

‘ESCAPE FROM PATRONAGE’: A MULTI-METHOD EXPLORATION OF FEDERALISM AND PARTY COMPETITION AS CAUSES OF BUREAUCRATIC AUTONOMY

Introduction

How are some states able to function as liberal democracies, protecting and providing for their citizenry, even though they lack the economic resources found in advanced industrialized countries? My proposal builds upon the democratization and state development literatures that identify the integral role for public bureaucracies in democratic governance. Bureaucracies provide the capacity to ensure the rule of law, control of corruption, regulatory quality, and government efficiency. In other words, a democratic political system is only as representative as its bureaucracy.

My dissertation explores the conditions that give rise to public bureaucracies that support democratic governance in the context of the modern welfare state in non-OECD countries. In particular, I ask: what leads to the rise and permanence of bureaucratic autonomy? I focus on bureaucratic autonomy because it allows government agents to implement general welfare policies rather than be subject to the corrupting influences of clientelism, patronage machines, and personalistic/populist elites.¹ Autonomous bureaucracies have the ability to develop professionalized personnel and norms which directly increase the ability of agents to affect complex policy issues through their expertise.

In response to the overarching research question, I hypothesize that higher levels of political competition, together with whether a state is federal or unitary, affect the appearance of regimes with autonomous agencies. I compare the institutional arrangements of states with only a sovereign central government to those where sovereignty is split between subnational and national governments to understand what may hinder or help the emergence of autonomous agencies. Similarly, the political party system in a state is also a structure through which strategic actors, particularly the party elite, determine when and how governments are willing to give up power in the short term for long-term goals.

Though most research into bureaucratic foundations are focused on the US and Western Europe, I instead focus on less developed countries (LDCs) for several reasons. First, the state apparatus does not pre-date the possibility of democratic governance by a particularly large margin, unlike in Western Europe, where the bureaucracy initially was an extension of monarchical/feudal rule (Tilly 1992). Second, LDCs make up the vast majority of contemporary states, allowing for more cases to be examined (King et al. 1994). Third, not only are there more LDCs, but the marginal gains from understanding and potentially improving political and bureaucratic interactions are much higher for these countries than in highly developed states.

Going forward, I first define and review the key elements of my theory on the emergence of bureaucratic autonomy: what is bureaucratic autonomy and why might it emerge? What is federalism and how does it affect the political system (compared to unitary states)? How does political competition impact political institutions and the policy process? Second, I outline the three primary analytical papers which begin to

¹ There are many schools of thought concerning both the positive and normative assessment of corruption, clientelism, and personalistic politics in general; for an overview from a political economy perspective, see Aidt (2003).

address the intersection of competition, federalism, and bureaucratic autonomy. Third, I provide my motivation for this research, a justification for the placement of the research in the broader literature, and a proposed timeline to completion.

Bureaucratic Autonomy

Bureaucratic autonomy is the ability of government organizations to self-actualize within the constraints of a broader political system. Thus, autonomy consists not only of the ability to exercise discretion while implementing statutes, but also in ability to create an organizational ethos or culture which informs the entire policy process. In other words, autonomous agencies form beliefs and preferences about social phenomena and are empowered with some ability to achieve these ends without extensive political interference.

This does not mean that these government organizations are able to do whatever they so choose without. As Carpenter (2001) notes, unlimited autonomy is due only to deities, not human or organizational actors. In fact, the constraints on government bureaucracies may in fact be their defining characteristics (Wilson 1989). Nevertheless, autonomy does mean that these constraints are not so overwhelming to preclude choice by bureaucratic agents, even sometimes against the will of other political actors.

In contemporary literature (Carpenter 2001, 2000), two primary factors lead to bureaucratic autonomy: the development of capacity within an organization, and the inculcation of legitimacy from outside the organization. Capacity is developed through the hiring and training of employees, the adoption of an organizational culture based on the mission and technology of the organization, and through the strategic adoption of policy and organizational innovations (Wilson 1989). Legitimacy is garnered through the development of reputation, the creation of networks (Carpenter 2001) or unique constituencies (Wilson 1989), and the adoption of practices seen as legitimate by other political actors (Dimaggio and Powell 1983).

However, both of these factors, capacity and legitimacy, first require the formation of an organization and the devolution of some minimum amount of political power to that organization. Carpenter (2001)'s study of three government agencies begins after the Pendleton Act and several years of Progressive politics in the US. My research begins to uncover the circumstances under which legislation, such as the Pendleton Act, is adopted which allows for bureaucratic autonomy to begin to develop.

These three papers argue that political actors only create autonomous bureaucracies when it is in their strategic self-interest within formal political institutions. In particular, I examine the effect that the differences between federalism and unitary states (political institutions), as well as political party competition (strategic actors), has on the development of bureaucratic autonomy.

Role of Federalism

From a formal institutions perspective (Riker 1964), a state, or more particularly, a constitution, is federalist if (a) at least two levels of government have overlapping jurisdiction over the same geographical area, (b) each level of government maintains some legal autonomous action in at least one policy arena, and (c) the constitution and legal system help maintain these separate spheres. Riker (1964) then argues that the informal rules and norms, as well as the strategic interactions of political actors, then shift the balance of power sharing amongst the national and subnational governments. He further argues

that the reason federalist states and states with large land area coincide is the fact that federalism is the only alternative to empire when it comes to governing large land masses with diverse groups of people. Thus, while there are still valid concerns regarding the comparison of large and small states, it is reasonable to assume that some of these differences have already been captured in the choice of political institution, and thus still lend themselves to comparative political analysis.

Besides spatial federalism, there is also a whole literature on fiscal federalism, in which taxes are collected primarily (though not exclusively) at the national level, and the revenues from the taxes are then devolved back down to the subnational units to compensate their lack of taxation power. While this may create a simplified tax scheme, it creates a moral hazard issue for the subnational units, particularly in countries where the national and subnational constitutions do not place budget limits on the government (Tresch 2014). Without these constitutional limits, the subnational government is able to practice a soft budget cap, where expenditures do not have to meet tax revenues, but instead are only somewhat constrained by the amount of money the subnational government can request of the national government, which in turn is based on the budgetary size of the subnational unit, their contribution to the tax side of the equation, their political alignment with the national government, and the salience of spending issues both within the subnational unit and at the national level (Peterson 1995; Wibbels 2005).

Wibbels (2005) presents a thorough overview of the potential strengths and weaknesses of a federalist system. For the purposes of this research, seven factors, four market-preserving and three market-distorting: First, federal states have the ability to react to local politics (cross-cutting cleavages) while providing the scale necessary for public goods (Tiebout 1956). Second, local (subnational) governments can provide a check on federal government encroachment into citizen's lives. Third, federal governments provide a mechanism through which the government has higher levels of contact with the electorate and thus can be disciplined more easily (Peterson 1995; Weingast 1995). Fourth, the structure of the federal system affects the formation of national party systems (Chhibber and Kollman 2004). Fifth, besides the issues mentioned concerning fiscal federalism, federalist systems face issues of policy congruence/coordination at the different levels of government, which leads to the sixth and seventh issues, the misalignment of incentives at multiple levels and the greater barriers to collective action problems (Wibbels 2005).

Role of Political Competition

First, political competition forces parties to act strategically with regards to both the electorate and opposing parties (Kitschelt and Wilkinson 2007; Hellwig 2012). For example, Murillo (2009) finds that political parties in Argentina, Chile and Mexico, in order to insulate themselves from competition, adopted different strategies during the Washington Consensus Era when it came to the privatization of public utilities (telecom and electricity), depending on the alternatives opposition parties presented to voters. Second, without political competition, parties have greater incentive to focus on core constituents and the provision of resources to the selectorate (Helmke and Levitsky 2006; Haggard and Kaufman 2008). Third, competition creates a mechanism through which policies are refined to represent local political actors, institutions, and culture (Lijphart 1977, 2012). Fourth, democratic competition keeps political elites from "taking their ball and going home," (Przeworski 2010) for example, using the military to threaten populist elites into particular actions or to enforce informal power sharing, or to expropriate resources when facing electoral loss.

Main Theory

Though Wibbels does not include a two-by-two table summarizing the ties between political party harmony and federalism, Table 1 presents a generalized overview of his argument. He argues that federalist states are less likely to lead to market reform because of the burden placed on multiple levels of government concerning taxation and spending. This then allows subnational political actors to ignore or even work against the efforts of national-level political actors when it comes to market reform, while these regional governments have limited ability to affect macroeconomic policy change. These factors can be mitigated by the second dimension, partisan harmony, which is to say that the political party is able to control the actions of its members at both the national and subnational levels (Riker 1964). This control makes it easier to develop, propose, and implement coherent policies at all levels of the government.

Table 1: Wibbels (2005)'s Findings

Outcome: Market Reform		Type of Institution	
		Federal State	Unitary State
Level of Partisan Harmony	Low Harmony	--	-
	High Harmony	+(+)	+

Thus, a federal system in which the party elites at the national level fail to coordinate with, cooperate with, or control subnational party actors is the least likely to experience macroeconomic reform (and the most likely to experience large macroeconomic political shocks). Unitary states that lack party cohesion and/or political party competition, can arguably be considered low harmony situations, where enacting market reforms is hindered not by formal institutional barriers, but by strategic interactions within the government; therefore, unitary systems with higher levels of control/harmony are likely to experience better macroeconomic performance. Finally, while Wibbels would be hesitant to use such labels, he does note that many political scientists have found federalism in advanced democratic states (read, states that have solved the fiscal federalism problem through high levels of partisan harmony) to be “market-preserving” (Weingast 1995) for a plethora of reasons (Wibbels 2005) and would therefore characterize federal states with high levels of partisan harmony as superior to equivalent unitary states.

It is important to note that while market reform and macroeconomic performance are important aspects of political and economic development, the literature rarely looks at these outcome variables as changes in political institutions; instead, they are changes in public policy. Changing policy without changing underlying institutions results in sub-optimal development (Rodrik 2007, 2000). Determining which institutions to change (Rodrik 2008), how best to change them (Acemoglu et al. 2006), and to achieve sustained institutional reform is in no way easier (Geddes 1994), but rather a prerequisite for lasting economic growth (Knack and Keefer 1995).

Table 2: My Hypothesis

Outcome: Bureaucratic Autonomy		Type of Institution	
		Federal State	Unitary State
Level of Party Competition	Low Competition	-	--
	High Competition	+	++

Similar to Wibbels (2005), I focus on federalism and party structure, but instead focus on their roles in determining the emergence of bureaucratic autonomy (see Table 2). Also, I take a step back from partisan harmony and concentrate on the existence of party competition, without which partisan harmony may not matter. In this case, a federalist state with low levels of competition is more likely to have some level of bureaucratic autonomy, as the federalist structure allows different states to create autonomous local bureaucracies, leading to “pockets of excellence” (Geddes 1994), whereas in a unitary state with similarly low levels of competition, there are fewer loopholes through which to form bureaucratic autonomy; thus the unitary state has the lowest likelihood of developing an autonomous bureaucracy.

On the other hand, high levels of political competition in a unitary state make it more likely to see extensive bureaucratic autonomy. Unfortunately, the same structures that allowed non-competitive federalist states to create pockets of excellence also allow highly competitive states to possess regional hold-outs, since high levels of competition would have to exist in each state in order for subnational political elites to adhere to national policy levels. The U.S. is a perfect example, where many states that have uncompetitive elections (whether Democrat or Republic) are more likely to exhibit machine politics tendencies in the bureaucracy, while the national government has granted much higher levels of autonomy to the federal bureaucracies (Ringquist 1993). Hence, unitary states represent both extremes of bureaucratic autonomy, depending on the level of competition within the party system.

To briefly summarize my main argument, the federal or unitary nature of a state, coupled with the level of political party competition, affects the likelihood of that state developing autonomous public bureaucracies. A single subnational government in a federalist system can exhibit dramatic political differences from the other subnational governments or the national government. This means that a country that lacks broad political competition, there may be subnational competition in one state that may lead to the creation of autonomous subnational state bureaucracies. However, it also means that in a system with broad party competition, some subnational governments may lack competition and thus prevent or hinder the formation of autonomous agencies. Unitary states represent more of an “all or nothing” approach to bureaucratic autonomy. In this research, political party competition forces political actors to be forward-looking and develop autonomous bureaucratic agencies as an equilibrium solution to long-term competition. Finally, these autonomous bureaucracies are then able to improve governance and implementation in these states.

Three Main Papers

Why Three Paper Approach?

The three paper approach allows researchers to address several little questions within a larger research question framework (Geddes 2003) without rigidly requiring those questions to abut one another as in a traditional social science dissertation. This process also aids in the building of meso-level theories rather than trying to achieve a potentially unachievable generalized theory (Perry 1989). Finally, this approach allows some flexibility in allowing each article to adjust based on available methods and data.

Federalism, Party Competition, and Bureaucratic Autonomy: Pockets of Excellence, Laboratories of Democracy, or Structural Veto Players?

Introduction

My study develops a formal theoretic model to explain this variation in bureaucratic institutions. Building on Barbara Geddes' (1991; 1994) pioneering work, I hypothesize that political elites grant autonomy to the bureaucracy in order to minimize uncertainty in politically competitive environments. Initial autonomy typically takes the form of meritocratic control over hiring and firing within government bureaus. Given this autonomy, bureaucratic agents begin to develop the potential for political legitimacy and expert capacity, which further increases levels of autonomy from political actors. In this paper, I focus on the transfer of power between elites and the bureaucracy.

The general story goes something along these lines: in a political system where multiple parties have a reasonable chance of forming a government,² at some point, the party in power will see fit to change the role of the public bureaucracy from a particularistic patronage machine to a programmatic constituency mechanism. In essence, this means that the ruling party is willing to forgo some of the current political power, by giving it to government agencies and giving these agencies some level of discretion in the development of their own autonomy. There are three primary arguments for this voluntary transfer of power.

First, political parties may employ in some level of transactions cost reasoning. At some point, even the most clientelistic of governments needs to accomplish some noticeable tasks and that merely having the structures in place and filling those positions through nepotism fails to accomplish the given tasks. Alternatively, there may be some services provided by the government within which a critical mass of the individuals have at least some minor sense of noblesse oblige (e.g. doctors). Either way, the elites have two options: closely administer these tasks themselves or delegate the tasks. Choosing the former means the dedication of time and energy, which may come at the expense of other tasks meant to increase the power of the party. Choosing the latter means that the party elites must devolve enough political power down to the agency to achieve the task. Thus, as Huber and Shipan (2002) put it, political elites face a similar position as private firms as to whether to make or buy a product; the product in this case being a

² Of course, once inserted into the game environment, these parties could in fact be factions within an authoritarian regime (e.g. the military, secret policy, financial backers). As Przeworski (2010) notes, however, these rotations in the ability to govern are rarely self-enforcing equilibria as we find in consolidated democracies.

policy. Most importantly for our purposes, before the parties have the opportunity to buy a particular policy from the bureaucracy, they must first buy some level of competence in the bureaucracy, lest they doom themselves to always purchasing lemons.

Second, if political parties are going to give up some of their power to buy a bureaucracy and public policies, they at least gain the right to complain about it and blame the bureaucracy for mistakes. In the language of Fiorina (1989), political officials may desire to take advantage of constituency services. Offered as an explanation for Mayhew (1974)'s vanishing marginal in the U.S. Congress, Fiorina points to the ability of incumbents to use constituency services to their advantage. This not only included items such as the ability to use the U.S. printing services, but also for the incumbents to inquire into the workings of the bureaucracy for their constituents. Representatives can have their staff contact the Social Security Administration concerning the application of one of their constituents for Disability Insurance. Since the SSA's administrative funding is contingent on Congress, Fiorina contends that these inquiries receive more immediate attention than the system would otherwise predispose. Similarly, the FCC was unaware of the controversial nature of the Used Car Rule or the Funeral Industry Practice Rule until used-car salesmen and undertakers began to contact their Congresspersons, who were then able to pressure the FCC to back down on their administrative proposal (Wilson 1989).

In both of these cases, the reputation gains of the politicians are contingent on a) the somewhat clear distinction between the representative's and the bureaucracy's policy position, and b) that the elected official would be able to exert power over the bureaucracy, whether to force the agency to provide a service or reverse an administrative law/policy. If the first contingency does not exist, constituents who vote economically will logically tie "what the government does" with "what the bureaucracy does," even if the party had nothing to do with the outcome. Thus, it is in the interest of the government to create a bureaucratic scapegoat for policy outputs and outcomes, lest the opposing political parties gain vote share and take over the government.

Third, and the primary approach used in this paper, political elites may be engaging in a process that can be modeled as a political rational expectations approach (Alt and Lassen 2006). This case is the most dependent on multiple parties capable forming a government based on a future election.³ Here, the incumbent party know that with some high likelihood, they will be a minority party in the government, they will forgo the use of some of their contemporary political power to form an (semi-)autonomous bureaucracy. By forming different agencies and imbuing them with political power, the incumbent government can also instill in these agencies a particular mission and culture which, once established, is difficult to change course (Wilson 1989). The idea is to put the following governments into something of a policy straightjacket. Even if allocating political power to an agency does not tie the hands of future governments, it will at least force those coalitions to spend noticeable amounts of political capital to restructure or restrain the bureaucracy.

Which policy arenas are delegated to the bureaucracy is up for debate: incumbents may decide to hand over the reins on policy areas in which they have no strong preference, but they know the opposition has more at stake. Alternatively, the government may wish to relinquish control of public policies for which

³ Need to say something about the case of Colombia and other states where competition is fueled by parties which represent nearly the same interests, those of the elite.

they have a strong preference in order to mitigate the changes future governments wrought on their area of interest.

In this paper, I set up a game in which the number of political actors vary, as does the level of political competition, as political power is represented by seat/vote share. The decision to create an autonomous bureaucracy is based on the current vote share of each party, the amount of that vote share they are willing to expend to create a bureaucracy, the discounted future payoff of forming the autonomous bureaucracy, and the parties' expectations about future vote share, which I compress down into a two-period environment: today and tomorrow. This stylized game will help demonstrate the levels of competition, and forward-thinking are necessary to get opportunistic elites to give up control over a unidimensional policy regime for a particular payout that would be accessible to all competitors.

Methodology

Network formation games (NFGs) are a new addition to the game theorist's wheelhouse and formal political theory more generally. The technique has its roots in the application of mathematical graph theory by mathematicians, engineers, and statisticians. These early analyses were useful in describing connections between different social units for some sociologists and political scientists from the same era, but it wasn't until Roger Myerson's *Graphs and Cooperation in Games* that network theory was used to understand strategic interactions between social systems (Myerson 1977). Myerson's work linked graphs to cooperative game theory, and shows that while graph/network theory is useful in deterministic models such as those used in complex systems analysis (Cranmer et al. 2012; Henry et al. 2011), it can also be used to model the strategic formation of political and economic networks by rational agents.

In their groundbreaking works, Jackson and Wolinsky (1996) and Bala and Goyal (2000) begin with the simple notion of networks as nodes and arcs to determine how, given a particular set of rules of how arcs and nodes can be arranged, agents strategically form links between each other. In Jackson and Wolinsky (1996), the addition of arcs requires agreement between the two nodes for which the arc would connect, while the subtraction of arcs only requires one node to dissolve the connection. In the case of Bala and Goyal (2000), both arc addition and subtraction are unilateral decisions (only one node has to agree to add/subtract an arc). Between the two papers, it is easy to note that different formation rules result in the formation of different types of networks. These two papers accelerated the trend of working with NFGs in the social sciences (Jackson 2008). Work by Page and Wooders (2007) has moved social scientists from strictly studying homogeneous linking networks, where the arcs are non-directional and all the same type, to studying heterogeneous directed networks, where the arcs have a specific direction and may be of multiple types and intensities.

The goal behind network formation games is to take the vast knowledge of strategic interactions from standard game theoretical literature and (a) attempt to make the structure less linear (b) and remove as many assumptions as possible while (c) maintaining the mathematical integrity of the game theoretic models. Essentially, the degree of complexity in relationships is maintained from standard game theory while the degree of complexity in the mathematics is not. Furthermore, NFGs see equilibrium as only one possible outcome of a game and instead focus on the dynamics of stability for multiple equilibria Page et al. (2005). Finally, all of these properties lead to rigorous modeling that can be quickly comprehended visually via graphs and tables.

Two factors contribute to the beneficial blending of studies of federalism and Network Formation Games. First, NFGs do not presuppose strict rationality; a thin version is acceptable. In fact, NFGs could model bounded rationality and learning as types of arcs could change between different levels in a network (e.g. A local politician knows what her fellow politicians in a region are going to do, but she only has a vague sense of what politicians outside her district plan to do).

Second, and most importantly for this paper, NFGs have the ability to readily scale up into supernetworks, in which the nodes are a particular network formation, and the arcs may be Markov chains or the cases of interest to social scientists, strategic network rules, dictating transitions between networks. These supernetworks can then act as one node in a super- supernetwork, etc. This is highly useful, since studies of federalism are interested in multi-level analysis. It is hypothetically possible to start with a psychological network of an individual weighing the probabilities of certain states of behavior, scaling it up to an operational situation where that individual interacts with others in local party elections, and continuing to scale up to the constitutional level.

Three important observations need further elaboration. First, an undercurrent in some of the less academic literature leaves the impression that network theory can be a mindset or world-view, and this view is often associated with support for democracy and democratic ideals, similar to ideas of polycentrism and self-governance. In this paper, I rely on networks solely as arcs and nodes in an analytical sense, without trying to delve into the normative theory of networks.⁴

Second, as referenced above, network formations games as an analytical tool do not have to represent the formation of networks in a social network sense. Instead, as long as a formal theoretic interaction can be understood as some form of action or signal (the arc) between two actors (the nodes), network formation games can be used to analyze the game.⁵ For most practical purposes, however, NFGs are most useful when there are more than two nodes and arcs.

Third, network formation games are not the same as games on a network formation. In the latter case, the network is already formed and players then decide to interact based on those connections; actors cannot interact with individuals with whom they have no connection. In NFGs, the connections themselves are what actors are deciding to form. This becomes a bit tricky with federalism, since some rules already dictate interactions amongst parties; however, our interest is primarily party interaction with the bureaucracy, for which federalism plays a different role.

Theoretical Design

The game consists of simultaneous play amongst political parties. The parties can either form a link to the bureaucracy, which would indicate support for an autonomous bureaucracy, or not form an arc at all.

⁴ In the non-analytical social science sense, a network can be a form of organization (Rainey 2009), a means of relaying people (e.g. trains, planes, and automobiles) or information (e.g. the Internet), or a policy tool used in New Public Management and bureaucratic politics (Agranoff and McGuire 2001). Unfortunately, networks have also been adopted as a term to modify or replace the term social capital. Often in those situations, networks provide a residual explanation for unexplained phenomena in a social theory.

⁵ For example, it would be possible (and perhaps enlightening) to model Cho and Kreps (1987)'s beer-quiche game as a network formation phenomena, where the nodes are the players and the types of food, and the actions are food consumption and duel/avoid.

This game will result in a star network with potential isolates. In order to determine whether they will form a link, parties must determine the amount of power they currently have (called vote share), their discount rate, the amount of vote share necessary to form an autonomous bureaucracy, the value of that bureaucracy for the future period, as well as their electoral risk in the next election. Since these are parameterized values, we can say something about the stable regions of these values that create basins of attraction (scenarios where players alternated between multiple equilibria), indeterminacy, or a single equilibrium solution. My hypothesis is that parties are only going to consent to an autonomous bureaucracy when discount rates are low, the bureaucracy can offer substantive power, and there are only moderate levels of electoral risk in a multi-party system.

Federalism and Party Competition in Four Latin American States: An Analytical Narrative of Argentina, Dominican Republic, Mexico, and Uruguay

Introduction

In order to empirically test the theoretical hypotheses from the network formation game, I investigate the formation, or lack thereof, of bureaucratic autonomy in four Latin American cases. I use the construct of comparative historical analytical narratives to tease out some of the more nuanced details surrounding bureaucratic development.

Theoretical Design

My work rests on comparative historical narratives of bureaucratic development in Argentina, the Dominican Republic, Mexico, and Uruguay. Studies of bureaucratic capacity tend to focus on single countries, generally the United States (Carpenter 2001), or on very broad regions, such as Latin America as a whole (Levitsky and Murillo 2009).⁶ The former suffers from the inability to observe the effects of institutions, since the institutional environment of countries evolve incrementally, as well as other interesting cultural, social, and economic variables that are fixed over long periods of time. The latter, large regional studies, lose historical detail in order to compare across cases that may be very different. My study remedies these gaps by focusing on four states in order to be able to acknowledge and understand the role of context in explaining governance outcomes without losing crucial historical details.

These four countries represent variation on both the competitive political and federal/unitary government dimensions. Argentina represents a non-competitive federal state, the Dominican Republic a non-competitive unitary state, Mexico a competitive federal state, and Uruguay a competitive unitary state (see Table 3).⁷

⁶ An excellent exception is Murillo (2009), which focuses on public utility development in Argentina, Chile, and Mexico.

⁷ Note that all four countries are presidential regimes.

Table 3: Theoretic Placement of Case Studies

Outcome: Bureaucratic Autonomy		Type of Institution	
		Federal State	Unitary State
Level of Party Competition	Low Competition	<i>Argentina</i>	<i>Dominican Republic</i>
	High Competition	<i>Mexico</i>	<i>Uruguay</i>

Based on the hypothesized outcomes in Table 2, we should expect to see the greatest levels of bureaucratic autonomy in Uruguay, followed by Mexico, and the lowest levels in the Dominican Republic, with Argentina performing slightly better.

Of the four states discussed here, the Dominican Republic is the only one that fits the traditional ‘banana republic’ classification. The country has been invaded by the US as part of the Roosevelt corollary to the Monroe doctrine three times, the last with an occupation which lasted eight years and indirectly led to the installment of Rafael Leonidas Trujillo Molina as dictator of the country from 1931 to 1961. The US played a role in Trujillo’s assassination and in the installment of an interim president, Joaquín Balaguer, and a Council of State until elections in 1962.

The 1962 elections resulted in a center-left president from the PRD (Dominican Revolutionary Party), Juan Bosch, who within a year was ousted via military coup and the re-establishment of a dictatorship. A counter-coup rebellion occurred in 1965, which resulted in a civil war between the rightist anti-Bosch (Loyalists) forces and the Constitutionalists, reformers in the military loyal to Bosch. U.S. troops again invaded the DR out of fear of a ‘second Cuba’, creating safety corridors that splintered the Constitutionalists and allowed the rightist military forces to eventually eliminate these pockets of resistance. In 1966, Joaquín Balaguer was elected to the presidency from the PRSC (Social Christian Reformist Party), and, with the exception of a minor miscalculation of popular support in 1978-1986, remained the primary political figure in Dominican politics until 1996, when pressured by the US, he chose not to run in a special election and the PRSC lost to Leonel Fernández from the PLD (Dominican Liberation Party). The 1996 election marked the beginning of free and mostly fair political elections in the DR.

Contemporary Dominican politics is characterized by increasingly competitive presidential elections, though this may be through some level of vote buying, strategic malapportionment of parliamentary seats, particularly in the senate, and frequent constitutional changes. I argue that while there should be some evidence of improved bureaucratic autonomy (due to an increase in electoral competition), the primary method by which parties attempt to guarantee power in a competitive system is by changing institutions (particularly the constitution), to meet intermediate-term needs.

The key features of Argentine government are federalism (both spatial and fiscal), an ultrapresidential system, and political parties that are not ideologically unified, have neo-patrimonial practices, and practice clientelist exchanges (Llamazares 2005). I look at each of these three attributes in the lead-up to the Argentine default.

First, Argentina is a federalist state in which federalism has led to further political instability. The provinces have a disincentive to tax and a high incentive to expect fiscal bailouts from the central

government, not only weakening the tax base but also lowering governmental efficiency (Melo 2007). Furthermore, federalism has heightened intergovernmental conflicts, since reform at one level of government is often stifled by a subsequent level (Eaton 2008).

Second, since the rise of Peron in the 1940s, Argentina has been an ultra-presidential state or a 'delegative democracy.'⁸ This is particularly obvious in the presidency of Menem.⁹ In the beginning, with a strong mandate of the people and few alternatives, Menem cracked down on inflation, enforced property rights, privatized state owned enterprises, and attempted to increase internal tax revenues. The most prominent policy was the Cavallo Currency Peg, which forced the central bank to maintain a one for one exchange rate with the US Dollar (Borner and Kobler 2002). These policies ultimately harmed the Argentine state as mass privatization of state owned enterprises led to the monopolization of industry and a high occurrence of one-shot corruption acts, where the immediate payoffs for the state officials were high enough to disregard future penalties (Llanos 2001). Even when the policies were well-formulated, the centralized and authoritarian political practices that brought about the reform ultimately left the state unchanged (Panizza 2004).

Third, Argentina's ultra-presidentialism arises from weak, populist political parties. These weak parties often result in monolithic political control over the government at any given moment by the chief executives of the national (the president) and the subnational (the governors) government.¹⁰ This control has resulted in allowing particular presidents (e.g. Perón, Menem, and the Kirchners) to accumulate the power necessary to subordinate the judiciary (Chavez 2004). In 1990, Menem was able to pack the Supreme Court by increasing the number of judges from 5 to 9. This lack of judicial independence results in two major causes of institutional instability: (i) because politicians believe they exert control over the Court, they are more likely to engage in illegal and despotic behavior (Jacobs 2003), and (ii) citizens lack confidence in the institutional legitimacy of that nation's Supreme Court and thus believe that the judiciary generally does not enable aggrieved parties to prosecute bureaucrats for procedural lapses and to hold them to the law (Eaton 2003).¹¹

Menem was able to implement such drastic measures because he initially had complete control over his party (Borner and Kobler 2002). However, as Menem's power began to wane and he was challenged inside the party, there was no method to reign in his looting of the state, resulting in the inability of the state to credibly commit to political objectives. Corruption became the norm to such an extent that the Peronista party runs on clientelism and the spoils of office (Munck 2001). All political parties are known

⁸ In contrast to representative democracy, "delegative democracies rest on the premise that whoever wins election to the presidency is thereby entitled to govern as he or she sees fit, constrained only by the hard facts of existing power relations and by a constitutionally limited term of office (O'Donnell 1994)."

⁹ Though this section primarily discusses the presidency of Menem, one could substitute similar examples from the Kirchner administration to make the same point.

¹⁰ While there has been recent research arguing that Congress is not just a rubber stamp on presidential action, (Calvo 2014), Menem's use of executive decree and the failure of De La Rúa and Duhalde presidencies to address issues in the provinces during the crisis demonstrates the personalistic nature of the presidency and gubernatorial offices.

¹¹ Prior to the Supreme Court's ruling that the government could not require all assets to be converted to Argentine pesos, a public opinion poll reported that 88% of Argentines had a negative view of the judiciary, nearly 67% thought it was politicized and corrupt; see Jacobs (2003).

to have important sets of politicians depend on illicit/corrupt party-police networks for campaign financing and they use their controlled police to conduct politically motivated operations (Eaton 2008). The shift to pro-market policies may have actually increased clientelism, perhaps as a tool to motivate voters who might be hurt by such policies.¹² As a result of the weak and corrupt political parties, traditional parties have become further discredited and more populist means of political expression have become common (Villalón 2007). This only further serves to undermine democratic consolidation and political stability.

Mexico has had the most recent shift from single party dominance to a multi-party electorate. What is interesting is that several scholars note a shift in the federal government in the 1980s and 1990s prior to the shift towards multi-partyism in 2000 (Ballinas Valdes 2011). However, it is important to note that even in the late 1980s, the shift towards competitive elections had started at the subnational level, particularly with challenges from some of the northern states with the PAN (National Action Party) (Przeworski 2010). Thus, Mexico may be a case of a shift from non-competitive to competitive first at the subnational and then at the national level, so I may be to observe changes in the autonomy alongside changes in political competition throughout the system.

In Uruguay, the parties are either center-right or center-left, with no extremism. Two of the three main parties, Los Colorados and Los Blancos, have been around since the last decade of the 19th century. The stable spatial positioning of the political parties has led to strategic voting by Uruguayans, since party means and objectives vary slightly over time, citizens can vote based on current issues without concern over party movement (Cason 2002). Reform takes much longer in Uruguay, because checks and balances limit executive power, and unlike in Argentina, the president lacks the constitutional power to issue decrees. Therefore, there are strong institutional norms and incentives for the executive and bureaucracy to enforce reforms, resulting in successful policy. Finally, as a measure of last resort, when 'politics as usual' fail to accomplish the will of the citizenry, Article 79 of the constitution says that within a year passage of a law, 25% of the registered voters can demand that a plebiscite be called to repeal it (Panizza 2004). This again forces politicians to look for win-win policies with high prospects for long-term success. Thus, a strong party system coupled with constitutional safeguards has created a stable political situation in Uruguay.

Methodology

Unlike in the US, where the Pendleton Act and the Interstate Commerce Commission provided a roadmap to understanding the evolution of bureaucratic governance, the developments in these four states are much more protracted. In order to test my theory, I will construct analytic narratives rooted in the secondary literature. These narratives will address three key questions: 1) how do political parties respond to electoral competition (when it exists)?; 2) how much freedom do government agencies have to set their own internal policies and develop specialized expertise?; and 3) is bureaucratic autonomy an unintended consequence of political bargaining or an intentional solution to long-term political

¹² A 2004 survey of Argentines found that 44% reported parties gave things out to individuals in their neighborhoods during the campaign and approximately 90% of these could identify what was received, and another 80% could tie it to a particular party. See Brusco et al. (2004)

competition? Fourth and fifth, in the federalist states, how does political competition vary between subnational and national units and how does bureaucratic autonomy differ between these units as well?

For this study, I discuss aspects of each state using the entirety of their modern history, but primarily focus on post-Peso Crisis (roughly, 1982-2012) regimes in all four countries. It is only at this point that any of the states begin to return to democracy with other Third Wave countries (Huntington 1991). It also represents an era of juxtaposition between the delegative democracies and democracies that had consolidated broader forms of self-government (O'Donnell 1994; Przeworski 1991, 2010). Finally, this period contains improved numeric records to accompany qualitative inquiry into formal institutional arrangements at the national and subnational level. This is not to argue that informal institutions are not important; to the contrary, I thoroughly expect informal institutions, the use of rules and norms outside officially sanctioned channels (Helmke and Levitsky 2006), to influence the causal mechanism in each state, but not to the extent that the hypotheses are not still clearly demonstrated. By focusing on particular formal institutions, these narratives should make the workings of informal institutions more obvious.

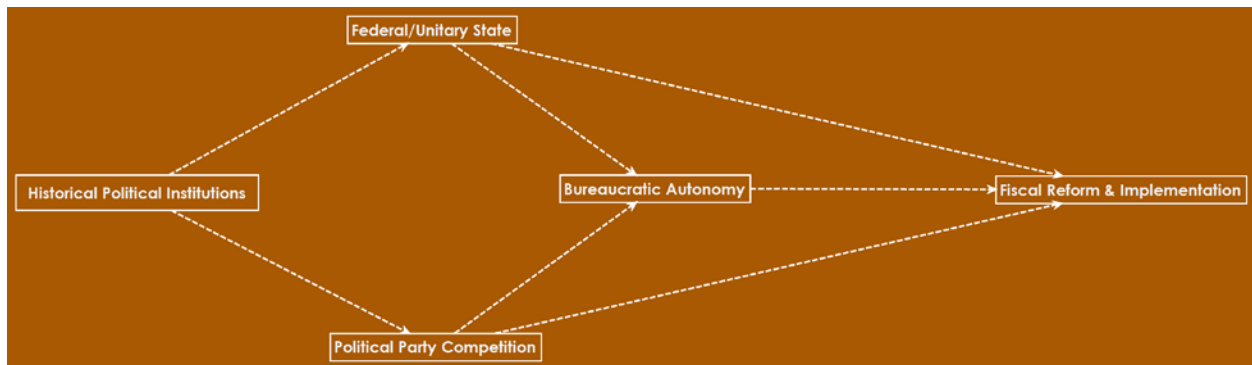
By employing comparative historical narratives, I am able to look at the causal processes of bureaucratic autonomy over time. As noted in Carpenter (2001), historical narratives illuminate the strengths and limits of path dependence, note the possibility of counterfactuals, and clarify theoretical mechanisms within both time and place.

A Cross-sectional Study of the Impact of Federalism and Party Competition on Bureaucratic Autonomy

Introduction

Theoretical Design

Figure 1: Causal Diagram



Primary Analysis

$$Bureaucratic\ Autonomy \sim Political\ Competition + Political\ Institutions + Controls$$

Secondary Analysis

$$Reform\ Success \sim Pol\ Competition + Pol\ Institutions + Bureaucratic\ Autonomy + Controls$$

Data

I borrow my general approach from Wibbels (2005) and (Lijphart 2012).

Response variables: Autonomy will be measured by the average tenure and the average years of schooling within the Ministry of Finance (or equivalent). Wilson (1989) argues that careerist executives are more likely to remain in an organization longer than political appointees, and while executives are different from managers and operators (using Wilson's terminology where operators are the individuals who implement an organization's technology), the rational remains the same. Similarly, autonomy bureaucracies will have hiring and firing discretion and a strong desire to imprint or socialize newcomers and thus have higher standards than those organizations in which patronage dominates; education does not entirely indicate candidate quality, but should have high correlation. This most likely will only be a cross-sectional analysis, since data collection will most likely be primary.

Why Ministry of Finance?

Explanatory variables:

- Political Party competition: use three variables: effective number of parties (Lijphart 2012), vote share of winning coalition less one-half (Wibbels 2005), and programmatic parties (Keefer and Stasavage 2003).
- Federal/Unitary indicator: 1 if federal, 0 if unitary (Wibbels 2005). Alternatively, use Lijphart (2012)'s degree of federalism/decentralization measure.

Control variables:

- Population
- Natural log of GDP
- Freedom House Index
- Infant Mortality Rate
- FDI as a percent of GDP
- General Government Final Consumption Expenditure as a percent of GDP

Alternative Hypothesis variables:

- Number of veto players: while not entirely contradictory, the literature on veto players argues that it is the position-taking and bargaining (spatial theory) that takes precedent over the causal pathway suggested above (Tsebelis 2000, 1995; Tsebelis and Ha 2014). I will use the variable *checks* from the Database of Political Institutions (Beck et al. 2001) which measures the number of government veto players in a given year. Additionally, veto player analysis has shown to be more robust at explaining reform, budgeting, and central bank independence than presidential vs. parliamentary (Keefer and Stasavage 2003; Tsebelis 1995; Tsebelis and Chang 2004; Weymouth 2011).

Discussion and Implications

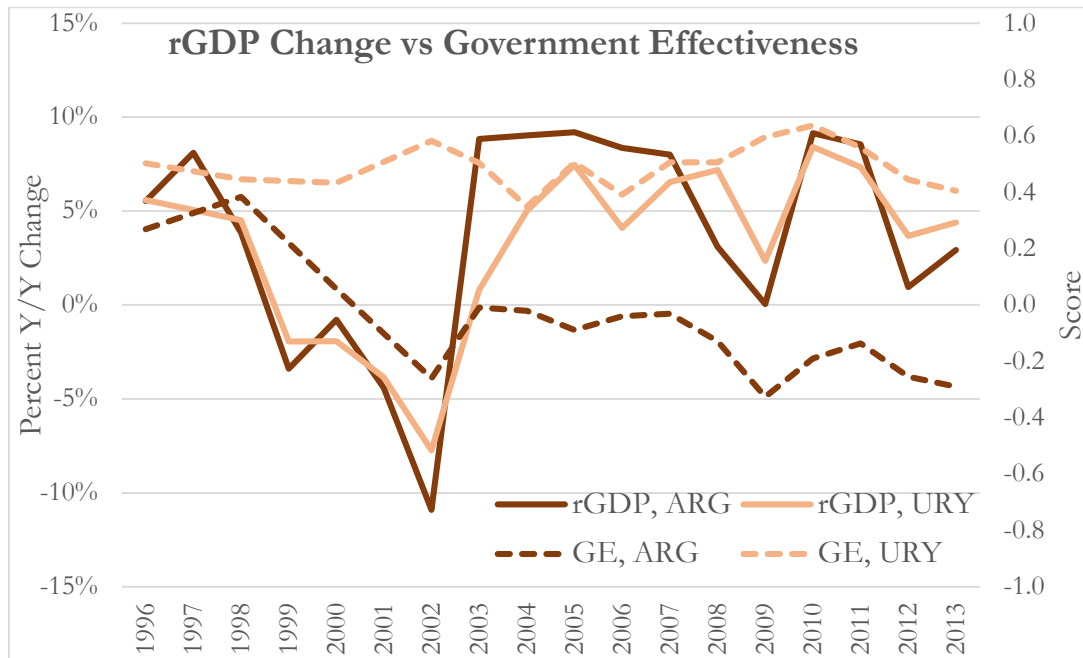
Why Bureaucratic Autonomy?

Much of the literature in comparative politics has ignored the important role of bureaucratic institutional development, and in several of the instances where it has not, bureaucratic development has been relegated to indicators of state capacity. This is not particularly surprising, as American political science and public policy scholars subsumed the study of American bureaucracy under the heading of implementation (Pressman and Wildavsky 1973; Lynn 1996; Stillman 1999).

There are few studies on bureaucratic development despite its importance, thus this project makes several contributions. First, it begins to fill gaps in the literature on democracy/democratic consolidation (O'Donnell 1994; O'Donnell and Schmitter 1986) and the welfare state (Haggard and Kaufman 2008; Huber and Stephens 2012). Second, it addresses public policy debates on discretion (Fiorina 1989; Parker 1992; Epstein and O'Halloran 1999; Huber and Shipan 2002) and autonomy (Wilson 1989; Carpenter 2001), rooted in studies of US policymaking. Third, it complements the Latin American institutional development literature (Spiller and Tommasi 2007; Levitsky and Murillo 2005) by using the comparative method and historical analysis to test my theory. Finally, it has important policy implications for practitioners interested in improving the delivery of government services in less developed countries.

This research is motivated by the empirical puzzle demonstrated in Figure 1, where the change in real gross domestic product of Argentina and Uruguay closely follow one another, but the World Governance Indicator of government effectiveness shows an increasing gap between the two states, with Uruguay maintaining much higher levels of effectiveness; this effect is true for almost all of the World Governance Indicators: Uruguay at least maintains, if not improves their score (and ranking), while Argentina's score generally falls and plateaus. These differences cannot be explained by other economic or social issues; rather, the political variables mentioned above provide a better explanation for the difference in government outcomes. My goal, then, has been to try to determine how these political mechanisms work in tandem, given the understanding that the bureaucracy is the primary mechanism through which the governance is judged.

Figure 2:



Placement of Articles & Future Directions

Since I have taken the three article approach and have used different methods in each article to attack the broader research question of the interaction between federalism, party competition, and bureaucracy, I plan on placing the three articles in different substantive areas. I plan to tailor the network formation game for a placement in the *Journal of Theoretical Politics*, since the focus is primarily on developing a theoretical methods to better understand institutional interactions. The analytical narratives chapter should place into the *Journal of Latin American Studies* or *Latin American Politics and Society*, both quality regional publications. Finally, the large-N study will be framed to place in quality public administration journal, such as *Public Administration Review*, the *Journal of Public Administration Research and Theory*, or the *Policy Studies Journal*.

There are three natural extensions to this research: (i) to generalize from the federalism literature to the literature on centralization/decentralization. This will create an opportunity to further unveil the mechanisms at work in the federal regimes, and will provide many more cases for analysis. (ii) To study the critical junctures advanced industrial countries faced while democratizing which lead to bureaucratic autonomy. Essentially, why was the Pendleton Act so effective in the US and what are similar junctures in other OECD states? (iii) To further look at the effects of bureaucratic autonomy, with specific regard to market reforms. I am already conducting some research into the IMF and World Bank archives regarding the interactions between IFI officials and bureaucratic agents.

Proposed Timeline

CHAPTER	ITEM	PROPOSED DEADLINE
Introduction	Draft	May 1 st , 2016
	Revision	June 15 th , 2016
	Final Version	August 15 th , 2016

Network Formation Game	Basic Analysis	January 1 st , 2016
	Draft	January 15 th , 2016
	Revision	March 1 st , 2016
	Final Version	August 15 th , 2016
Four Analytical Narratives	Analysis	February 15 th , 2016
	Draft	March 1 st , 2016
	Revision	April 15 th , 2016
	Final Version	August 15 th , 2016
Large-N Analysis	Analysis	March 1 st , 2016
	Draft	March 15 th , 2016
	Revision	May 1 st , 2016
	Final Version	August 15 th , 2016
Conclusion	Draft	June 15 th , 2016
	Revision	July 15 th , 2016
	Final Version	August 15 th , 2016

- Acemoglu, D., P. Aghion, and F. Zilibotti. 2006. "Distance to frontier, selection, and economic growth." *Journal of the European Economic Association* 4 (1):37-74.
- Agranoff, R., and M. McGuire. 2001. "Big questions in public network management research." *Journal of Public Administration Research and Theory* 11 (3):295-326.
- Aidt, Toke S. 2003. "Economic Analysis of Corruption: A Survey." *Economic Journal* 113 (491):632-52.
- Alt, J. E., and D. D. Lassen. 2006. "Transparency, political polarization, and political budget cycles in OECD countries." *American Journal of Political Science* 50 (3):530-50.
- Bala, Venkatesh, and Sanjeev Goyal. 2000. "A noncooperative model of network formation." *Econometrica* 68 (5):1181-229.
- Ballinas Valdes, Cristopher. 2011. *Political struggles and the forging of autonomous government agencies*. New York: Palgrave Macmillan.
- Beck, T., G. Clarke, A. Groff, P. Keefer, and P. Walsh. 2001. "New tools in comparative political economy: The database of political institutions." *World Bank Economic Review* 15 (1):165-76.
- Borner, Silvio, and Markus Kobler. 2002. "Strength and Commitment of the State: It Takes Two to Tango." *Public Choice* (110):327-50.
- Brusco, Valeria, Marcelo Nazareno, and Susan C. Stokes. 2004. "Vote Buying in Argentina." *Latin American Research Review* 39 (2):66-88.
- Calvo, Ernesto. 2014. *Legislator success in fragmented congresses in Argentina : plurality cartels, minority presidents, and lawmaking*. Cambridge ; New York: Cambridge University Press.
- Carpenter, Daniel P. 2000. "State building through reputation building: Coalitions of esteem and program innovation in the national postal system, 1883-1913." *Studies in American Political Development* 14 (2):121-55.
- . 2001. *The forging of bureaucratic autonomy : reputations, networks, and policy innovation in executive agencies, 1862-1928*. Princeton, N.J.: Princeton University Press.
- Cason, Jeffrey. 2002. "Electoral Reform, Institutional Change, and Party Adaptation in Uruguay." *Latin American Politics and Society* 44 (3):89-109.
- Chavez, Rebecca B. 2004. "The Evolution of Judicial Autonomy in Argentina: Establishing the Rule of Law in an Ultrapresidential System." *Journal of Latin American Studies* 36 (3):451-78.
- Chhibber, Pradeep K., and Ken Kollman. 2004. *The formation of national party systems : federalism and party competition in Canada, Great Britain, India, and the United States*. Princeton, N.J.: Princeton University Press.

- Cho, I. K., and D. M. Kreps. 1987. "Signaling Games and Stable Equilibria." *Quarterly Journal of Economics* 102 (2):179-221.
- Cranmer, S. J., B. A. Desmarais, and E. J. Menninga. 2012. "Complex Dependencies in the Alliance Network." *Conflict Management and Peace Science* 29 (3):279-313.
- Dimaggio, P. J., and W. W. Powell. 1983. "The Iron Cage Revisited - Institutional Isomorphism and Collective Rationality in Organizational Fields." *American Sociological Review* 48 (2):147-60.
- Eaton, Kent. 2003. "Can Politicians Control Bureaucrats? Applying Theories of Political Control to Argentina's Democracy." *Latin American Politics and Society* 45 (4):33-62.
- . 2008. "Paradoxes of Policy Reform." *Latin American Research Review* 43 (3):5-32.
- Epstein, David, and Sharyn O'Halloran. 1999. *Delegating powers : a transaction cost politics approach to policy making under separate powers*. Cambridge, U.K. ; New York: Cambridge University Press.
- Fiorina, Morris P. 1989. *Congress, keystone of the Washington establishment*. 2nd ed. New Haven: Yale University Press.
- Geddes, B. 1991. "A Game Theoretic Model of Reform in Latin-American Democracies." *American Political Science Review* 85 (2):371-92.
- Geddes, Barbara. 1994. *Politician's dilemma : building state capacity in Latin America*. Berkeley: University of California Press.
- . 2003. *Paradigms and sand castles : theory building and research design in comparative politics*. Ann Arbor: University of Michigan Press.
- Haggard, Stephan, and Robert R. Kaufman. 2008. *Development, democracy, and welfare states : Latin America, East Asia, and Eastern Europe*. Princeton: Princeton University Press.
- Hellwig, T. 2012. "Constructing Accountability: Party Position Taking and Economic Voting." *Comparative Political Studies* 45 (1):91-118.
- Helmke, Gretchen, and Steven Levitsky. 2006. *Informal institutions and democracy : lessons from Latin America*. Baltimore: Johns Hopkins University Press.
- Henry, A. D., M. Lubell, and M. McCoy. 2011. "Belief Systems and Social Capital as Drivers of Policy Network Structure: The Case of California Regional Planning." *Journal of Public Administration Research and Theory* 21 (3):419-44.
- Huber, Evelyne, and John D. Stephens. 2012. *Democracy and the left : social policy and inequality in Latin America*. Chicago: The University of Chicago Press.
- Huber, John D., and Charles R. Shipan. 2002. *Deliberate discretion : the institutional foundations of bureaucratic autonomy*. Cambridge, UK ; New York: Cambridge University Press.
- Huntington, Samuel P. 1991. *The third wave : democratization in the late twentieth century*. Norman: University of Oklahoma Press.
- Jackson, Matthew O. 2008. *Social and economic networks*. Princeton, NJ: Princeton University Press.
- Jackson, Matthew O., and Asher Wolinsky. 1996. "A Strategic Model of Social and Economic Networks." *Journal of Economic Theory* 71:44-74.
- Jacobs, Becky L. 2003. "Pesification and Economic Crisis in Argentina: The Moral Posed by a Politicized Supreme Court." *The University of Miami Inter-American Law Review* 34 (3):391-434.
- Keefer, P., and D. Stasavage. 2003. "The limits of delegation: Veto players, Central Bank independence, and the credibility of monetary policy." *American Political Science Review* 97 (3):407-23.
- King, Gary, Robert O. Keohane, and Sidney Verba. 1994. *Designing social inquiry : scientific inference in qualitative research*. Princeton, N.J.: Princeton University Press.
- Kitschelt, Herbert, and Steven Wilkinson. 2007. *Patrons, clients, and policies : patterns of democratic accountability and political competition*. Cambridge, UK ; New York: Cambridge University Press.
- Knack, Stephen, and Philip Keefer. 1995. "Institutions and Economic Performance: Cross-Country Tests Using Alternative Institutional Indicators." *Economics and Politics* 7 (3):207-28.
- Levitsky, S., and M. V. Murillo. 2009. "Variation in Institutional Strength." *Annual Review of Political Science* 12:115-33.
- Levitsky, Steven, and María Victoria Murillo. 2005. *Argentine democracy : the politics of institutional weakness*. University Park, Pa.: Pennsylvania State University Press.
- Lijphart, Arend. 1977. *Democracy in plural societies : a comparative exploration*. New Haven: Yale University Press.

- . 2012. *Patterns of democracy : government forms and performance in thirty-six countries*. 2nd ed. New Haven: Yale University Press.
- Llamazares, Iván. 2005. "Patterns in Contingencies: The Interlocking of Formal and Informal Political Institutions in Contemporary Argentina." *Social Forces* 83 (4):1671-95.
- Llanos, Mariana. 2001. "Understanding Presidential Power in Argentina: A Study of the Policy of Privatisation in the 1990s." *Journal of Latin American Studies* 33 (1):67-99.
- Lynn, Laurence E. 1996. *Public management as art, science, and profession*. Chatham, N.J.: Chatham House Publishers.
- Mayhew, David R. 1974. *Congress : the electoral connection*. New Haven: Yale University Press.
- Melo, Marcus A. 2007. "Institutional Weakness and the Puzzle of Argentina's Low Taxation." *Latin American Politics and Society* 49 (4):115-48.
- Munck, G. L. 2001. "Game theory and comparative politics - New perspectives and old concerns." *World Politics* 53 (2):173-+.
- Murillo, Maria Victoria. 2009. *Political competition, partisanship, and policymaking in Latin American public utilities*. New York: Cambridge University Press.
- Myerson, Roger B. 1977. "Graphs and Cooperation in Games." *Mathematics of Operations Research* 2 (3):225-9.
- O'Donnell, Guillermo A. 1994. "Delegative Democracy." *Journal of Democracy* 5 (1):55-69.
- O'Donnell, Guillermo A., and Philippe C. Schmitter. 1986. *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies*. Vol. 4. Baltimore: John Hopkins University Press.
- Page, Jr., Frank H., and Myrna H. Wooders. 2007. "Network Formation Games." *Indiana University Working Paper*.
- Page, Jr., Frank H., Myrna H. Wooders, and Samir Kamat. 2005. "Networks and farsighted stability." *Journal of Economic Theory* 120 (2):257-69.
- Panizza, Francisco. 2004. "A Reform without Losers: The Symbolic Economy of Civil Service Reform in Uruguay, 1995-96." *Latin American Politics and Society* 46 (3):1-28.
- Parker, Glenn R. 1992. *Institutional change, discretion, and the making of modern Congress : an economic interpretation*. Ann Arbor: University of Michigan Press.
- Perry, James L. 1989. *Handbook of public administration*. 1st ed. San Francisco: Jossey-Bass.
- Peterson, Paul E. 1995. *The price of federalism*. Washington, D.C.: Brookings Institution.
- Pressman, Jeffrey L., and Aaron B. Wildavsky. 1973. *Implementation: How Great Expectations in Washington Are Dashed in Oakland; Or, Why It's Amazing that Federal Programs Work at All, This Being a Saga of the Economic Development Administration as Told by Two Sympathetic Observers Who Seek to Build Morals*. Berkeley: University of California Press.
- Przeworski, Adam. 1991. *Democracy and the market : political and economic reforms in Eastern Europe and Latin America*. Cambridge ; New York: Cambridge University Press.
- . 2010. *Democracy and the limits of self-government*. New York: Cambridge University Press.
- Rainey, Hal G. 2009. *Understanding and managing public organizations*. 4th ed. San Francisco, CA: Jossey-Bass.
- Riker, William H. 1964. *Federalism: origin, operation, significance*. Boston,: Little.
- Ringquist, Evan J. 1993. *Environmental protection at the state level : politics and progress in controlling pollution*. Armonk, N.Y.: Sharpe.
- Rodrik, D. 2000. "Institutions for high-quality growth: What they are and how to acquire them." *Studies in Comparative International Development* 35 (3):3-31.
- . 2007. "Getting Institutions Right." *One Economics, Many Recipes: Globalization, Institutions, and Economic Growth*:184-92.
- . 2008. "Second-best institutions." *American Economic Review* 98 (2):100-4.
- Spiller, Pablo T., and Mariano Tommasi. 2007. *The institutional foundations of public policy in Argentina*. New York: Cambridge University Press.
- Stillman, Richard Joseph. 1999. *Preface to public administration : a search for themes and direction*. 2nd ed. Burke, VA: Chatelaine Press.
- Tiebout, C. M. 1956. "A Pure Theory of Local Expenditures." *Journal of Political Economy* 64 (5):416-24.
- Tilly, Charles. 1992. *Coercion, capital, and European states, AD 990-1992*. Rev. pbk. ed. Cambridge, MA: Blackwell.

- Tresch, Richard. 2014. *Public finance*. Boston, MA: Elsevier.
- Tsebelis, G. 1995. "Decision-Making in Political-Systems - Veto Players in Presidentialism, Parliamentarism, Multicameralism and Multipartyism." *British Journal of Political Science* 25:289-325.
- . 2000. "Veto players and institutional analysis." *Governance-an International Journal of Policy and Administration* 13 (4):441-74.
- Tsebelis, G., and E. C. C. Chang. 2004. "Veto players and the structure of budgets in advanced industrialized countries." *European Journal of Political Research* 43 (3):449-76.
- Tsebelis, G., and E. Ha. 2014. "Coalition theory: a veto players' approach." *European Political Science Review* 6 (3):331-57.
- Villalón, Roberta. 2007. "Neoliberalism, Corruption, and Legacies of Contention." *Latin American Perspectives* 34 (2):139-56.
- Weingast, B. R. 1995. "The Economic-Role of Political-Institutions - Market-Preserving Federalism and Economic-Development." *Journal of Law Economics & Organization* 11 (1):1-31.
- Weymouth, S. 2011. "Political Institutions and Property Rights: Veto Players and Foreign Exchange Commitments in 127 Countries." *Comparative Political Studies* 44 (2):211-40.
- Wibbels, Erik. 2005. *Federalism and the market : intergovernmental conflict and economic reform in the developing world*. Cambridge ; New York: Cambridge University Press.
- Wilson, James Q. 1989. *Bureaucracy : what government agencies do and why they do it*. New York: Basic Books.