Ruling Politics:
The Formal and Informal Foundations of Institutional Reform

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I. Introduction

Institutionalism—the study of political institutions and their effects—dominates comparative politics. Over the last two decades, scholars from diverse research traditions have examined the impact of institutional design on a range of political and economic outcomes. These studies have generated new knowledge about the relationship between constitutional design and democratic stability; the causes and consequences of federalism; the effect of institutional veto players on policy-making; the role of electoral, legislative, and party and state institutions under authoritarianism; and the impact of electoral rules on everything from party systems and legislative behavior to corruption and inequality.¹ They have generated new insights into executive-legislative relations, legislative organization, and judicial and bureaucratic politics, as well as the downstream effects of these institutional features on a vast array of substantive political outcomes that consistently attract the interest of comparative scholars.

¹This literature is obviously vast. For a good review, see Carey (2000).
At the same time, recent studies have raised questions about a central premise of mainstream institutionalism: that there exists a relatively tight link between formal rules and political behavior, such that formal rules can be mapped more or less directly onto political outcomes.\textsuperscript{2} These studies have shown that in many developing and post-communist countries, formal institutions have a weaker impact on political outcomes than is often believed. In many cases, the rules that are written into parchment are widely manipulated, circumvented, or ignored in practice—or they change so repeatedly that they cannot effectively guide politicians’ expectations and behavior.\textsuperscript{3} Other scholars have highlighted the role of \textit{informal} institutions (“or rules and procedures that are created, communicated, and enforced outside the officially sanctioned channels”\textsuperscript{4}) in shaping political behavior—often in ways that deviate from the formal rules.\textsuperscript{5} Still other scholars have re-kindled earlier arguments that formal institutions are endogenous to “deeper” structural forces, and that their independent explanatory power is therefore limited.\textsuperscript{6} Taken collectively, these arguments challenge the dominance of institutionalism in comparative politics with a simple but potentially far-reaching claim: Political rules might not rule politics.

To our minds, the now commonplace finding that formal and informal institutions do not always “match” highlights an important tension in how institutions are defined in the first place.

\textsuperscript{2}Some of these are reviewed in Helmke and Levitsky (2006) and Levitsky and Murillo (2009).
\textsuperscript{3}See Levitsky and Murillo (2009).
\textsuperscript{4}Helmke and Levitsky (2006: 1).
\textsuperscript{5}See O’Donnell (1996); Borocz (2000); Lauth (2000); Helmke and Levitsky (2004, 2006); Collins (2006); Ledeneva (2006); Hu (2007); K. Tsai (2007); L. Tsai (2007); Grzymala-Busse (2010); MacLean (2010); Peng (2010); and Radnitz (2011).
\textsuperscript{6}See, for example, Przeworski (2004). More generally, one might see vast swaths of comparative politics that pay little to no attention to formal political institutions – e.g. analyses of political culture, class-based analysis, the political economy of developing countries, and much of historical-institutionalism – as implicitly grounded in an assumption that formal rules have only weak or substantively uninteresting political effects.
From one perspective, largely derived from the influential New Institutional Economics research tradition, institutions should be sharply differentiated from organizations. As North famously argued, institutions are “the rules of the game,” and encompass written as well as unwritten codes for political interaction. From another, more sociological perspective, institutions include organizations as well as rules, and can encompass virtually any kind of arrangement that shapes actors’ expectations and interactions in enduring, predictable ways. As March and Olsen put it, institutions are not just rules but “collections of standard operating procedures and structures that define and defend interests,” explicitly including formal organizations.

Intrinsic to this second perspective is an intertemporal dimension. If political organizations never become enduring and politically relevant structures, and if operating procedures never become effectively standardized, institutions may be considered weak or even absent altogether. By contrast, the temporal dimension of the “Northian” perspective is more implicit. Although it seems self-evident that institutions must matter over time to be considered institutions at all, rules can be chosen and printed on parchment in a matter of moments. The sociological perspective thus portrays institutions as something that must develop; the political-economy perspective depicts institutions as something that can be chosen.

Both of these perspectives are indispensable for any consideration of political institutions and their effects, we argue, because each helps us approach certain important research questions in a way that the other does not. For instance, a sociological-historical definition of institutions

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7 North (1990). Institutions of course shape social and economic interactions as well, but our focus here is squarely on the political sphere.
9 As the Oxford English Dictionary puts it, an institution is an “established law, custom, usage, practice, organization, or other element in the political or social life of a people” which should exhibit “fixity” or be “well-established and familiar.”
makes it difficult to ask the vital question, “do institutions matter?” When institutions are defined as structures and procedural arrangements that actually shape behavior in enduring ways, institutions “matter” by definition. On the other hand, to define institutions strictly as rules is not only to risk sidelined powerful organizational structures from our analyses, but to risk presupposing that rules have the effects we expect institutions to have: i.e., shaping political interactions over time. Rather than assuming the status of rules as full-blown institutions by definition, therefore, it may make sense to ask: “are rules institutions?”

This project is centrally concerned with assessing the weight of formal and informal institutions – whether defined strictly as rules or more broadly as a panoply of arrangements, including organizations – in producing political outcomes. By our understanding, rules might not be institutions, and institutions might not matter. These questions must be settled empirically, not conceptually. Of course, few contemporary institutionalists would claim that formal institutions matter all of the time, and even fewer would claim that they always produce their intended effects. Similarly, few skeptics of formal institutionalism would deny that formal institutions matter at least some of the time. To ask “do institutions matter?” and “are rules institutions?” is really to inquire as to when institutions matter, and when rules become institutionalized in political practice. Yet this “middle ground” position opens up more questions than it answers. Under what conditions do formal rules—or rule changes—have a significant impact on political outcomes? Under what conditions are they unlikely to have such an effect?

We seek to advance a conversation exploring when and why formal political rules shape real politics. In our view, there are several promising empirical strategies one can adopt for drawing such assessments, and for making our collective understanding of the formal/informal
divide in comparative politics less abstract and more concrete. One such approach is to seek out
instances when formal rules were changed in a manner that should logically undermine informal
political practices, hence pitting the strength of the formal directly against the strength of the
informal. In such cases, one can ask, *was rule change real change?* This question can also be
placed under the wider rubric of democratization, in which a battery of formal constraints on
political activity are lifted yet the “weight of the past” tends to loom large. Here we may ask, *was
regime change real change?* Relatedly, it may well be the case that formal institutions have
greater “weight” in democratic than in authoritarian conditions, but we consider this a question
for investigation rather than a solid assumption.\(^1\) We thus ask, *how does regime type influence
real change?*

To begin answering these questions, we have convened a group of scholars—from
diverse theoretical and methodological perspectives—who specialize in four major regions of the
world: Asia, Africa, Eastern Europe/former Soviet Union, and Latin America. While we are
interested in exploring the politics of formal/informal institutional interactions from a variety of
angles, we have encouraged participants to consider the effects of a concrete, substantial change
(or set of changes) in formal institutions in one or more countries. Over the last two decades,
governing elites throughout the developing and post-communist world have experimented with
constitutional, electoral, and other formal institutional reforms with the aim of reshaping key
dimensions of politics—but with wildly varying impact. It is our goal to use this conference to
consider why particular institutional reforms did or did not generate a substantive change in

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\(^1\) On the simultaneous importance and vulnerability of authoritarian institutions to being subverted through
processes of “packing, rigging, and circumventing,” see Slater (2003).
actual political practice, with an eye on identifying general patterns and lessons that might arise from these cases.

In evaluating the impact of formal rule changes, most of the papers grapple with one or both of the following questions: First, how effective are the rule changes, in the sense of altering actors’ expectations and behavior? Second, to the extent that rule changes are effective, are the outcomes they generate in line with, or divergent from, those anticipated by institutional designers? As we discuss below, informal institutions are as likely to distort formal institutional reforms as to stymie them entirely.

II. Toward Explanations

This workshop is designed to be an exploratory or hypothesis-generating exercise. Our initial goal is to commence an iterative process of “generalizing from the ground up,” attempting to generate principles for why changes in formal institutions sometimes produce their intended objectives, but often do not. Yet it is not our intention to place this challenging exercise entirely on the shoulders of our invited contributors. In the hope of providing some initial coherence to our discussions, we propose two broad types of variables that we suspect might help explain the link between formal rule changes and actual outcomes. We call these (1) the conditions against which formal rules are changed, and (2) the conditions under which formal rules change.

Conditions Against Which Formal Rule Change Occurs

We begin with the conditions against which formal rules are amended. Rules are never written onto a blank political slate. Rather, they must inevitably interact with preexisting
conditions that are formal as well as informal in character: e.g. norms, power distributions, related political rules, organizational features, and configurations of actor interests, capabilities, and expectations.\(^{11}\)

We begin with preexisting formal institutions, some of which appear to have straightforward implications for the likelihood that rule change will equal real change. One relevant antecedent condition is state capacity to enforce the rule of law (O’Donnell 1993, 1999). Cases vary considerably in terms of this capacity, and this variation almost certainly matters. Why are rule changes more likely to be implemented and to shape actual political practice in Chile than in Peru, or in Malaysia rather than in the Philippines? State capacity appears to be the natural culprit. Yet this invites further questions about whether certain types of state capacity matter more than others for shaping particular kinds of institutional reforms, and whether state capacity is always a prior, exogenous variable, or sometimes might be endogenous to the kinds of formal institutional change that should rightfully be placed under out analytical microscope.

Another seemingly important antecedent condition, related but not entirely reducible to state capacity, is the overall level of institutionalization in the polity. Where formal institutions are durable and regularly enforced over time, actors are more likely to invest seriously in both influencing the institutional reform process and in developing strategies appropriate to newly designed institutions. By contrast, where there exists a history of institutional inability and weak enforcement, actors develop expectations of institutional weakness and consequently invest less

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\(^{11}\) This raises the possibility that rule changes might be fruitfully incorporated into a framework of “historical causation,” in which political outcomes are shaped at critical junctures in path-dependent ways. Yet as recent work has argued, critical junctures are not all contingency going in and all determinism going out. Causal accounts of institutional trajectories should take into account not only critical junctures, but the “critical antecedents” (Slater and Simmons 2010) that precede them as well as the “mechanisms of reproduction” (Thelen 2004) and processes of “gradual institutional change” (Mahoney and Thelen 2010) that follow them.
in them, which tends to reinforce institutional weakness in a self-fulfilling prophecy (Levitsky and Murillo 2009). As Marcelo Bergman (2009) argues, for example, an established pattern of non-compliance with tax laws created a “culture of tax evasion” in Argentina in which citizens’ belief that others were not paying taxes encouraged evasion. In such a context, tax reform—even when accompanied by greater enforcement—often has little impact. By contrast, where an established pattern of tax compliance exists, as in Chile, tax reforms are more likely to produce their intended effects.

We are especially interested in assessing the role of pre-existing informal institutions in shaping reform trajectories. Research in a variety of areas suggests that the interaction between formal rules and pre-existing informal institutions is often critical to explaining whether or not those formal rules are effective and take root. Yet we have yet to develop general theories about how such formal-informal dynamics influence the causal weight—both in a relative sense, and in a combinatorial sense—of formal and informal institutions.

How existing informal institutions affect formal rule change depends, in part, on the relationship between them. At the broadest level, informal institutions can either compete with or be congruent with formal rules. Informal institutions compete directly with formal rules when adhering to one rule requires violation of the other (Lauth 2000; Helmke and Levitsky 2004; Peng 2010). An example is China’s “one child” law, which directly violated “pronatalist” norms of “perpetuating the bloodline through reproduction and multiplication” (Peng 2010: 771, 786-787). Several outcomes are possible in such cases. At one extreme, the formal rule may trump the informal one. For example, if state enforcement dramatically raises the cost of adhering to informal rules, the informal practice may weaken or collapse, perhaps even as the
informal norm underpinning the practice remains widely shared. Draconian enforcement of the one child law had such an impact in parts of China (Peng 2010: 788).

At the other extreme, new formal rules may be trumped by the informal rules. In such cases, incentives generated by informal norms and social networks lead actors to “bend the iron bars” of formal rules (Peng 2010: 774). Many reforms aimed at curbing corruption and clientelism fall into this category. For example, Price (1975) found that Ghanaian public employees violated bureaucratic rules because they perceived the social cost of violating informal kinship group norms (which obligated them to dispense favors to their families and villages) to be considerably higher than the cost of violating the formal rules. Although such an outcome may be a product of limited monitoring and enforcement, it may also be rooted in the strength of the social networks sustaining the informal norms. As Peng (2010) shows, Chinese communist officials were least able to enforce the one-child law (despite considerable state capacity) in localities where powerful lineage groups encouraged and protected violators.

Most cases—and perhaps the most interesting ones—fall somewhere in between these extremes. Formal institutional reforms alter expectations and behavior patterns, but an enduring informal practice distorts their effects in unanticipated ways. In some cases, the persistence of that informal practice mediates outcomes. For example, intra-party primaries are often adopted as a means of shifting power from party leaders to voters, with the aim of generating more representative candidates. Some research in the United States suggests that closed congressional primaries generate more ideologically polarizing candidates, because more ideologically-driven party activists are more likely to vote in primary elections (Burden 2001). In patronage-based

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12 Also see Collins (2006).
systems, however, the dynamics are quite different. Where activists are linked to parties via patronage and voters are mobilized via clientelism, primary elections are determined almost exclusively by the size of the competing candidates’ patronage machines (Jones 2008: 50-51). Rather than producing representative or ideological candidates, then, primaries in patronage-based parties produce machine candidates.

In other cases, formal rule changes bring about the unanticipated destruction of a pre-existing informal rule, which in turn generates an unexpected outcome. In Ecuador, for example, ghost coalitions—an informal institution in which opposition parties remained publicly in opposition but quietly negotiated legislative support for the president in exchange for pork and other discretionary resources—were critical to governability in a context of multiparty presidentialism between 1979 and 1996 (Mejía Acosta 2006). In 1995, however, a corruption scandal triggered reforms that reduced presidents’ control over discretionary funds (Mejía Acosta and Polga-Hecimovich 2010: 78), which limited their ability to build ghost coalitions. As a result, governability declined markedly: after 1995, three consecutive presidents fell from power before the end of their mandate (Mejía Acosta and Polga-Hecimovich 2010: 78, 80-87).

In other cases, the anticipated weakening of an informal institution through institutional reform may have unanticipated effects. In most new democracies, political parties are held together not by programmatic linkages and bureaucratic organization but by patronage, clientelism, and illicit sources of finance (Freidenberg and Levitsky 2006; Gingerich 2009; Grzymala Busse 2010). In such cases, institutional reforms aimed at combating these informal processes—with the anticipated effect of creating more programmatic parties—may end up

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13See, for example, Shaffer (2008) and Grzymala-Busse (2010).
contributing to party system collapse by undermining the patronage networks that held established parties together, as Dargent and Muñoz (2011) show in the case of Colombia.

Thus far we have considered instances where informal and formal institutions compete. Yet informal institutions may also be congruent with formal rules. In such cases, they may facilitate formal rule change and enhance the effectiveness of newly designed formal rules (K. Tsai 2007; L. Tsai 2007; Grzymala-Busse 2010). Congruent norms and social networks “reduce the enforcement costs of formal rules” by creating incentives for compliance that are not inherent in the formal rules themselves (Peng 2010: 774; also L. Tsai 2007). They may also be a “source of information” that facilitates coordination around new formal rules (Grzymala-Busse 2010: 318). Indeed, some serve as a “template” for formal institutional design (Grzymala-Busse 2010: 318, 321; also K. Tsai 2007). For example, presidential term limits in the U.S. were formally established—via the Twenty Second Amendment—in the mid-twentieth century, but an informal norm limiting presidents to two terms existed since the early days of the republic (Elkins et al. 2009: 46-47). Likewise, Mexico’s enduring constitutional ban on re-election is embedded in a shared “no re-election principle” that emerged out of the 1910 Revolution and formed part of the country’s revolutionary mythology (Carpizo 1983). The effectiveness of bureaucratic rules in Singapore has also been attributed to congruent pre-existing social norms (Hamilton-Hart 2000).

In such cases, formal rules did not come about against informal conditions at all. Preexisting informal institutions were congruent, not competing, with new formal rules. In such cases, the weight of the formal and informal should not be assessed in relative fashion, but in combined fashion.
From this perspective, the absence of congruent social norms may seriously hinder the effectiveness of formal rules. Without the coordination and enforcement mechanisms provided by underlying social norms and networks, “pure legalism” often proves ineffective (Peng 2010). Such an argument has been made about the adoption of U.S.-style presidentialist constitutions—in the absence of congruent “paraconstitutional” norms—in 19th century Latin America (Riggs 1988; North, Summerhill, and Weingast 2000). In such cases, it may take time for actors to develop the supportive informal practices—through repeated interaction and learning—that help enable them to make new formal institutions work. Such a process of adaptive institution-building appears to have occurred in Chile (Siavelis 2006) and Brazil (Power 2010) in the 1990s and 2000s. In Brazil, where multiparty presidentialism was widely viewed as disastrous in the early 1990s, politicians developed an informal “toolkit” of coalition-building practices—often called coalitional presidentialism—that emerged as a “‘best practice’ of executive-legislative coordination” (Power 2010: 26). This informal institution-building process took two decades, in a context of constitutional and democratic stability. This suggests that the “incessant” (Pachano 2010) institutional reforms that have taken place in Ecuador and other Andean countries over the last two decades may come with an underappreciated cost: if constitutions and other institutional arrangements are repeatedly re-designed, the kinds of supportive informal institutions that help such institutions function effectively may never emerge.

Thus far we have focused on the distinct ways in which formal and informal institutions might interact, in our attempt to understand the relative weight of each (when they are competing) and the combined weight of both (when they are congruent). Yet assessing the impact of formal upon informal institutions might also require new theorization and
conceptualization of informal institutions themselves, in two respects. First, it may be helpful to disaggregate what is currently a rather capacious umbrella concept. For instance, if informal institutions are the conditions against which formal rule changes are adopted, it might make a systematic difference for the fate of institutional reform if that preexisting informal institution assumes the form of a decision-making rule, a power-sharing formula, a cross-party coalition, a punishment mechanism, a clan-based network, an illicit organization, or a presidential succession norm.\textsuperscript{14} To take a concrete example, consider informal practices of post-electoral powersharing. If these practices are grounded in widely held elite norms, they might well prove robust even as new rules help introduce new actors to the powersharing game. But if powersharing ultimately rests on collusive informal networks, this informal institution is more prone to crumble as new entrants arise and disrupt the existing ruling network. The likely point is not that some kinds of informal institutions are intrinsically more robust than others (though it would be an intriguing finding if so), but that different types of informal institutions should tend to break down under some types of reform pressures more than others.

It might also be important to consider interaction effects between different informal institutions (as opposed to the formal-informal interactions we have stressed thus far) when weighing the influence of formal rule changes on informal politics. No informal institution ever exists in a vacuum: it always exists alongside other informal institutions, with which it might

\textsuperscript{14} In two excellent recent review essays assessing the causal effects of informal institutions, Grzymala-Busse (2010) focuses on informal rules, while Radnitz (2011) almost exclusively addresses the importance of informal networks. Yet one can certainly imagine a situation in which informal rules matter greatly while informal networks matter much less, and vice versa. For instance, mafia-style organizations are primarily institutionalized on the basis of networks rather than rules, insofar as they exhibit flexibility in how they go about their business, but not in their core function of protecting allies within their network while punishing and shaking down rivals outside their network.
well come into “friction.” If so, a formal rule change might not undo informal arrangements entirely, but rather allow one type to gain traction at the expense of another. As Helmke and Levitsky argue, “when changes in the formal rules affect the relative costs and benefits of playing by informal rules, they may have an important effect on the stability of informal institutions.” Here we push the argument one step further, suggesting that formal rule changes may also alter the relative costs and benefits of playing by different preexisting informal rules. For instance, negotiations over the allocation of seats in Indonesia’s semipresidential cabinets from 1999-2004 entailed a mixture of considerations for raw proportionality (a la parliamentarism) as well as extra payoffs to parties that most strongly supported the winning presidential candidate (a la presidentialism). With the shift to full presidentialism in 2004, we see a gradual shift toward what Slater (2011) calls the “Victory” approach, yet without entirely undermining the preexisting “Proportionality” norm with which it ostensibly competes. Rule changes might thus matter by helping to determine which among several preexisting informal institutions prevail in a setting marked by institutional friction, instead of wiping out such informal practices – or being stymied by them – entirely.

*Conditions Under Which Formal Rule Change Occurs*

Besides inquiring into the causal importance of preexisting formal and informal institutions, we also seek to evaluate the potential impact of the contemporaneous circumstances surrounding rule changes. We call these the *conditions under which* rule change takes place.

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15 Mahoney and Thelen 2010; Slater 2010.
16 Helmke and Levitsky 2006, 23.
17 See Hale (2011) for a similar type of argument, namely that “formal institutions may impact regime change in part
Consistent with scholarship portraying institutions as primarily distributive in nature (Knight 1992, Mahoney and Thelen 2010), most of the conditions we detail below shape the fate of rule changes by helping to tip the scales in struggles for political advantage between coalitions supporting and opposing institutional reform.

Why are the Rules (Re)Written?

The consequences of formal rule change may be related to the impetus for rule change. Formal institutional design is typically viewed as being driven by powerful actors seeking to secure gains by resolving collective problems in a manner that institutionalizes their advantages (Knight 1992). In line with the ‘rules as institutions’ approach, such rules are by definition effective—at least as long as the coalition behind the reform remains intact (which, as Mahoney and Thelen (2010) note, cannot be assumed). Yet a plethora of research has shown that rules are adopted for diverse reasons, some of which have little to do with domestic power and preference distributions (see Levitsky and Murillo 2009). In developing countries, for example, many rules are borrowed from abroad. Governing elites routinely emulate institutional models employed by successful neighbors, often with little regard to how those borrowed institutions align with domestic political considerations (Weyland 2007, 2008). Consequently, many of these reform experiments prove unsuccessful or unsustainable. Governments may also adopt formal institutions as a means to enhance their international standing and/or access to external assistance—often with little intention to enforce them. During the 1990s, for example, many

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by altering patterns of informal politics.”
developing country governments adopted civil service laws, anti-corruption agencies, regulatory agencies, judicial reforms, and central bank autonomy in order to improve their standing with donors or international financial institutions (van de Walle 2001; Henisz, Guillen, and Zellner 2005). Such “window dressing” institutions are often weakly enforced, short-lived, or both (van de Walle 2001; Henisz and Zellner 2003).\(^{19}\) Sometimes, of course, borrowed or “window dressing” institutions take root and prove surprisingly effective. We still know little about the conditions under which this occurs, however. The key may lie in the contingencies of competitive coalition-building efforts between those who stand to benefit from infusing “Potemkin institutions” with real power (Grzymala-Busse 2011, Allina-Pisano 2008), and those who are fighting to restore the institutional status quo ante.

Another factor that frequently accompanies—and often drives—institutional reform in developing countries is crisis. As a long line of theorizing in comparative and international political economy stresses, major experimentation in formal institutional change is often a function of an old order’s dramatic collapse, often through massive, exogenously derived economic crisis (Gourevitch, 1986, also Weyland 2002). We build on this insight here by suggesting that, to the extent that formal rule changes are sparked by a seemingly total collapse of the old system, the likelihood that new institutions will gain solid footing might thereby be increased. Yet not all crises become critical junctures. Indeed, scholars have noted that crises often have a de-institutionalizing effect, narrowing actors’ time horizons and limiting

\(^{18}\) For example, several Latin American governments adopted Chilean-style private pension systems in the 1990s (Weyland 2005, 2007), but in Argentina and Bolivia, the new systems were dismantled a little more than a decade after their adoption.\(^{19}\) For example, Gabonese autocrat Omar Bongo created a nominally independent Electoral Commission in 1994 as part of a pact aimed primarily at satisfying international donors (Decalo 1998: 167). Four years later, after international attention had faded, the Electoral Commission was dismantled (Tordoff and Young 1999: 271).
cooperation, which can undermines the effectiveness of any new institutions that emerge from them (Nino 1992; O’Donnell 1993, 1994). By contrast, reforms occurring under “non-crisis” conditions enjoy the advantage of being surrounded by relative political stability (Haggard and Kaufman 1995), but suffer the disadvantage that “old guard” forces might not have been decisively defeated and discredited. It bears further examination as to which of these two mechanisms – reform failure through destabilization, or reform success through the discrediting of old institutions – carries greater causal weight.

Who Writes the Rules?

Institutional designers vary widely. For example, they vary in terms of their power to enforce the rules they write. It is often assumed that those who write (or rewrite) the rules have the power to enforce or sustain them. This assumption has recently been challenged by Mahoney and Thelen (2010), on the grounds that rule-makers and rule-enforcers often inhabit separate formal institutional settings. However, in transitional or hybrid regime contexts, this mismatch can be even more pronounced, informal, and nefarious. When power distributions are unclear or rapidly shifting, there can arise a disjuncture between those with formal rule-making authority and those with de facto power (Levitsky and Murillo 2009). In such a context, those in temporary control of the rule-writing process (constituent assemblies, weak governments, technocrats) may misjudge or ignore underlying power distributions, leaving new institutions vulnerable to subsequent displacement. Thus, institutional designers write rules expecting them to shape behavior, but because they do not gain the consent or active support of actors with the power to subvert them, the rules are born weak.
In Madagascar, for example, the power vacuum created by the 1991 transition allowed church and other civil society groups to dominate the 1992 constituent assembly (Allen 1995: 110). The assembly produced a French-style semi-presidential constitution with a weak executive and a strong parliament—institutions that were at direct odds with established patterns of executive dominance (Marcus 2001: 227). The formal distribution of power was subverted after the holding of elections, however, as elected presidents used neopatrimonial resources to concentrate power and dismantle the new constitutional arrangements. Likewise, Gabonese dictator Omar Bongo responded to the fall of the Berlin Wall by authorizing a pluralist National Conference to write a multiparty constitution. Because Bongo controlled the security forces and oil revenue, however, *de facto* power remained in his hands (Messone and Gros 1998). Thus, although “politically intoxicated” opposition groups designed an array of constitutional checks and balances (Messone and Gros 1998: 138), they could not make these reforms binding, and Bongo subsequently dismantled or ignored them. Although such an outcome might seem relatively unsurprising in neopatrimonial regimes, we suspect that analogous instances of informal subversion of formal rules might well be located in developing democracies with relatively effective state apparatuses as well, due to subtle mismatches between the actors who introduce reforms and the coalitions necessary to implement them.

It may also matter whether rules are designed by new or old actors. By definition, informal practices only become institutionalized once actors adhere to them over time. This

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20 In 1995, President Alberto Zafy pushed through a constitutional reform that shifted Madagascar back from semi-presidentialism to presidentialism, and in 1998, newly-elected ex-dictator Didier Ratsirika restored the dominant presidency of the pre-1992 period (Marcus 2001: 227-229).

21 The case of Hun Sen in Cambodia provides a parallel example, in which new political rules (especially regarding interparty powersharing) were introduced under the auspices of an overwhelming United Nations presence, but did not long outlast the withdrawal of outside powers.
means that rule changes threaten not only to overturn existing power relations, but to unsettle the habitual political behaviors of actors socialized under the old set of rules. Politics is ultimately ruled by rulers, not just rules. The rise to power of a genuine political outsider would thus seem to make it more likely that new rules will trump old practices (Weyland 2002). For instance, in Indonesia, the introduction of direct presidential elections in 2004 put far more formal power in the hands of the president to form a cabinet of his own liking, rather than bringing every single party into the ruling coalition as his predecessors had done. Yet the election and reelection to the presidency in 2004 and 2009 of a consummate political insider, retired General Susilo Bambang Yudhoyono, who has substantial personal experience serving in (and even helping to negotiate the formation of) Indonesia’s “cartelized” cabinets, has translated into considerable continuity in informal practices of “promiscuous powersharing” (Slater 2004, 2011).

Another potentially important factor is the durability of institutional designers. Institutions are more likely to endure when the organizational actors that create them — for example, political parties — endure across multiple rounds and political generations (Levitsky and Murillo 2011). Where parties and other organizations are institutionalized, actors — anticipating that they and their rivals will survive into the future — are more likely to engage in far-sighted institutional design. The persistence of these organizations will, moreover, allow them to invest in and defend their institutional creations. In countries with weakly institutionalized party systems, however, parties are often little more than personalistic vehicles. Rather than multi-generational organizations, they rarely endure beyond the career of politician for whom they are created. And because elections are characterized by extreme volatility, coalitions and power distributions often shift dramatically from election to election. In Guatemala, for example, none
of the top four finishers in the 2007 election existed a decade earlier; likewise, Ecuador’s 2002 and 2006 presidential elections were won by political forces that did not exist in the previous election. In such a context, the actors who design the rules at $T=0$ cannot expect themselves or their rivals to remain the relevant players at $T=1$. Thus, they are more likely to design institutions with shorter time horizons and are less likely to endure to defend those institutions in future rounds. This should result in unstable institutions: i.e. a failure of formal institutional reforms to “stick.”

Take Ecuador, which has had three different constitutions since the late 1990s. The 1998 constitution was designed by established political parties in consultation with indigenous groups, which had recently emerged as powerful actors (De la Torre 2010). In the 2000s, however, the indigenous movement divided and weakened, and established parties were displaced by political outsiders. When a newly elected outsider president, Rafael Correa, called a constituent assembly in 2007, the parties that had dominated the 1998 constitution-writing process were marginal or extinct. The three largest parties in the 2007 constituent assembly—including Correa’s MPAIS, which dominated the assembly—did not exist a decade earlier.

Competition among actors—for example, inter-party competition—may also shape the effectiveness of institutional reforms. As demonstrated by Grzymala-Busse (2007), governing parties in Eastern Europe that faced a threat from a credible and critical opposition party moved quickly to introduce and implement state reforms after the fall of the Berlin Wall. Yet intriguingly, this seems to contradict the experience in many Latin American countries, in which short time-horizons translate into the failure of any formal institutions to take root. Perhaps the square can be circled through Grzymala-Busse’s recognition that “the threat of replacement
shows a curvilinear relationship” to the stubbornness of informal practices, since when opposition “threatens to eliminate the governing parties entirely, they will prey upon the state” (2007 10, fn. 29). In any event, it seems clear that conditions of political competition may well shape the interaction between formal and informal institutions in powerful ways, if perhaps through contradictory mechanisms.

III. Conclusion

The set of causal factors and guiding questions we have proposed here are meant to spark conversation, not silence or curtail it. Despite the fact that formal rule changes are perhaps the most important device available for effecting political outcomes, political scientists still have little theoretical knowledge about why some rule changes produce real changes while so many others either do not, or else produce highly unexpected consequences. We thus see creative discussion and theory-generation, and not the imposition of a list of strict analytical guidelines, as the order of the day.

Yet we hope that at least some of the main guiding points and preliminary arguments that we have introduced in this essay will prove fruitful for our collective discussions. With that hope in mind, Figure 1 lays out the discrete steps through which we propose to analyze the relative and combined influence of formal and informal institutions in shaping political outcomes. It also suggests the causal factors we consider most likely to affect trajectories of institutional reform in systematic ways.

Any consideration of formal-informal institutional interactions should begin by assessing whether informal practices are congruent or competitive with the new formal institution being
introduced. This determines whether we should be assessing the combined weight of formal and informal institutions (i.e. how they shape outcomes in tandem), or their relative weight (i.e. how they stymie or “trump” each other in producing outcomes). Prospects for substantive change are shaped in the first instance by the conditions against which reform occurs. Where rules are changed against a backdrop of high state capacity, an entrenched rule of law, and high levels of institutionalization more generally, it seems intuitive that prospects for reform to “rule politics” are quite good. By contrast, where competing informal institutions are strongly embedded in social networks, or congruent informal institutions are only weakly embedded, rule change is less likely to produce real change. Things are more contingent, however, if institutional reform is attempted against a backdrop of considerable informal complexity, in which preexisting norms and practices stand in some tension with each other. Our initial intuition here is that such complexity places more power to effect outcomes in the hands of leaders, and raises the chances that reforms will produce unanticipated consequences.

At the next stage of our framework, reform prospects are determined by a variety of factors that are contemporaneous with the rule changes, or the conditions under which reform occurs. A first consideration is whether new rules were imposed or simply “diffused” from outside, rather than being crafted with full consideration of the local balance of powers and interests. This relates to the question of whether the actors proposing the new rules will also be charged with implementing them, or whether policy execution depends upon the cooperation of actors without a direct stake in – or even with an interest in undermining – institutional reforms. In short, any disjuncture between formal rule writers and de facto power holders should tend to call the effectiveness of formal institutional reforms into question.
Our discussion suggested several other contemporaneous factors that are likely to influence reform prospects as well, but in more ambiguous or double-edged ways. For instance, new rules appear more likely to trump old informal practices when they are imposed by a genuine political outsider, so long as these emergent outsiders do not lack the de facto power necessary to carry reforms to fruition. By contrast, “old guard” leaders might either be too habituated in preexisting informal practices to implement new rules effectively, or, alternatively, possess enough de facto power to overcome resistance from other members of the old guard. Similarly, whether reforms are introduced under crisis or non-crisis conditions seems to have important if not necessarily unidirectional implications for subsequent outcomes. A deep exogenous crisis can facilitate the effectiveness of reform by thoroughly discrediting old ways of conducting political business; yet it can also undermine reforms by making politics so unstable that no policies can be effectively implemented, whether old or new. Finally, party competition would appear to have cross-cutting implications for institutional reform as well. Fear of electoral replacement can in some instances inspire incumbents to ensure that reforms succeed, to prevent their own future victimization in opposition by an unconstrained rival party. Yet in other cases, an incumbent party’s imminent sense of doom regarding its reelection prospects can lead to extremely short time-horizons, making politics an exercise in partisan survival and even incumbent predation rather than institutional reform.

This leaves us with a list of candidate explanations that looks more exhaustive than parsimonious. Our ultimate goal is not to inundate readers with conceptual and causal complexity, however, but to zero in on a narrower range of factors that shape the relative and combined weight of formal and informal institutions across as wide a range of cases as possible.
It is our hope that this workshop allows us to deepen and refine our understanding of particular ways in which formal and informal institutions actually “rule politics,” not simply to introduce a broad array of possible ways in which they might do so.
References


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FIGURE 1: From Formal-Ininformal Interactions to Formal-Informal Outcomes

Nature of Formal-Informal Interaction

- Congruent

  Combined Weight

  State Capacity
  Overall Institutionalization
  Informal Embeddedness
  Informal Complexity

Competing

  Relative Weight

  Domestic vs. International Origins
  Power Disjunctures
  Crisis Conditions
  Party System Volatility
  Outsider Political Victory
  Robust Party Competition

Outcome of Formal-Informal Interaction

“Ruling Politics”