divorced from events in the world. In their own writings they tend to stay away from 'grand theory' as much as possible. Throughout their career they were sensitive to what they often referred to as 'problem of cognition' – the challenge of how to tie theoretical discourse to empirical inquiry mindful of how the language of discourse relates to the world of events characteristic of

natural phenomena (V. Ostrom [1990] 1999); they strove to avoid what Walter Eucken (1951) described as ‘the great antinomy’ between abstract models and the empirical reality. For these reasons, they favoured mostly ‘middle range theory’ identifying and exploring ‘social mechanisms’ and political and institutional processes. As Elinor Ostrom put it, the growth of scientific knowledge is ‘limited in scope to specific types of theoretically defined situations rather than sweeping theories of society as a whole’ (Chapter Seven). This book illustrates how the Ostroms responded to these self-imposed parameters or intellectual standards.

Needless to say, these are important themes both in terms of the intellectual history of the Bloomington School and in terms of future research developments to take place on the intellectual lines defined by it. Always present, this theoretical concern penetrated the Ostroms’ work in multiple ways. Their ongoing effort in this respect has always been tentative, partial and open to new alternatives. This volume documents that. One can see through it an underlying logic evolving, branching taking place in several directions, but at the same time the presence of evident elements of consistency.

The volume also shows that by focusing on their theoretical frameworks and approaches, one may trace and explore a combination of intellectual influences inspiring the Ostroms work, as well as their persistent attempt to frame those influences through their own experience and perspective. As Elinor Ostrom put it:

The work that we have done at the [Bloomington] Workshop is deeply rooted in the central tradition of human and social studies. There is no better testimony for that than the questions that structure our work: How can fallible human beings achieve and sustain self-governing entities and self-governing ways of life? How can individuals influence the rules that structure their lives? Similar questions were asked by Aristotle and other foundational social and political philosophers. These were the concerns of Madison, Hamilton and de Tocqueville. Today these central questions unite political scientists, economists, geographers, sociologists, psychologists, anthropologists, and historians who study the effect of diverse rules on human behavior in various institutional contexts, countries or at different geographic scales (E. Ostrom in Aligica and Boettke 2009: 159; *see also* McGinnis 2011).

Rooted in an illustrious tradition in political studies and the then emerging analytics of public choice at whose creation they contributed as founding figures, alongside James M. Buchanan, Gordon Tullock and William H. Riker, the Ostroms’ inquiries went beyond narrow disciplinary boundaries. The volume presents the various attempts and modes by which they and their associates tried to capture the public/rational choice theory potential and how in the process, they went beyond it to the point of developing an original and unique comparative institutional analysis agenda. The revolutionary and radical nature of this agenda has not been fully grasped. Thus the present volume tries to convey some of the deepest epistemic assumptions and foundational views that inspired this intellectual evolution.

Chapter Four

An Agenda for the Study of Institutions¹

*Elinor Ostrom*²

The multiple meanings of institutions

Recently, public choice theorists have evidenced considerable interest in the study of institutions. William Riker (1982: 20) recently observed, for example, that ‘we cannot study simply tastes and values, but must study institutions as well’. Little agreement exists, however, on what the term ‘institution’ means, whether the study of institutions is an appropriate endeavour, and how to undertake a cumulative study of institutions.

Riker defines institutions as ‘rules about behavior, especially about making decisions’ (1982: 4). Charles Plott also defines institutions to mean ‘the rules for individual expression, information transmittal, and social choice [...]’ (1979: 156). Plott uses the term ‘institutions’ in his effort to state the fundamental equation of public choice theory. Using \oplus as an unspecified abstract operator, Plott’s fundamental equation is:

preferences \oplus institutions \oplus physical possibilities = outcomes (1)

Plott himself points out, however, that the term institution refers to different concepts. He ponders:

Could it be, for example, that preferences and opportunities *alone* determine the structure of institutions (including the constitution)? These questions might be addressed without changing ‘the fundamental equation’ but before that can be done, *a lot of work must be done on determining exactly what goes under the title of an ‘institution’*. Are customs and ethics to be regarded as institutions? What about organizations such as coalitions? These are embarrassing questions

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1. I appreciate the support of the National Science Foundation in the form of Grant Number SES 83–09829 and of William Erickson-Blomquist, Roy Gardner, Judith Gillespie, Gerd-Michael Hellstern, Roberta Herzberg, Larry Kiser, Vincent Ostrom, Roger Parks, Paul Sabatier, Reinhard Selten, Kenneth Shepsle, and York Willbern who commented on earlier drafts.
 2. This paper was delivered as the Presidential address at the Public Choice Society meetings, Phoenix, Arizona, March 30, 1984. It was initially published in *Public Choice* 48 (1), 1986, pp. 3–25.

which suggest the ‘fundamental equation’ is perhaps not as fundamental as we would like (Plott 1979: 160; my emphasis).

Plott’s questions are indeed embarrassing. No scientific field can advance far if the participants do not share a common understanding of key terms in their field. In a recent volume entitled *The Economic Theory of Social Institutions*, Andrew Schotter specifically views social institutions as standards of behavior rather than the rules of the game. What Schotter calls ‘social institutions’:

are not rules of the game but rather the alternative equilibrium standards of behavior or conventions of behavior that evolve from a given game described by its rules. In other words, for us, institutions are properties of the equilibrium of games and not properties of the game’s description. We care about what the agents do with the rules of the game, not what the rules are (Schotter 1981: 155).

Schotter sees his enterprise as a positive analysis of the regularities in behavior that will emerge from a set of rules and contrasts this with a normative approach that attempts to examine which rules lead to which types of behavioural regularities. Schotter draws on a rich intellectual tradition that stresses the evolution of learned strategies among individuals who interact with one another repeatedly over a long period of time (Menger 1963; Hayek 1976; 1978; *see also*, Ullman-Margalit 1978; Taylor 1976; Nozick 1975). Rawls characterizes this view of how individuals come to follow similar strategies over time as ‘the summary view of rules’ (Rawls 1968: 321).

Still another way of viewing ‘institutions’ is equivalent to the term ‘political structure’. This view differs from that of Schotter in that it does not equate institutions with behavioural regularities. It differs from that of Riker and Plott in that it does not focus on underlying rules. Institutions, defined as political structure, refer to attributes of the current system such as size (Dahl and Tufte 1973), degree of competition (Dye 1966; Dawson and Robinson 1963), extent of overlap (ACIR 1974) and other attributes of a current system.

The multiplicity of uses for a key term like ‘institution’ signals a problem in the general conception held by scholars of how preferences, rules, individual strategies, customs and norms, and the current structural aspects of ongoing political systems are related to one another. Over time we have reached general agreement about how we will use such key theoretical terms as ‘preferences’, ‘actions’, ‘outcomes’, ‘coalitions’ and ‘games’. Further, we have a general agreement about how these concepts are used in our theories to generate predicted outcomes.

The multiple referents for the term ‘institutions’ indicate that multiple concepts need to be separately identified and treated as separate terms. We cannot communicate effectively if signs used by one scholar in a field have different referents than the same sign used by another scholar in the same field. As scholars, we are in our own game situation – a language generating game. The ‘solution’ is the result of our choice of strategies about the use of a set of terms to refer to the objects and relations of interest in our field.

No one can legislate a language for a scientific community. Scholars begin to use a language consistently when terms are carefully defined in a manner perceived by other scholars as useful in helping to explain important phenomena. In this presentation, I do not try to resolve the debate over which of the definitions of institution is the 'right definition'. Instead, one concept—that of rules—is used as a referent for the term 'institution', and defined. I distinguish rules from physical or behavioural laws and discuss the prescriptive nature of rules. Then I show how theorists use rules in public choice analysis. Two methodological issues are raised. One relates to the configurational character of rules. A second relates to the multiple levels of analysis needed for the systematic study of rules. In the last section, I propose an alternative strategy that takes into account the configurational character of rules and the need for a self-conscious study of multiple levels of analysis.

What is meant by rules

Focusing specifically on the term 'rule' does not immediately help us. Even this narrower term is used variously. Shimanoff (1980: 57) identified over 100 synonyms for the term 'rule' (*see also* Ganz 1971). Even among political economists the term is used to both refer to personal routines or strategies (e.g. Heiner 1983) as well as to a set of rules used by more than one person to order decision making in interdependent situations. In game theory, 'the rules of the game include not only the move and information structure and the physical consequences of all decisions, but also the preference systems of all the players' (Shubik 1982: 8).

Rules, as I wish to use the term, are potentially linguistic entities (Ganz 1971; V. Ostrom, 1980; Commons, 1957) that refer to prescriptions commonly known and used by a set of participants to order repetitive, interdependent relationships. Prescriptions refer to which actions (or states of the world) are required, prohibited, or permitted. Rules are the result of implicit or explicit efforts by a set of individuals to achieve order and predictability within defined situations by: (1) creating positions (e.g. member, convener, agent, etc.); (2) stating how participants enter or leave positions; (3) stating which actions participants in these positions are required, permitted, or forbidden to take; and (4) stating which outcome participants are required, permitted, or forbidden to affect.

Rules are thus artifacts that are subject to human intervention and change (V. Ostrom 1980). Rules, as I wish to use the term, are distinct from physical and behavioural laws. I use the term differently than a game theorist who considers linguistic prescriptions as well as physical and behavioural laws to be 'the rules of the game'. If a theorist wants only to analyse a given game or situation, no advantage is gained by distinguishing between rule on the one hand, and physical or behavioural laws, on the other hand. To change the outcomes of a situation, however, it is essential to distinguish rules from behavioural or physical laws. Rules are the means by which we intervene to change the structure of incentives in situations. It is, of course, frequently difficult in practice to change the rules participants use to order their relationships. Theoretically, rules can be changed

Chapter Seven

Beyond Positivism¹

Elinor Ostrom

Some intellectual eras come to an end with a bang. Others end with a whimper. Those that end suddenly are swept out by the rapid acceptance of a new theory or a major finding that makes the continuation of old beliefs impossible. Most intellectual eras in the social sciences may end with a whimper – with a vague sense of unease that not much progress has been made for all the efforts of able and hardworking scholars. My personal sense is that we are coming to an end of an era in political science, a slow, whimpering end.

The signs of the demise of an old era include a level of disquietude among the practitioners of a discipline. This volume contains essays written by some of the more able practicing empirical theorists in the country. Most of them indicate some dissatisfaction with the current status of political science. [G. R.] Boynton (Chapter Two) is concerned that the ‘most glaring weakness in our program has been the discontinuity between theory and research’. [J. Donald] Moon (Chapter Six) indicates that ‘one of the major shortcomings or problems of political science is the apparent confusion and diversity of standards in our field’. [Roger] Benjamin (Chapter Three) argues that ‘as soon as we begin to achieve some success in apprehending an important political process, diachronic change occurs in such fields as modernization to render our models obsolete’.

Signs of dissatisfaction with the discipline are not new, however. Since World War II, major confrontations have occurred within political science. Some have occurred in the literature (MacIntyre 1967; Winch 1958; Feyerabend 1970; Falco 1973; Goldberg 1963; Laslett *et al.* 1972).

However, many of the arguments have been fought as departments made recruitment and curricular decisions. The ‘quantitative versus nonquantitative’ dispute has surfaced in many departments each time a new faculty member is hired as colleagues debate about the appropriateness of the approach taken by candidates. Designing undergraduate or graduate curricula is another process likely to invoke a similar conflict. Those taking the anti-quantitative position have argued that studying relationships using quantitative data does not provide an adequate understanding of the political world. Advocates of a more quantitative approach to political science have argued that without careful measurement and

1. Introductory Chapter, ‘Beyond Positivism: An Introduction to this Volume’, in Ostrom, E. (1982) *Strategies of Political Inquiry*, edited by Elinor Ostrom, 11–28, Beverly Hills, CA: Sage Publications.

the use of analytic techniques, one does not have a basis for knowing anything. In some subdisciplines of political science, specialized fields of inquiry have been identified by their stance in the quantitative versus nonquantitative dispute quantitative international relations is one example.

While strong feelings have been triggered, the quantitative versus nonquantitative dispute did not generally touch fundamental issues of importance to understanding political phenomena. When couched as a fight between those who quantify and those who do not, the dispute does not touch the central question of what are the basic processes occurring in different political systems in different eras. Rather, the dispute has centred on the way variables are coded and the type of statistics used as criteria to establish that a relationship between one variable and a second variable exists. It has been, to a large extent, an intellectual confrontation over how to represent descriptions of the world, rather than an argument about different organising principles for understanding the world. Both camps have remained fundamentally descriptive in their approach to the study of political phenomena.

The disquietude reflected in the essays in this volume differs from the discontent articulated by those scholars pushing for a more quantitative approach to political science. The concern here is that after several decades of far more rigorous empirical research, the hoped for cumulation of knowledge into a coherent body of theory has not occurred. This is a lament from those who have been, as Boynton phrases it, 'in the research camp'.

The central theme of the essays in this volume is the need for the development of theory as the basis of our discipline. Benjamin (Chapter Three) concludes after assessing the state of comparative political inquiry that 'we should be concerned again with opening up new concepts, reworking old questions, developing new puzzles, junking old theories and developing new ones, rather than developing and applying methodologies'. While political scientists have been asserting that theory should be the basis of our discipline throughout the post-war era, the definition of what constitutes proper theory is used differently here from the definition of theory articulated by logical positivists and accepted by many scholars in the discipline.

To some extent the heavy emphasis on descriptive, empirical, quantitative work may have resulted from the naive acceptance of a particular school of philosophy of science. The books that had the most influence on our conception of what theory should be were for many years those by Brodbeck (1968), Hempel (1965), Nagel (1961) and Rudner (1966).

At the time these authors accepted the logical positivist position on the type of scientific method to form the foundation of the social sciences. In a critique of rational choice theories from a covering law perspective, Moe (1979: 216) aptly describes the central belief system of the logical positivist's approach.

There is a fundamental unity of scientific method across the natural and social sciences; in both, the purpose of science is the explanation of events and the nature of explanation is nomological. An event is explained when a statement of its [...] occurrence is deductively subsumed under lawlike statements

and statements of initial conditions; and these logically prior statements, the theoretical premises, must be well-confirmed by the available evidence, since it is the presumed truth of the premises that logically justifies the expectation of the event's occurrence. Scientific progress hinges on the discovery of well-confirmed lawlike statements and on their integration into increasingly general and comprehensive theoretical structures.

If in order to have a theory admitted to the hallowed halls of science, the theory had to be based upon well-accepted empirical laws, then indeed the major effort in the discipline had to be to go out and discover empirical laws. Since scholars were trying to find empirical regularities, the major focus for political scientists doing research was on questions of method – of how to operationalize variables adequately and of the proper kind of statistical test to use to assert relationships between variables. These are essential questions of an empirically based political science. But their dominance during the past several decades places the questions of how to describe political relationships in a quantitative manner above how to gain an adequate understanding of the processes involved in the relevant world of inquiry.

Further, the positivist perspective on the necessity of building political science anew, based on a rock bottom of quantitative empirical research, dominated the instruction given to graduate students in our discipline. Given the recruitment pattern into the discipline, entering students have frequently evinced shock when presented with this perspective on the nature of the discipline. High school students are rarely exposed to anything called political science until their junior or senior year. By that time most students have already taken mathematics, science, history, literature, and languages. Many students select a college major early from one of the subjects they took in high school and found interesting and challenging. Students who enjoy abstract thinking and mathematics may have already selected mathematics or a science that allows them to pursue these interests prior to any introduction to political science (*see* Lave and March 1975).

The first introduction to political science qua high school civics does not attract the more theoretically and mathematically inclined students either. The focus on current events in high school civics courses associates political science with the study of current events for many students. This association is reinforced in college. At many universities large numbers of freshmen take an introduction to American government course where the emphasis is on the current structure and political behavior of American national government. Given the clientele and texts available, most of these courses are descriptive and include a heavy dose of current events.

Students who are interested in power struggles and learning the inside story related to current world crises are attracted. Students who are interested in more abstract intellectual endeavours are turned off. Majoring in political science does not alter the picture. Students can major in political science and never be introduced to political philosophy or the rigorous development of any type of modern political theory. Few of our undergraduates take more than minimal requirements in logic, philosophy, mathematics, or economics; and few take statistics as undergraduates.

Chapter Nine

Epistemic Choice and Public Choice¹

Vincent Ostrom

At the intersections of anthropology, economics, law, political science, public administration, and sociology, a sufficient body of literature had accumulated from interdisciplinary research efforts by the mid-1960s to support a new approach to the study of public decision making. Those inquiries were stimulated by a growing awareness that problems of institutional weaknesses and failures in market arrangements could not be corrected simply by recourse to governmental decision processes that were themselves subject to serious limits. How did we develop a better understanding of the structure of decision making and performance in the ‘public sector’? What were the limits applicable to collective choice and its relationship to collective action? Now, in the presence of three or four decades of cumulative efforts in the Public-Choice tradition, how does one assess the prospects for the next generation?

My conclusion is that the most important potentials have been associated with diverse thrusts on the peripheries of work in the Public-Choice tradition rather than with efforts at the core of the tradition to apply ‘economic reasoning’ to ‘nonmarket decision making’, as the Public-Choice approach has been conceptualized by the mainstream of Public-Choice scholars. The ‘core’ of the Public-Choice tradition involves economic reasoning that places primary emphasis on a *nontuistic, self-interested, rational actor* approach to *methodological individualism*. *Nontuism* implies *not* taking account of the interests of others; *self-interest* implies taking account of one’s own preferences. *Rational actors* in economic theory seek to maximize their own net advantage. *Methodological individualism* involves taking the perspective of hypothetical individuals in choice situations. By ‘thrusts on the peripheries’, I refer, for example, to Gordon Tullock’s (1965) focus on the way that bureaucracies filter and distort the transmission of information to create systemic propensities for deception and for error, to James Buchanan’s (1979a) emphasis on the artifactual character of human individuality, to Douglass North’s (1990) insistence that ideas and institutional arrangements are important, and to James Coleman’s (1990) concern that norms are important sources of productive potentials.

1. Initially published in Vincent Ostrom’s *The Meaning of Democracy and the Vulnerability of Democracies: Response to Tocqueville’s Challenge*, 89–116. Ann Arbor: The University of Michigan Press, 1997.

Work on the peripheries is where important advances at the frontier are most likely to occur. The leading contributors to the Public-Choice tradition have never confined themselves to a 'core' built on extreme rationality assumptions. A. K. Sen's article on 'Rational Fools' (1977), Karl Popper's essay on 'Rationality and the Status of the Rationality Principle' (1967) and Brian Barry and Russell Hardin's collection of essays on *Rational Man and Irrational Society?* (1982) are indicative of some of the social dilemmas and puzzles that pervade human societies. Perhaps the important challenge for Public-Choice scholars is to address how basic anomalies, social dilemmas, and puzzles can be resolved in human affairs, rather than to apply economic reasoning, narrowly construed, to nonmarket decision making.

A question of some importance is whether these efforts at the periphery of the Public-Choice approach are only miscellaneous idiosyncratic accretions. In that case, the literature will exceed human cognitive limits and become fleeting fads among Towers of Babel. Or are there ways that these cumulative inquiries can be ordered as contributions to diverse elements, foci, and levels of analysis that are complementary to one another and that meet standards of scientific warrantability? This, too, is a matter of 'public' choice at an epistemic level about what is worthy of inclusion in the corpus of knowledge. The attribute of publicness as applied to the corpus of knowledge is not confined to collective choice implicating institutions of government. Rather, the public-good character of knowledge evokes important potentials for economic and political development – in all aspects of market and nonmarket decision making. The public-good character of knowledge is not decided by Governments but by those who are artisans engaged in the creation and uses of knowledge. Public choice need not be decided by elections and coalitions claiming popular mandates. Furthermore, the principles of choice applicable to the warrantability of knowledge are different than the principles of choice applicable to a choice of goods in market and public economies. These are different than the principles of choice applicable to the constitution of rule-ordered relationships in accordance with standards of fairness. Principles of consensus among participants can apply to each, but the criteria of choice vary among different types of choice.

If an intellectual apparatus can be developed to give complementarity to the diverse thrusts in inquiries pursued over the last three or four decades, we might also expect to achieve a greater coherence among much longer traditions of inquiry in the social or cultural sciences. Edwin Haefele, for example, called attention to an assertion made by Aristotle – 'For that which is common to the greatest number has the least care bestowed upon it' (Aristotle 1942, bk. 2, chap. 3, sec. 3 – to reject Plato's argument about the ideal polity expounded by Socrates in *The Republic*, a title that is itself a misnomer drawn from the Latin language. Aristotle's assertion indicates a long-standing awareness of collective-action dilemmas. If a public facility or service were to be collectively provided, any narrowly rational actor would take advantage of what became freely available, while declining to bear responsibility for a proportionate share of the burdens and costs. Under these circumstances, levying a tax through some instrumentality of government would serve as a proxy for a market price. People could not be expected to pay taxes voluntarily.

A new approach not only opens potentials for future work but allows for a better appreciation of how to select from and build on prior achievements. Problems of epistemic choice – the choice of conceptualizations, assertions, and information to be used and acted on in problem-solving modes – must necessarily loom large. If the Public-Choice approach will continue to contribute to the advancement of knowledge, that future depends on meeting the requirements of epistemic choice. In this chapter, I first give attention to the problem of epistemic choice and then relate that problem to the arraying of elements in a framework implicit in the Public-Choice tradition.

The problem of epistemic choice

Fundamentals of epistemic choice

Thomas Hobbes, David Hume, Adam Smith, and others give us foundations for dealing with language, learning, knowledge, communication, artisanship, and moral judgment in the exercise of choice. In considering the problem of epistemic choice, the contingencies of language and their relationships to knowledge, choice, and action are at the focus of attention. The conceptions formulated, the words used, and the assertions made are all significant because symbolic expressions stand for referents. Symbols used in interpersonal communication refer to events in the world: elements [things named] and relations [motions, action tendencies, transforms] functioning in subject-predicate-object relationships, in hypothetical if-then relationships, and in factor-function-product relationships. Distinctions relate to classificatory schema that identify sets and subsets in patterns of associated relationships.

Three criteria can be used for establishing the warrantability of assertions: (1) logical coherence among complementary assertions in bodies of knowledge presuming a unity of knowledge; (2) empirical warrantability – hypothetical assertions withstand critical scrutiny in light of experience – and (3) public reproducibility – empirical results, achieved by some, can also be replicated by others if assertions are appropriately formulated and acted on. The important associations between linguistic formulations and referent events are accompanied by parallel associations occurring in the patterns of thought characteristic of inferential [if-then] reasoning. This is complemented by thinking associated with the use of the imagination to array speculative what-if conjectures. Human thought may evoke fictions of the mind that differ substantially from those sets of assertions that withstand the tests of logical coherence, empirical warrantability, and public reproducibility.

In an epistemic context, I find Thomas Hobbes's analysis 'Of Man' ([1651] 1960: 7–108) to be far more helpful for establishing the conceptual foundations for human understanding than Jeremy Bentham's formulation, which emphasizes something Bentham called 'utility' ([1823] 1948). Hobbes argued that speech [language] is the factor that distinguishes *Homo sapiens* from other creatures, like