Meta-institutions as a Product of Institutional Dynamics and Institutional Reformation

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Abstract: Institutions keep on rising in their role in the process of regulating the conflicts, that are attributes to market-type economic systems. The analysis of recent papers demonstrates an active shift towards institutional models that are able to explain the vector of transformations; reformation is related to changes in institutional environment via modeling the parameters of different agents' behavior. The article searches into the evolution of institutions as a reflection for socioeconomic space components change. The emphasis is made on sophistication of spatial organization and strengthening of its network-based character, as well as the necessity of institutions modernization and creation of "new age" institutions in order to make the environment match the society requirements and demands. The research of known institutions typologies allowed to determine that sophistication of economic activities leads to meta-institutions creation. Development of the latter can be facilitated by cloud technologies that offer aggregated data storage and processing separately from any structural unit.

Keywords: *Institutional theory; institutions; meta-institutions; institutional reforms; institutional dynamics; modernization of institutions; state administration; social and economic space; network organization of space; cloud technologies.*

How to cite: Grigorievna Polyakova, A., Nikolaevna Nesterenko, J., & Albertovna Sverdlikova, E. (2019). Meta-institutions as a Product of Institutional Dynamics and Institutional Reformation. *Postmodern Openings*, 10(2), 137-154. doi:10.18662/po/76

1. Introduction

Multi-version perception creates the multiplicity in interpretation of economic actions of individuals, as well as different views on searching for solutions of science problems. Currently, identification of the scientific basis for dealing with the mentioned issues results in a shift from the neoclassical field to the institutional theory. Changes in economic activities can be seen, primarily, in institutions, as they are characterized by adaptability which comes from their ability to react quickly to the external environment assessed with a wide range of measures.

The role and meaning of institutions are determined by their ability to act as tools for reaching compromises in business activities while economic resources are limited. The major problem of a market economy is a combination of unlimited wants and limited resources, due to which the scientific community has to address the issue of resource management while achieving the maximum satisfaction of wants. This contradiction forms the key problem of science and business activity. Therefore, while acting as a conflict regulator in the market economy, institutions become more important.

2. Literature review

Studies of institutional dynamics, transformation and reforms are quite numerous in contemporary social sciences discourse. Since its early introduction, institutionalism as a theory and methodology of social, political and economic research has fragmentized regarding the many areas of social and political life.

Institutional reforms are widely described and studied in contemporary studies applicable to the true variety of social, political and economic relations and phenomena. Notably, policy and governance are the most contributed ones of all the literature on institutional reform.

Simon and Guinjoan (2017) modelled impacts of electoral reforms on party system nationalization to conclude on institutional reforms' positive impacts all over the European countries in post-WWII era. Benz and Sonnicksen (2018) revise institutional reforms of German federalism from the point of view of its influence on the quality of decision-making procedure and find specific triggers that cause unexpected effects beyond the conventional procedures of decision-making. The latter is also an issue for institutional research as evidenced by Schulz and König (2000) who found that institutional reform had a substantial impact on decision-making efficiency in terms of proposal-decision lag reduction. Several more

instances of the post-integration Europe's institutionalism described in Lopez-Tamayo, Ramos, and Surinach i Caralt (2018).

Behaviourist approach to institutional reforms is promoted by Valasek (2018) seeking to find the best match between patterns of individual motivation and public institutions performance from the dynamic point of view.

Country-level patterns and success stories of institutional reforms are widely represented in literature on economic systems transition issues. Typical are the models of growth and development effects of institutional changes in "socialist – capitalist economy", "planned – market economy", "autocracy – democracy" and other alike dimensions describing the general process of liberalization and democratization in specific countries. E.g., positive impact of China marketization on economic growth is described in Fan, Ma, and Wang (2019). Restrictive institutional reforms in Bolivia, as evidenced by Macias Vazquez and Garcia-Arias (2018), had a controversial effect positive economic growth impact accompanied by structural change slowdown. Another Latin American case of institutional reforms' study found in Gonzalez (2018) is about public security, postulating "when societal preferences converge and a robust political opposition threatens incumbents, politicians face an electoral counterweight to the structural power of police, making reform likely". Several European cases of institutional reforms are described in Bosma, Content, Sanders, and Stam (2018), as well as in Josifidis, Supic, and Glavaski (2018). Moreover, in the research of Mayka (2019) several unexpected benefits of institutional conversion are highlighted, demonstrating that "shifting the base of stakeholder support can sometimes strengthen institutions rather than undermining them".

Meta-institution is a relatively new concept to the contemporary research, although the word combination itself can be undoubtedly identified as the well-known. One of the earlier notations of meta-institutions is introduced in Stepan (2001), who used the term to denote "macro-institutions" synonymizing them. Stepan's approach shifts traditional institutionalism theory of actors' rationalism in maximizing marginal utility of transactions and representation equilibria to the new understanding of collective action phenomena regarding institutions' memory and history. Later critique and analysis of Stepan (2001) present in Schmitter (2002).

Alternatively, meta-institutions are defined in Lorini (2014) who contrasts them with "traditional institutions understood as systems of

constitutive rules” as the new level of the structure of institutional reality investigation.

3. Reflection of the Institutional Theory in Response to Transformations

More and more institutional research and studies appear and transform institutional economics into a trending perspective with the effect on transformation processes. While developing, social and economic systems face new challenges which correspond to the current historic period. One of such issues is reformation of institutions as social and economic drivers. However, existing and common theories are barely able to explain the situation. Introduction of economic agent behavior parameters, which are close to real circumstances as much as possible, into models describing the reality helps to address the issue.

The application of existing macroeconomic models for appropriate description of events is limited due to their idealistic approach to explanation of corresponding processes, based on the following essential assumptions: equal access to public goods for different social groups, free competition, decision-making based on economic factors only, and equality of other conditions which are not included in the models (Polyakova, Nesterenko, & Sverdlikova, 2018). Currently, all these assumptions are irrelevant, because they cannot be complied with: changes in an area described by a model lead to inevitable changes in related areas, which ultimately determines the integrated nature of a recombination of conditions for institution operations, and authority relations and social hierarchy undermine the principle of equal opportunity. The latter causes inequality of expenses which agents have to incur to interact (Greif & Laitin, 2004).

Therefore, behavioral and institutional theories, which make existing models describing institutional interactions more realistic through approaches based on accounting and measurement of transaction and transformation costs, supplant rational theories and models.

In Russian science, the institutional theory has begun spreading in the 1990s, when the book by D. North (1990) was translated into Russian and published. This publication encouraged discussions and further research. However, until the late 1990s, institutionalism was an economic frontier which has been studied extensively only after Russian fundamental publications such as the course by A. Oleynikov (2000) which was published both as a book and as a series of articles in *Voprosy Ekonomiki* Journal (Economic Issues). Before, in Russia, there were an insufficient number of

institutional theory supporters, and related terms were introduced broadly in scientific discourse, but semantics and phenomenological aspects of used concepts were not analyzed properly. Pluralism in the use of the term 'institution' appeared at this stage. The mentioned works laid the foundation of deep integration of institutional notions into economics. Schools of thought, independent lines of research, and theoretical and methodological framework in the form of publications were created (Kirdina, 2015).

Analysis of modern works on institutionalism shows three broadest areas that formed or form the institutional theory mainstream in the last decades. The first group includes the theoretical and methodological basics of institutionalism, their evolution and boundaries with other areas. These works contribute to development of the institutional paradigm and make it relevant under social, economic, political and other changes (Mahoney & Thelen, 2009). The second group of papers analyses retrospectively advances in the institutional theory applied to management tasks in the certain historical context, to identify mistakes which become obvious under current conditions and to integrate the experience into an institutional 'knowledge base'. Multiple publications from this group are devoted to studies of different aspects of market transformations in post-Soviet Russia and other transition economies. The third group adapts considerations of the first two groups (theories, findings and best practices) in solving essential managerial problems of modernization and reformation of the economy through the optimal use of resources and opportunities of the institutional environment, and studies practical aspects of its improvement at a regional or national level.

Recently, the institutional theory is increasingly transformed into agent-oriented modeling, and the reformation is related to changes in the institutional environment through modeling behavioral parameters of different agents (Dacin, Goodstein, & Scott, 2002). Such an approach makes the institutional theory more specific. And, as opposed to classical views, this theory recognizes transaction costs and different types of economic agents. But it should be noted that, while recognizing unique features and attributes of individuals, the institutional theory classifies them.

Furthermore, these transformations are always characterized by high social costs and determine perception of a market as a mechanism which does not contribute to social support. It directs development of institutions which can address social issues and ensure a required level of social justice. A system of efficient institutions is essential to achieve a decent standard of living in the innovation process.

In addition, numerous papers about institutionalization do not result in full studying the problem of institutional transformations. The modern socioeconomic environment is characterized by multiple changes at a national and regional level. The observed institutional reformation processes are described by different theories which are not agreed, and, moreover, their integration is impossible due to circumstances.

One of these circumstances is a refusal of neoclassical economic theories to consider a behavioral element which determines structural changes in the nature of relationship between economic agents and influences the economy as a whole. It should be noted that the practice of the institutional reformation deviates from postulates of various theories of social stratification such as class theories. Despite the frequent use of the phrase 'creative class', it is obvious that not only its representatives initiate, support institutional reforms and benefit from them (Markey-Towler, 2019). 'Competition of theories' of traditional and new institutionalism, which are characterized by insignificant succession and material contradictions, but are theoretically valid, are important for explanation of the institutional reformation. In this case the explanation of reformation processes in terms of one of these theories would, undoubtedly, lead to fair criticism or even to refutation under a competitive theory.

There is an obvious need for a well-balanced institutional reformation theory which can both explain the nature and factors of the transformation and suggest an agenda with recommended practices. The assessment of the Russian institutional environment demonstrates that it is quite prone to different crisis situations especially at the federal subject level. For example, the global financial crisis of 2008-2009, consequences of which still exist in several sectors, revealed high dependency of social and economic development of certain countries from global market conditions. It negatively affected the institutional environment in numerous regions due to underfunding, capital outflow and other negative impacts of institutional dysfunction. Externalities impose increasing pressure on the institutional environment in regions, but a proper theoretical basis required to make it stable has not been fully developed. In order to form the theoretical framework of the institutional reformation, it is required to summarize experience, identify best practices and build instructional and descriptive versions of the institution dynamics in different combinations of external and internal factors.

With their transboundariness, high level of information mobility, increased influence of individuals and network structures, current conditions require a review of the institutional agenda and development of the theoretical and methodological framework for institutional building and

reformation with clear position of the government and society on this problem (Leeson & Harris, 2018).

A modern institutional organization has a tendency to more coherence through change in configuration and a shift to a network model. Therefore, to develop the institutional aspect in the economy it is required to form corresponding approaches to implementation of a socioeconomic policy subject to spatial inhomogeneity sustained by globalization.

Accelerating evolution of socioeconomic forms, new economic phenomena, enhancing data exchange and access, and information as a factor of production inevitably influence building and reformation of institutions. Features of the modern economic system are discovered while studying attributes of technological and structural transformation in certain developed countries. An increasing role of 'immateriality' in dynamics of socioeconomic systems – larger tertiary sector of the economy, greater role of innovation and human capital, intelligence as one of the ultimate values of the modern civilization – determines the 'new economy' phenomenon and its typical institutions.

The term 'institution' is largely synthetic, because many authors suggest their own names for this relationship system, depending on specifics of their research field. Therefore, it would be legitimate to discuss institutions of virtual economy, network economy, knowledge, information, information and technological economies, etc. (Coleman & Mwangi, 2015).

Overall, the changes observed in the institutional environment can be compared with transformation of the economic system. The latter process is mainly global, not local. Hence, the appearance of new relationship systems and new social spaces should be considered as a significant presumption to their proper institutional formation and evolution of existing institutions. *It becomes necessary to maintain and modernize institutions that come into conflict with the changing economic environment, which ultimately leads to creating a new type of social practice.*

4. Classification of Institutions and Formation of Meta-institutions

In order to make institutions meet social demands it is necessary to take into account two components of institutional structures: (1) an inherent institutional matrix and (2) 'new era' institutions. The institutional matrix forms a framework (institutional structure) and determines potential development pathways and changes in certain attributes of interaction with an external environment. Based on the continuous institutionalization, 'new era' institutions transform social practices into new sets of rules and standards.

Different functions and statuses are typical for modern institutions. They are characterized by different sizes, structure, resources, potential, and factors of competitiveness. Under the early institutionalism, institutions were associated with organizations. As for the modern interpretation, according to Ostrom (1999), depending on a degree of approximation, an organization can be presented as an institutional unit – an institution – if it is considered for horizontal or vertical interactions. If interaction between organizations is a subject matter, each of them is considered as a collective actor, i.e. a group of people with common objectives. As a subject matter, internal organizational dynamics of interaction between different insight-actors allows an organization to be defined as a coherent institution disintegrated into a set of siloed institutions.

The variety of institution types is noteworthy. Their horizontal classification by institutions (functional classification) and hierarchy (classification by levels) became quite ‘traditional’.

The most common key criterion for institution classification is a functional criterion that determines a social role of an institution. This classification was provided by H. Spencer (1897) who identified six types – domestic, ecclesiastical, political, ceremonial, industrial and professional institutions. The classification by G. Zborovsky (2004) is also functional, but it differs from the abovementioned categories. He recognized the following types:

- social economic institutions (institutions of property, market, production)
- social political institutions (authority, government, political movements and parties)
- institutions of social policy (education, family, social welfare, healthcare);
- cultural institutions (science, religion, culture).

The identification of a wide range of institution classification criteria does not show whether it is appropriate to separate institutions from their basic elements – societies and individuals. It is reasonable to admit that any classification means inescapable inclusion of an object in one of stated categories. But fundamental grounds for consolidation of individuals in institutions can be ambivalent for an individual or even polyvalent from the perspective of a particular actor. In other words, the idea of the interaction ‘one actor – one institution’ which underlies a classification is not tenable. It indicates that the relationship ‘one actor – several institutions’ is obvious. Otherwise, it would be necessary to perform a thought experiment and admit that there was an

‘only economic’ or ‘only social’ individual, which is nonsense, as any mentioned relationship field inevitably engages an individual into related fields.

According to the other classification by performance level, there are micro-, meso-, and macro-institutions:

- micro-institutions express interests of separately determined actors such as groups of citizens, enterprises, civil society organizations, etc.
- meso-institutions operate in cross-sections of societies or social groups, restricted by location, function or otherwise
- macro-institutions function in the entire society and act as intermediators in pursuing interests of social classes and other actors in the institutional environment.

The abovementioned classification is one of the most common typologies. It is so firmly-established in the conceptual framework of researchers – economists, political and social scientists – and experts, that it can be considered as fundamental. However, modern tendencies allow us to discuss establishment of new-type institutions – meta-institutions. The transition of an economy to innovation path of development requires the creation of a network of sustainable institutions, which leads to the development of an institutional reform methodology, where the economic space - an environment for institutional processes unfolding - is the object of reform. *In modern conditions, the greatest perspective is given to the network model of the institutional structure, which implies the emergence of metainstitutions.*

Metainstitution (or “meta-institution”) concept has a variety of definitions in scientific literature. According to Hanson (2009), they are denoted as “institutions that structure our choices of institutions”. Albert (2016) argues that a meta-institution is “an institution (defined by Veblen as a crystallized habit of thought or life) that is globally dominant and pervasive” like “game”, “management”, “rule”, etc.

Another level of meta-institutions’ perception, different from the latter, may be found in Rubtsova (2017) who identifies it as “an institution of institution, i.e. institution that institutionalizes other institutions, manages them, defines their qualitative state”. It is relative to Lorini’s approach who says meta-institutions are the “conditions of possibility of institutions” (Lorini, 2014).

Thus, the major discourse is generally synonymic in defining meta-institutions, although their proper understanding requires a distinct and clear delimitation between the modern and postmodern institutions by identifying trends, attributable to the postmodern ones.

Metainstitution permeates society at all levels and in all spheres, ensuring the coordinated interaction of all members of society and social entities among themselves. Their appearance is due to a change in socio-economic space: in the process of regional development, there is an evolutionary change in social life organization forms and in territorial structure (Acemoglu, Johnson, & Robinson, 2005). The spatial structure is changing, and the emerging diversity is reflected in the institutional structure, imposing the continuous updating of requirements to its structure. This is reflected in the formation of network structures, the emergence of meta-institutions with large-scale infrastructure and a resource (primarily information) base, a large scale of concentration of capital (especially intellectual and human).

Clarifying the aspects of postmodern institutions, it is necessary to note that they are predetermined by the specific features of economic practices transformation. The following characteristics influence the postmodern institutions distinguishing features:

1. Deepening of the forms and manifestations diversity of social relations. Institutions reflect and fix in their composition the existing structure of relations, and therefore, the lag, asymmetry and asynchronization of development will determine the conflict nature of relations.

2. Growth of heterogeneity and polymorphism of institutions: along with formal and informal institutions, various kinds of intermediate and temporary structures arise, characterized by specific ways of organizing intra- and inter-institutional interactions, movement and processing of information flows.

3. Acceleration of the rate of changes of institutional environment, why institutions are forced to increase their degree of adaptability to the environment.

4. There is a massive interdependent transfer of social capital from one institution to another due to the intensification of institutional activities and the death of many inert institutions of a conservative plan.

Thus, current trends allow us to speak about the emergence of new type of institutions - meta-institutions that have primary differences.

5. Institutional Changes as Background for Meta-institutions

Before describing a meta-institution, it is necessary to discover characteristics of the modern institutional environment. Institutional transformations, on the one hand, are determined by specifics of spatial

development and, on the other hand, cannot be isolated from macroeconomic events. Modern attributes of institutional changes determined by macrodynamic patterns at the national and global level can be summarized as follows:

(1) More innovative business operations featured by supporting institutions and institutions which intermediate innovation dynamics and encourage transfer of innovations into as many social practice fields as possible. They initiate a new wave of institutional transformations and facilitate the modernization.

(2) Economic transformations, which help to make an economy more open and involved in globalization, contribute to spreading foreign institutional models and their adaptation in regions or in the entire economy. Institutions which are unique for this area influence the institutional system in the same way as the adaptation of best practices and encourage corresponding economic agents to sublimate their interests as part of a new institution.

(3) While analyzing evolution of the institutional and neoinstitutional theories, it should be noted that they are aimed at description of real processes and develop along with the social dynamics. More complex business operations demonstrate changes in life cycles of institutions. While changing its content and focus, institutions show effects of 'pulsating' reflected in the successive contraction and expansion of relationships with economic actors at different stages of institutional space evolution. The pulsating is inevitably related to changes in priorities and a shift in activities from one group of serviced interests to another one. Those interaction flows in the institutional environment, which are relevant for a group, can be already or so far irrelevant for others. Under certain circumstances it can cause endogenous conflicts as the functionality of institution's operations does not meet expectations of a social group, and demands to institution multitasking are not supported by capabilities. Therefore, the pulsating can also serve as a tool for troubleshooting in arranging internal communications of institutions.

(4) Massive reconstruction of the most relevant best practice intuitions determines the second part of the economy's impact on the institutional structure, when under the institutional boom induced by economic transformations institutions also influence the economy. As a result, the economic system, which is the most active and dynamic, 'returns' the received impulse to institutions which accept it and continue the transformation.

Modern social development tendencies are related to accelerating data exchange and an increase in mobility of many social group. Therefore, one can observe how internal boundaries, which today divide institutions clearly and concisely into so-called 'federal', 'regional' and 'interregional' or 'macro', 'meso' and 'micro' institutions, disappear overtime. That is why transboundary interaction with certain institutions become more difficult, especially with institutions whose activities are related to spatial connectivity and specifics. It is obvious that equal access to all institutions in the country is impossible, because they cannot be reproduced everywhere. And it predetermines the dependence of the entire institutional system from the institutional trap called 'registration at place of residence' and its derivatives such as standard funding of social and government services, bureaucracy and administrative barriers.

More complex economic behavior, dynamic factors of production determine a need for enhancing cross-institutional interaction between institutions, not only institution structuring by level. Further development of information and network exchange will mainly lead to an expected and reasonable reaction (creation of meta-institutions) of the institutional environment to such challenges.

Meta-institutions are related to the network space. They are also a promising institutional form which complies with the innovative development. This form is based on increasing connectivity of the environment through internal and interinstitutional coordination, on reduction of barriers and conflict resolution in communications, interest alignment and transaction cost reduction.

Therefore, the network arrangement of the institutional environment is important for economic regulation and allows institutions to become both more coordinated and more efficient through positive synergistic effects from interaction, which also helps to make a territory more specific. There are at least two preconditions for network structures: (1) recording competitive advantages of a territory and (2) compliance with rules and standards. Essentially, network structures act as integrated units of a brand-new type, which, on the one hand, consider peculiarities of regions (or their groups) and, on the other hand, can be reproduced in all regions as a single sample thanks to the unified building mechanism.

6. Cloud Technologies as Tools for Red Tape Reduction in Institutions

Meta-institutions are one-level (e.g. regional level) structures whose localization is a secondary issue thanks to their ability to function in different territories. In other words, despite its location (even virtual location), an institution is able to provide services in different territories. Meta-institutions are important for red tape reduction in the economy and development of free enterprise. Cloud technologies can contribute to significant progress in the rationale of this thesis and to its implementation. In cloud technologies, information is stored not in a database of a unit, but in a so-called cloud which, besides other advantages, allows vast data sets to be processed.

Clouds act as a tool for aggregation of data generated by institutes while they interact, perform their functions and pursue interests of their beneficiaries. As for the scale and scope of institutes, procedures are carried out in private, community, public and hybrid clouds (see Figure).

Figure 1 Structuring of cloud deployment models

The broadest aggregation level is public clouds which provide access to an infrastructure for storage, exchange and processing of socially important information. Access to such data is granted to multiple users and restricted only by formal rules which regulate data exchange. So, it becomes

available for as many participants as possible. Functions and purposes of clouds can be different. It determines both their multiplicity and competition between them.

In the figure, colors reflect differentiation of interests, and potential grouping of community clouds by common interests is shown (in the figure, all items included in the community cloud are of the same color). A community cloud contains an infrastructure for access, processing and storage of data for certain user groups. As opposed to public clouds, private clouds serve an object or a group of few objects. As a rule, in such clouds data access is restricted for the general public. In the figure, the private cloud includes two collective objects with different functionalities and interest. A hybrid cloud is a combination of different infrastructures which can be private, public and community ones. However, they can perform the mediation function, contribute to data flows between clouds and act as isolated cloud infrastructure elements.

For a consumer, a cloud can have a virtual location, but, in reality, it can use a 'diffused' material base which consist of unequally distant objects. A cloud model of an institutional organization requires a specific level of technological and information development in a society, infrastructure and, essentially, logistics.

Competition between institutions is an institutional development element whose functions and powers are duplicated in full or in part. However, their scopes are separated due to objective factors such as distance barriers or different funding sources. Therefore, meta-institutions encourage this competition and, mainly, give an opportunity to receive a synergistic effect while achieving meta-institution's objectives.

As for criteria for classification of institutions, it should be considered that institutions can be differentiated also by form as part of any criterion. While analyzing institutional forms, researchers associate them with forms of institution structures (they understand an institution as an organization) and, in fact, reduce the study to determination of an organizational structure (linear, administrative, matrix). Sometimes an institutional form is determined by connection to the environment as network or 'classical' form, by size as large, medium or small, or by materiality level as virtual or non-virtual. It is reasonable to provide an eclectic model in order to identify institutional forms. Institution's content and features determine a functional form. And the process approach to studying institutions considers institution management through evolution, which allows discussions about the stage of designing and identification of current, advanced inertial and targeted status of objects. The last-mentioned status can be designated as an object form. A

spatial form involves an assessment of location and operation of an institution as a result of placement in the social and economic space. And an organizational form is a projection of institutional dynamics processes beyond the main location of an institution, such as outsourcing or an investment agreement.

7. Conclusion

Multiple modern studies are aimed at identifying functions and roles of institutions of different nature, and their forms. However, taking into account the significance of certain studies, it should be noted that further development of the institutional theory is considered as related to studying institutions which determine the mechanism and stability of the economic mechanism of institutions, not to identifying forms and transformation of institution's functions.

In economic terms, the institutional theory is the reflection of the general sociological social network theory which connects social relationship to networks of economic agents in a market economy. Relationships are considered as controllable, and interaction between agents – as organized. Therefore, market relationship is regulated by institutional relationships controlled by formal or informal rules rather than by the 'invisible hand'. It leads to the classification of institutions by formality / informality and, hence, universality.

Attributes of the differentiation of formal and informal institutions are well-known. But impacts and sustainability of informal institutions are not fully clarified. There is a common belief that informal institutions combine a set of negative and positive factors. Their negative impacts are, mainly, connected to undermining efficiency and devaluation of related formal institutions, including through competition, not only through opposition. It is the competition between formal and informal institutions that raises a question on a positive role of the informal institutions, because they help to discover weaknesses in performance of formal institutions and often have a compensating impact on relationships they regulate. Ultimately, it can evolve into merging of formal and informal institutions or into formalization of the latter. Therefore, institutional relationships are shaped as network structures secured by formal and informal institutions which can transform into each other and interact through horizontal or vertical (hierarchical) influence.

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