



# Institutional Economics

at State University Higher  
School of Economics



◀ Institutional economics in Russia has become an important part of national research and teaching traditions. This can be explained, firstly, by an objective lack of institutions in the emerging market economy of our country. It is not a shortage of laws or formal regulations. The reason is different: the existing formal rules are not sufficiently supported by the expectations and real actions of people and organizations. This causes high uncertainty which accompanies an individual's choice. Paradoxically, the weakness of institutions forces us not to abandon their studies, but to pay more attention to them.

The second reason is our strong feeling that we – as experts – can take part in the development of new institutions. This distinguishes us from the economists of «old», mature market countries who normally work in a stable institutional environment.

The third reason is probably mentioned most often. It is the «genetic code» of Russia's economic and social science, which has always been focused on the qualitative dynamics of economic order as the principal object of its analysis.

We at the Higher School of Economics consider «institutional» dimension to be of great importance for our research team development – together with «empirical» one, associated with the creation of empirical data system needed by researchers in social sciences, and «cultural» (in fact, very closely related to the study of institutions).

The HSE researchers are intensively involved in actual design and implementation of economic and social reforms in many fields and, accordingly, – in the analysis of effectiveness and efficiency of existing norms and institutions. That is why at the Higher School of Economics one can see such a variety of research teams that consider institutions an important object for their research efforts worth their continuous interest».

**Yaroslav Kouzminov, HSE Rector**

The Higher School of Economics (HSE), Moscow, Russia, was established in 1992 on the initiative of renowned Russian economists and leading reformers of the Russian Government with the purpose to promote economic reforms in Russia through education of a new generation of researchers and practitioners, production and dissemination of modern economic knowledge among Russian business and government, as well as giving rise to new ideas for economic and social reforms and formation of new corporate strategies. The HSE is a new-type university project, conceived by professional community with support of the Russian State and business.

The HSE's key strategic objectives are to become internationally recognized research university fully integrated into the European and wider international education and research community, and to fulfill the university's social role while ensuring its financial sustainability

The defining HSE characteristic is a combination of a traditional university and that of a powerful analytical centre. Presently the HSE is the biggest centre for socioeconomic analysis in Russia and Eastern Europe. It promotes international standards of research in the socioeconomic sciences in close collaboration with foreign academics through the development of joint projects, publications in high-level peer-reviewed journals and the organization of academic events and conferences.

The HSE publishes 19 academic journals. HSE research and development facility includes 22 institutes and centers of various profiles, and more than laboratories combining study and research, including those established at HSE faculties in the framework of the HSE Innovative Development Programme for 2006-2007.

Every year the HSE conducts its Annual International Academic Conference, which attracts participants from all over Russia and abroad. The conference themes are dedicated to the key issues of the Russian economy and social development.

In 2009 the HSE along with thirteen other Russian universities acquired the status of National Research University.



Prof. Yaroslav Kouzminov



Dr. Maria Yudkevich

# Laboratory for Institutional Analysis of Economic Reforms (LIA)

**R**esearch Laboratory for Institutional Analysis of Economic Reforms (LIA) was set up in the HSE in January 2005 under the direction of Prof. Yaroslav Kouzminov and Dr. Maria Yudkevich. LIA is the first research and educational center at HSE that brings together young researchers – faculty and PhD students – whose professional interests lie in the field of institutional analysis and its applications.

Research in LIA includes several major themes. Among them:

Economics of Education (team leaders: Prof. Yaroslav Kouzminov, Dr. Maria Yudkevich, Dr. Gregory Andrushchak):

- New teachers remuneration system (merit pay) at Russian schools and its impact on school strategies and performance;
- The adaptation of educational strategies of university entrants to institutional changes in the higher education market (the reaction to the introduction of the Unified State Examination);
- Academic salaries and remuneration in universities;
- Dynamics of regional higher education markets;
- Economic returns in higher education.

Economics of Bureaucracy (team leader: Dr. Elena Podkolzina):

- The analysis of incentives and contracts of civil servants;
- The analysis of public procurement procedures.

Economics of non-profit sector and social capital

(team leader: Prof. Leonid Polishchuk):

- Nonprofit organizations' efficiency study (with special reference to condominiums);
- The analysis of empirical connections between social capital and education.

Institutional analysis of banking (team leader: Maria Semenova):

- Financial behaviour features on the deposit market;
- The analysis of market discipline as an institution on the deposit market.

## Analytical research

LIA carries out research on request from a number of ministries and administrative departments of the Russian Federation government including the Ministry of Education and Science and the Ministry of Economic Development. Thus LIA has carried out projects devoted to the efficiency assessment of higher education institutions, and of budget expenditures in education; analysis of education policies and analysis of dynamics of regional higher education markets.

LIA experts are also part of an expert team that works on the amendments in Public Procurement Law.

## International Cooperation

LIA participates in joint projects along with the researchers from the leading American and European universities. Major current project is devoted to the study of academic contracts and remuneration systems in universities in 30 countries all over the world. This project is conducted in cooperation with colleagues from the Center for International Higher Education (CIHE, The Boston College, USA).

Institutional Economics Department in close collaboration with LIA teaches NIE courses in virtually all faculties at HSE.

LIA also maintains an on-line resource on Institutional Economics which includes an interactive textbook, problem sets and lectures in video format (<http://eonline.edu.ru>)

**Web-site:** <http://lia.hse.ru>



Prof. Vadim Radaev

## Laboratory for Studies in Economic Sociology (LSES)

The Laboratory for Studies in Economic Sociology was established in 2006. It is headed by Prof. Vadim Radaev.

LSES conducts sociological research of consumer markets using methodology of new institutionalism in Sociology. The main subject of research is the complex connections between formal and informal rules, including studies of the shadow economy. The main research projects include:

- Theoretical foundations of sociology of markets (Prof. Vadim Radaev);
- Institutional changes and major trends in retail trade (Prof. Vadim Radaev, Zoya Kotelnikova);
- The strategies of household financial and consumer behaviour (Dr. Dilyara Ibragimova, Dr. Olga Kuzina, Dr. Yana Roshchina);
- Economic behaviour of the law protection agencies (Prof. Leonid Kosals, Prof. Svetlana Barsukova);
- Freelancers: new forms of employment (Dr. Denis Strebkov, Dr. Andrei Shevchuk);
- Rules of price formation at medical markets (Elena Berdysheva).

### Analytical Research

LSES conducts research on request of various business associations that unite the principal participants of consumer market. The main subjects of research include:

- Legalization of Russian enterprises;
- Dynamics of markets for counterfeited goods;
- Development of online retail trade;
- Provisions for government regulation of retail trade.

### Periodicals and online resources

LSES team issues:

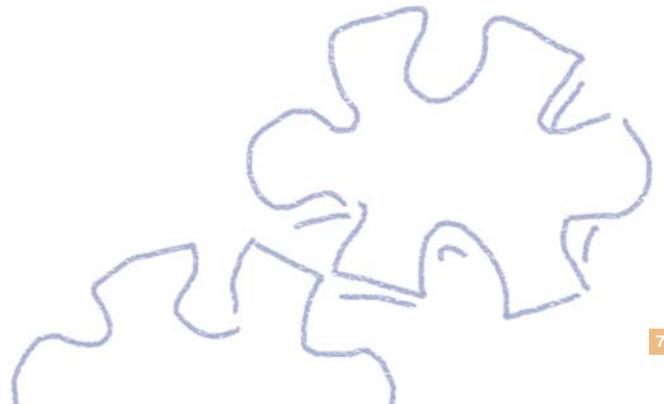
- E-journal *Economic Sociology* (5 issues a year, chief editor – Prof. Vadim Radaev) (<http://ecsoc.hse.ru>);
- Newsletter *ESForum* (5 issues a year) (<http://soc.hse.ru/ecsoclab/newsletter>);
- Thematic issues *LSES Analytics* (2-3 issues a year) (<http://soc.hse.ru/ecsoclab/analytics>);
- *Sociology of Markets* Working papers (<http://new.hse.ru/C3/C18/preprintsID/default.aspx?filter=WP4>).

LSES also runs an online economic sociology library (<http://ecsoc.ru>).

### Translations project (Prof. Vadim Radaev, Gregory Yudin)

The Laboratory runs a program of translations of modern classics in new institutionalism and other subjects of modern economic sociology. Major publications can be found here: [http://soc.hse.ru/ecsoclab/translation\\_books](http://soc.hse.ru/ecsoclab/translation_books)

**Web-site:** <http://soc.hse.ru/ecsoclab>





Dr. Andrei Yakovlev

## Institute for Industrial and Market Studies (IIMS)

Institute for Industrial and Market Studies (IIMS) has been engaged in empirical research of transition economies since 1997 and is positioned among the leading Russian research institutions in this field. IIMS is particularly known for its enterprise surveys and the tricky interplay between developments in academic economics and its connection to political problems. The institute is headed by its director and HSE vice-rector Dr. Andrei Yakovlev, who is doing research in business-government relations and industrial policy. Among its key researchers are Prof. Svetlana Avdasheva (industrial organization and competition policy), Prof. Tatyana Dolgopyatova (corporate governance), Dr. Boris Kuznetsov (competitiveness and industrial policy), Dr. Ksenia Gonchar (innovations and economic geography), Dr. Victoria Golikova (management and entrepreneurship), Dr. Aleksei Zudin (business-government relations).

### Analytical Research

The Institute monitors company behaviour through large-scale enterprise surveys, and generates comprehensive firm level electronic data sets, complementing the national official statistics.

In addition, the IIMS contributes empirically grounded policy advice through the studies commissioned by federal and regional authorities, regular publications and various public events on economic policy issues. The Institute contributed



to the implementation of several reforms, including the elaboration of e-Russia program, development of corporate governance regulations and new instruments of industrial and innovation policy as well as reform of the state procurement system. IIMS is also consulting the business community on various issues of company behaviour and public policy.

### International Cooperation

IIMS received research grants of TACIS-ACE, USAID, IREX, TPPP, and other international research programs. In 2005-2009 IIMS conducted joint research and consulting projects with the World Bank, Columbia University (USA), Hitostubashi University (Japan), Helsinki School of Economics (Finland) and other international partners.



Prof. Lev Yakobson



Dr. Irina Mersyanova



## Center for Research of Civil Society and Nonprofit Sector

**C**enter for Research of Civil Society and Nonprofit Sector was set up in 2009 on the basis of Laboratory for Research of Civil Society which has existed in the HSE since 2007. The academic supervisor of the Center is the first pro-rector of HSE, Prof. Lev Yakobson, the head of the Center is Assistant Dr. Irina Mersyanova.

The Center's goal is to organize and conduct research on both theoretical and applied problems of civil society and nonprofit sector and to generate and develop suggestions for stable functioning of nonprofits. Another goal is to improve the system, mechanisms and functioning of government support of civil society institutions.

The Center monitors the current state of civil society in the Russian Federation. The monitoring is aimed to provide relevant, reliable and thorough information for all the interested parties. This information is essential for analysis and forecast of Russian civil society development.

The basic results of civil society monitoring are published in monographs and in the leading journals, and are placed on the Center's Web-site. They are also used in teaching activities, and discussed at seminars and conferences by a wide

range of experts and everybody interested in problems of Russian civil society development.

### Analytical Research

The results of monitoring are used by the federal government bodies in order to work out state policy of developing civil society institutions. Moreover, they are used by the Public Chamber of the Russian Federation in the Annual report on current state of Civil society in Russia.

### International Cooperation

The Center participates in two international projects:

1. «The Index of Civil Society CIVICUS» carried out in cooperation and with the methodology of the World Alliance for Citizen Participation (CIVICUS). This international nonprofit organization established in Johannesburg unites over 450 organizations and activists from 111 countries of the world. In 2009 SU-HSE has become a member of this organization.
2. «The project of Comparative Studies of the Nonprofit Sector» carried out in cooperation and with the methodology of the John Hopkins Center for Civil Society Studies (USA)

**Web-site:** <http://grans.hse.ru/>



Prof. Rustem Nureyev

## Virtual Workshop «The search for effective institutions for Russia in the 21<sup>st</sup> century»

**V**irtual Workshop «The search for effective institutions for Russia in the 21st century» has been founded in 1999. This project has brought together the economists and sociologists from different parts of Russia and the CIS. The Center is headed by Prof. Rustem Nureyev.

There are several research areas being explored. Many of them lie at the intersection of economics, sociology and political science. The main directions of the research are the following:

- The institutional analysis of economic actors in Post-Soviet Russia
- Theory and practice of public choice
- The shadow economy
- Interaction of power and property
- History of institutionalism

### Analytical Research

The Virtual Workshop regularly holds online conferences on the federal portal «Economics, Sociology, Management» (<http://www.ecsocman.edu.ru/forums.html>). Based on these

conferences a number of monographs were issued. In 2001 the monograph «Economic Actors of Post-Soviet Russia. Institutional Analysis» was published (<http://www.ecsocman.edu.ru/db/msg/47998.html>), and in 2003 there was out a new three-volume edition of this book (<http://www.ecsocman.edu.ru/db/msg/47998.html>). Since 2006 HSE has been publishing a series of papers «Economic theory: traditions and modernity». As a part of this series there have been published such monographs as «Karl Polanyi's Great Transformation: The Past, the Present and the Future» and



«The Social Market Economy: Concepts, Practice and Perspectives of its Application in Modern Russia».

### International collaboration

The Development of the Virtual Workshop has led to the creation of the International Association for Institutional Research (IAIR), which has been publishing the annual «Post-Soviet Institutionalism» since 2006 and the journal «Institutional Research» since 2009 (<http://www.instud.org>).

Annual conferences for members of the Association are held, as well as regional conferences several times a year (in Moscow, St. Petersburg, Donetsk, Kemerovo, Rostov-on-Don, Sochi, etc.).



Prof. Vladimir Gimpelson

## Center for Labour Research (CLR)

The Center for Labour Research was formed at HSE in 2001. The Center is headed by Prof. Vladimir Gimpelson.

The focus of academic interest of the Center is the specific character of labour market functioning in the transition economy. Within this broad framework the Center for Labour Research pays particular attention to the following problems:

- evolution and differentiation of salaries
- diversification of employment forms as mechanism of demand and supply adaptation on the labour market
- influence of labour legislation on the labour market functioning
- shifts in the structure of demand for professions and qualifications
- education system and labour market

### Analytical Research

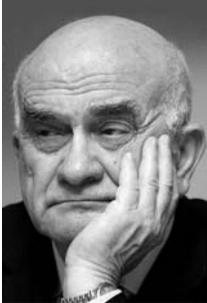
The Center for Labour Research is one of the leading Russian research centers in the field of labour market studies. Its members regularly consult Russian ministries and departments, international economic organizations and employers' unions.



### International collaboration

International Partners of the Center for Labour Research include IZA - Institute for the Study of Labor, CERT - The Centre for Economic Reform and Transformation, W.E. Upjohn Institute for Employment Research.

**Web-site:** <http://hse.ru/org/hse/sci/clms/about>



Prof. Evgeny Yasin

## Expert Institute Research group headed by Prof. Yasin

The research group headed by Prof. Evgeny Yasin for a number of years has been studying the relationship between culture and barriers for economic growth. The leading researchers in the group are Prof. Yasin (academic supervisor of HSE), Prof. L. Harrison (Institute of Cultural Changes, USA), Prof. Lebedeva (head of the Laboratory for Social-Psychological Research). A series of books and a great number of articles have been published on the problem, and research seminars are held on a regular basis.

Research of the Expert Institute together with the fund «Liberal Mission» covers several topics:

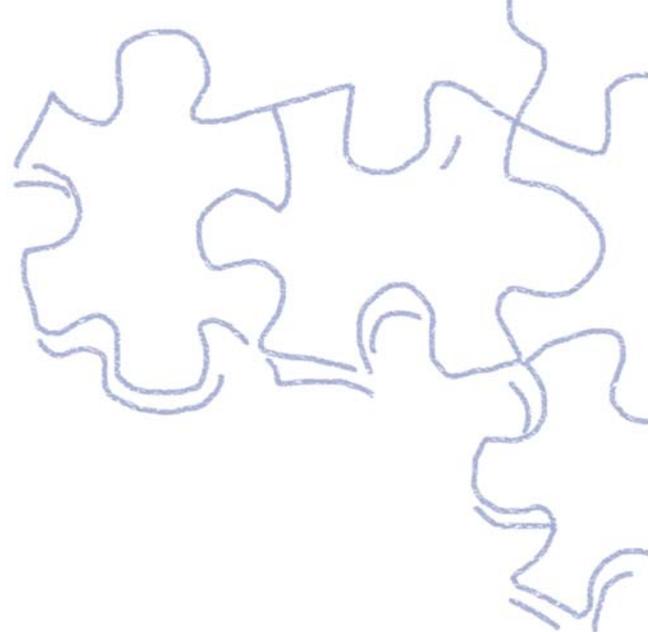
- Study of similarities and differences in values relevant to economic growth; norms and behaviour patterns between Russians and people from other countries;
- The actual changes in Russian culture during the last 20 years as a result of fundamental institutional changes as well as a result of mass cultural production influence;
- Cultural patterns (norms, values, behaviour models) produced by Russian media, possibilities to change this process in order to shape values vital for modernization of the society and building of innovative economy;
- Culture capital and its influence on the socio-economic development.

The aim of the project is the public dissemination of cultural ideas capable of influencing the socio-economic development. Particular attention is paid to the contacts and dialogue between business associations and bureaucratic structures.

The goals stated above are to be carried out in the course of public events, through book publishing and placement of relevant materials on the web-site of the Institute and the Fund. Research results are discussed at regular seminars as well as in the «Tectonic shift» series of programmes run by the «Echo of Moscow» radio station (<http://echo.msk.ru>).

### International Cooperation

The research group has strong ties with the U.S. Professor Lawrence Harrison and the Cultural Changes Institute which he is heading (The Fletcher School, Graduate School of International Affairs, Tufts University).





## Russian Summer School of Institutional Analysis

**R**ussian Summer School of Institutional Analysis (RSSIA) is organized annually by the Laboratory for Institutional Analysis of Economic Reforms, HSE.

RSSIA is aimed to create and support the academic network of young researchers from all regions of Russia as well as from the CIS and other countries, if their research interests include economic and social aspects of economic systems' institutional structure and development. RSSIA provides an opportunity for researchers all over the world to get in touch with high-level academic society and to get involved into activities associated with high standards of academic research in the sphere of new institutional economics.

The three Summer Schools, held in 2007, 2008 and 2009, welcomed more than 100 participants from numerous regions of Russia as well as from the CIS. RSSIA meetings were held on the following topics:

- RSSIA 2007: «Institutions and Economic Development»;
- RSSIA 2008: «Institutional Dynamics Viewed by Economists and Sociologists»;
- RSSIA 2009: «Institutions, Education and Growth»;
- RSSIA 2010: (forthcoming): «New Institutional Economics: Research Methods and Tools»

The Summer School participants obtain the opportunity:

- to attend lectures of distinguished experts in new institutional economics (from Higher School of Economics, New Economic School, Moscow State University, George Mason University, University of Maryland, Ghent University, University of Gothenburg, U.S. Department of Justice);
- to present and discuss their current research projects during workshops;
- to exchange research experience with other RSSIA participants and experts;
- to participate in round tables, role playing and other types of academic activities.

A certain number of grants are available to cover participants' accommodation and registration fee.

More detailed information on the application procedure as well as RSSIA format and events may be found at the web-site: <http://rssia.hse.ru/english>. Keep an eye on the news: RSSIA call for papers is announced in the beginning of each year. To become RSSIA news subscriber, contact the organizers via e-mail [rssia.lia@gmail.com](mailto:rssia.lia@gmail.com).



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