**SPE101 Discussion Questions Week 1. Institutional Political Economy/Institutional Economics. Review Questions**

1. How would you define an institution?
2. What is the relationship between formal and informal institutions?
3. The economy is often portrayed as being a *system of markets* whereas institutionalists argue that the economy is better understood as being *system of power*. Explain and evaluate their argument.
4. It is sometimes argued that ‘the market is a good servant, but a bad master’ how do you think an institutionalist would make sense of such an argument?
5. Are institutionalists reformers or revolutionaries? capitalists or socialists?
6. Institutionalism is often critiqued as ‘description economics’ or being in the business of ‘plausible story telling’. Offer an explanation and evaluation on such critiques.
7. Economists are sometimes accused of suffering from ‘institutional blindness’ Can you explain what this is and identify an instance where you believe it has occurred?
8. Institutionalists are somewhat unique in the emphasis they place on habits. Explain the significance of habits within institutionalist thought.
9. Explain the concept of circular and cumulative causation (CCC) and give an example of CCC process identified in the reading by George Argyrous
10. What did you think was the most surprising or interesting aspect of the reading ‘Institutional Studies of Economic Development’ by Hugh Stretton?
11. Why do institutionalists argue that we can’t totally prevent our values and purposes influencing our social and economic analysis? If they are right, how then should we go about our work?
12. Why do institutionalists argue ‘particular models for particular purposes, yes. But one model for all purposes, no’.