

Institutional analysis of policies for ecosystem service governance at multiple levels: bridging explorative and deductive empirical approaches

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Institutions condition and shape biodiversity conservation and ecosystem service provision at various governance levels. The conceptual work on institutions addressing rules, rights, and norms as well as institutional arrangements and regulatory frameworks has culminated to a useful level of understanding. Although the theory has been supplemented by ample empirical exploring of the ways institutions work and testing of institutional hypotheses, empirical analyses of institutions are not well supported with systematic frameworks.

Standard analyses of institutional constraints take e.g. property rights or international regulations to condition the design and outcome of particular instruments. In an alternative approach, the analyses focusing on institutional coordination and interplay elicit the roles of different actors and the coherence or matching of various regulation mechanisms at a local, national or international level. These differing analytical approaches tend to take institutions as either constraints or enabling coordination mechanisms.

However, the two approaches rely on each other and their acknowledgement and complementary use is necessary for systematizing empirical institutional analysis of ecosystem service governance. The analysis of institutions should have a foundation on explorative analysis of relevant rights, rules and arrangements. Identification and description of formal and informal institutions should be followed by inference about the mechanism through which they function. Testing of the constraining or conditioning functions can take place only after this explorative work.

This paper develops a systematic framework for analyzing ecosystem service governance institutions and illustrates its empirical usefulness with a number of empirical analyses of policy instruments; economic instruments in particular, for biodiversity conservation and ecosystem service provision at different governance levels. These analyses of economic instruments and policy instrument mixes illustrate the epistemological and methodological dichotomy that should be overcome with institutional analysis building on exploration and aiming for hypothesis testing. The illustrative cases include international, European Union and national analyses as well as local level analyses from a number of European and Latin American settings.