

Democracy, Democratization and Institutional Theory

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Abstract

Integrating the theories of democracy and democratization and institutional theory, two discourses that have developed independently, may enhance our understanding of how alternative sets of institutions work in processes of transformation from authoritarian to democratic rule. First, the focus of institutional theory on the mechanisms that transmit individual preferences into collective choices corresponds to issues that are also central to theories of democratization. Second, the core issues of democratization theory (institution building, formation of collective actors and identities) are identical to those that are discussed in various versions of institutional theory. Applying this insight, the paper examines the extent to which – and at what levels of analysis – seven versions of the new institutional theory can improve our understanding of processes and institutions of democratization: normative, rational choice, historical, sociological, empirical, international institutionalism, and institutions of interest mediation. The rational and sociological versions of new institutionalism encompass opposite assumptions about the role of institutions in democratization processes (the primacy of institutions versus the primacy of context), while historical institutionalism explicates the genesis of institutions without stipulating their ontology. Considering the meaning and ontology of alternative versions of democracy – moving from the ‘how?’ to the ‘what?’ questions – may enhance our understanding of alternative sets of institutions in different country contexts.

1. Democracy, Democratization, and institutional Theory¹

Political science has harbored a paradox since the mid-1980s. Two discourses have gained prominence, both preoccupied with the same issues – how, and under what conditions are individual preferences transmitted into collective choices, and how can these choices in turn be said to reflect a general or common interest of society.

The first are recent theories of democratization. Born in reaction to the deterministic bias of classical theories of political modernization and the inescapable chains of dependency theory, they emphasized the sovereignty and importance of political elites and their strategic actions, particularly emphasizing leadership strategies and political contingency. In a situation where democratization was snowballing through Southern Europe, Latin America, and Eastern Europe, democratic reformers were obviously unable to find much comfort in positive (and predictive) theories that emphasized the objective social or structural preconditions for democracy, conditions often lacking in the democratizing countries. In this context, theories that emphasized the transformative potential of political elites were obviously more attractive. From the early 1990s, these approaches were supplemented by a surge of interest in comparative studies of the political regimes that arose in the 'third wave' of democratization. Using what we below will identify as 'empirical institutionalism', these studies have attempted to explain the varied performance and dynamics of the new democracies. Attention has in particular been directed toward visions of democracy (Lijphart, 1999), government structures (Shugart & Carey, 1992; Linz & Valenzuela, 1994; Johannsen, 2000; Nørgaard, 2000), party systems (Mainwaring & Scully, 1995; Power & Gasiorowski, 1997), and electoral rules (Elklit, 1999). As observed by Snyder and Mahoney (1999), the focus on the economic and political performance of institutions in new democracies was not, however, accompanied by a corresponding interest in the roles played by institutions in explaining the origin of these regimes. Probably moved by the implicit 'tabula rasa' assumption of rational choice institutionalism, only a few studies based on historical and sociological institutionalism have examined the effects of pre-change political institutions (Stark & Bruszt, 1996; Bratton & van den Walle, 1997). This renewed interest in institutions has, however, rarely touched upon the deeper ontological interpretations of the subject they address. Questions of democratization have, in Reddaway and Glinski's formulation (2001: 40), been more instrumental than substantive – 'not "what?" and "whence?" but "why?", "under what conditions?" and "whither?'. Model builders, whether in economics, political science or other

realms of the social sciences, have focused on how the subject (mostly the economic and political system) moved from point A to point B without bothering about the meanings or ontology of the subject.

These meanings and ontologies are at the core of the second discourse addressed in this essay, what has been termed 'new institutional theory.' Whether it really was new is not the issue here (Immergut, 1997). Born in reaction to the assumptions of crude behaviorism (and rational choice), it calls attention to the independent roles played by institutions in the formation and transformation of individual preferences into collective action and choices. As observed by Karen Remmer (1997: 50), the two traditions nevertheless developed in almost total isolation from each other. Only in a few instances was institutionalism (in its rational choice or game-theoretic variant) explicitly applied to the problems of transition and democratization (Colomer, 1991, 1995; Kurrild-Klitgaard, 1997; Lijphart & Weissman, 1996). This paper attempts to explore the potential of integrating the two approaches, focusing on the insights (meanings and ontologies) that I believe that those dealing with problems of democratization can glean from institutional theory. It represents an effort to contribute to the 'conceptual work [that] needs to be done' (Snyder & Mahoney, 1999: 118), if we are to move forward in our understanding of how institutions perform in concrete country contexts. The first section describes how the focus of institutional theory corresponds to central issues in theories of democratization. The second section examines the other side, showing how the core issues of democratization theory are identical to those discussed in institutional theory. These two sections draw heavily on previous works within the two discourses. The third section sets out an analytical framework that can be applied if we want to explore the prospects and limits of institutional theory in the study of democratization. The fourth section examines the extent to which – and at what levels of analysis – alternative versions of new institutional theory can improve our understanding of processes and institutions of democratization, while section five summarizes the findings. It is a core argument in the paper that exploring the meaning and ontology of alternative versions of democracy – moving from the 'how?' to the 'what?' questions – may enhance our understanding of alternative sets of institutions in different country contexts.

2. Institutional theories and issues of democratization

Institutional theories describe how individual preferences are identified and aggregated to the level of collective choices. In classical behavioralism it was assumed that: a) individual behavior expressed real and objective preferences;

b) individual (and group) preferences were aggregated in a political market where institutions do not have independent effects on outcomes, but only function as a sort of catalyst that generates equilibrium; c) in this vision the common good/public interest of the democratic process is identical to the mechanical summation of individual preferences. The various versions of institutionalism reject the two first assumptions and the ensuing deductions: a) preferences are not identical to behavior because preferences are not exogenous to the political process, but are mutable by institutional and process based constraints and impulses during the political process; b) institutions are not neutral transmitters and aggregators in the political process. The ways in which they are construed determine the relative power and influence of competing political interests. Whereas political equilibrium is assumed to be generated spontaneously in the behavioral/utilitarian version of democracy (as it is in general equilibrium theory in neoclassical economic theory), institutional theory perceives equilibrium in the political market as an artifact of human will. Institutions can generate equilibrium – or equilibrium problems – in the political markets, and will in any case influence political outcomes; c) this finally leads to the conclusion that a simple aggregate of individual or collective interests cannot define the public good. The construction of political institutions will inevitably have a normative bias favoring particular outcomes. In addition, because institutional design is ultimately decided by politics, successful institutional engineering becomes, to paraphrase a neo-liberal dictum, a matter of ‘getting politics right.’ Hence, how institutions should be construed and which outcomes favored are acts of human will. Normative standards are thus not given exogenously, but are endogenous to the political process. The common good is what we, by the construction of institutions, want it to be. These basic definitions and assumptions are formalized in Table 1.

The same arguments can be further developed and placed in the context of alternative theories and standards of democracy. In this perspective institutional and behaviorist approaches share the liberal democratic core, because their points of departure are individual interests and problems associated with the aggregation of individual preferences through the political process. This premise is the opposite of theories where the concept of democracy is based on a premise of objective interests. This is the case in the Marxist versions of democracy, where objective individual interests are deduced from a general theory of historical development and the roles played by social classes in that process. In the liberal camp, the different perceptions of democracy are based on alternative understandings of how individual interests are generated, how they are mediated into collective

Table 1. Basic assumptions and definitions of institutional theory.

	Preferences (Xi)	Aggregation ($\sum Xi$)	Normative Standard
Behavioralism	Subjective, revealed through behavior (e.g., voting)	Efficient summation \rightarrow equilibrium (e.g. interest group market)	Utilitarian: $\sum Xi =$ public interest/ common good
Institutionalism	True \neq expressed preferences (problem with Xi)	Inefficient aggregation Equilibrium problems \rightarrow outcome/decisions $\neq \sum Xi$ (problem with $\sum Xi$)	Rejects utilitarian standard $\sum Xi \neq$ public interest Assessment of bias Eradication of bias Common good = ??

Source, Immergut, 1998, p. 8.

choices and, ultimately, how they should be transformed. The behavioralist tradition assumes that individual preferences as revealed through behavior (voting, institutions of interest intermediation) is a frictionless process whereby preferences are transmitted through the formal democratic institutions of the political system (and the marketplace) to produce optimal – democratic – outcomes. Here the formal rules of democracy (fairness of process) guarantee the democratic justness of results. In contrast, liberal institutional democratic theories, from Schumpeter's minimalist electoral democracy (1994) to Dahl's more elaborate polyarchy (1989) derive individual preferences from various sources, and the structure of the democratic process itself is assumed to influence outcomes. Substantive democratic justice is consequently the outcome of a procedural democracy where the procedures (institutions) themselves form part of the democratic process. Opposed to these basically liberal conceptions of democracy are the social determinist conceptions of democracy. In its Marxist version, democracy is conceived of as one particular version of class rule, objective interests as being derived from historical categories, political institutions (in most versions) as instruments of social domination, and the common good (the utopian democracy) defined exogenously to behavioral standards or individual preferences.

All three concepts of democracy and the role of institutions in the democratic process have deeper historical roots that are beyond the scope of this paper. Table 2, which summarizes the three positions, indicates which writers represent the historical landmarks of alternative versions of democracy.

Table 2. Democratic theory and the role of institutions.

	Liberal		
	Institutional	Behavioralist/ Utilitarian	Social Determinist/Marxist
Interests	Diverse sources of individual and collective interests; institutions influence their articulation and expression in politics	Subjective: preferences revealed through behavior; each individual best judge of his or her interests	Objective: social group/class based
Political process	Problem of aggregation: form of process affects quality and results of participation	Utility aggregation with efficient transmission of preferences (within politics, the market, and interest group market)	Corresponds to social/class structure
Normative	Procedural democracy: substantive justice through formal procedure	Formal democracy: fairness of process (pluralism) guarantees justness of results: formally open access to markets/politics; competition protected	Substantive democracy: Social harmony-organic solidarity/end of class exploitation
Example	Rousseau, Kant, Montesquieu, Toqueville, (J.S. Mill), Weber, Habermas, Rawls, Theodore J. Lowi	Bentham, James Mill, Milton Friedman, David Truman, Robert Dahl ^a	Durkheim, Marx

a. Hobbes, Locke, and Smith share many elements but are more concerned with institutional issues.

Source: Immergut, 1998, p. 14.

3. Democratization and Institutional theory

Democratization, and consequently theories of democratization, has to do with how systems that were previously non-democratic become democratic. This general question obviously covers a number of interconnected issues: a) what sort of democracy do we have in mind when we talk about democratization or 'transition to democracy'? – the 'what?' question in contrast to the

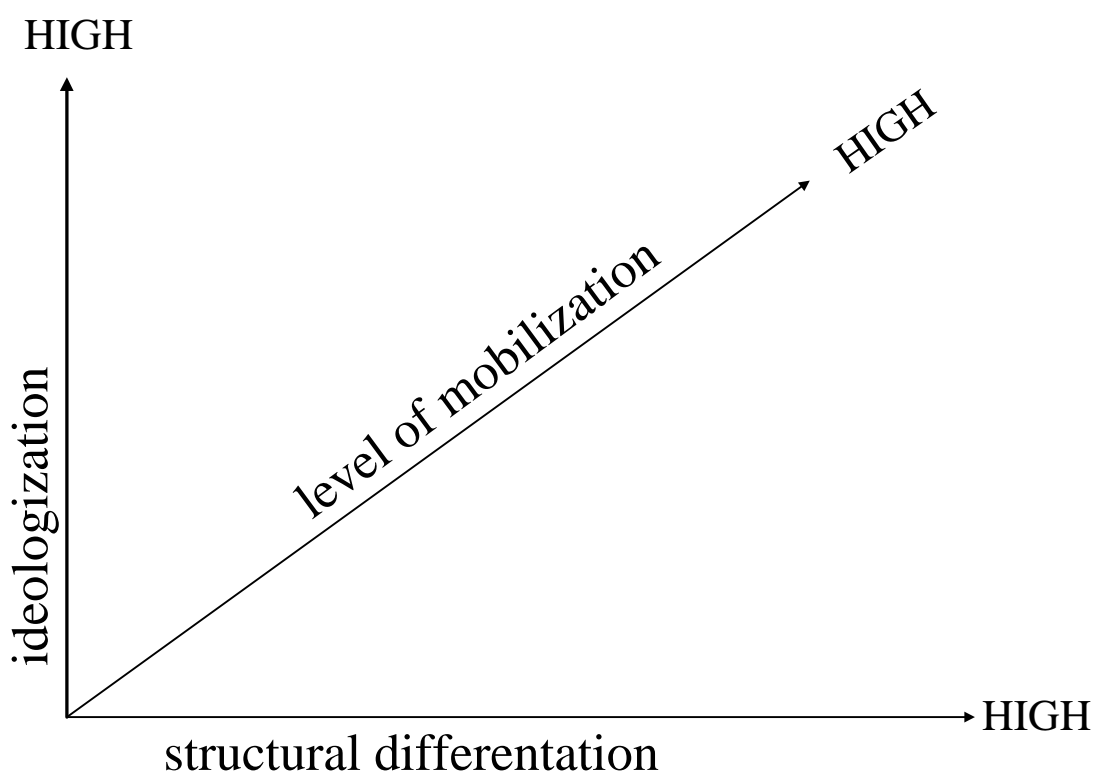
'how?' question; b) what do the characteristics of the incumbent system imply for the transition to democracy? c) what stages of the systemic transformation can we identify, and will the process ever end, i.e. will democracy in fact become 'consolidated.'

Turning first to the question of transition to democracy – and the obstacles to this process – the concept of democracy has obvious implications for our understanding of the process, and for positive and normative theories. Or stated differently: when the dependent variable (democracy) may be different, it implies that also the variables that produce this outcome must vary. As demonstrated by Levine (1988), one of the problems of the transition theories of the 1980s was that they implicitly assumed that the countries involved were headed for a sort of socialist democracy, emphasizing the material basis of democratic rights and opportunities, and the supremacy of communitarian values. In this context, the political elites were akin to the political vanguard in the Leninist version of social transformation. They failed to grasp that liberal democracy was attractive in its own right, and that the elites playing their strategic games epitomized a broader inclination in civil society toward procedural democracy.

The second question has to do with the origin of the democratizing system and the implications of the institutional characteristics of the outgoing system for the dimensions and staging of the transformation to democracy. Building on Linz (1974), we can here define the three institutional dimensions of the non-democratic system that constitute the dimensions of the transforming system. The first dimension concerns legitimacy. A non-democratic system legitimized by institutional identities penetrating large sections of the population obviously carries a heavier burden than does the short-lived dictatorship in which the ruler legitimized his actions by referring to incoherent and often inconsistent slogans about patria and/or macho symbols. This distinction represents the divide between the ideal type totalitarian (for example Nazism or Stalinism) and autocratic system. Similarly, a system where major segments of the population were mobilized in institutions supporting the system implies that the ruling regime faces tougher behavioral constraints than does the system whose dictator ruled in greater or lesser isolation vis-à-vis the general populace. Finally, the structural differentiation of civil society in the outgoing system also affects the stumbling blocks on the way to democracy. In this dimension, the greatest problems are faced by systems where all opposition movements were crushed and civil society atomized, and where a united block of rulers (or one autocrat) totally controlled the institutions linking the individual to the state, as we saw in Nazi-Germany and in the Stalinist Soviet Union. In

other less controlled non-democratic systems, islands of autonomy in civil society survived, and the ruling block consisted of competing factions more or less directly associated with structures of civil society. If we combine these three dimensions, we obtain a property space of non-democratic systems representing alternative combinations of the three properties: instruments of legitimization, level of political mobilization, and level of structural differentiation, as illustrated in Figure 1.

Figure 1. A property-space of non-democratic regimes.



The mainstream dictatorship is found at one end of the continuum. Here obscure slogans serve to legitimize the regime, while the majority of people (except for islands of resilience) apathetically accept the arbitrary exercise of power, and the regime itself is an artifact of competing groups and factions vying for power and privilege. As we move into the space delimited by the three dimensions, we approach (but obviously never reach) the ideal-type totalitarian system. Here one autocrat (or a completely united and dedicated group of rulers) legitimizes his rule by a coherent and all-encompassing ideology that also serves to mobilize the entire population.

While obviously a theoretical construct, this property space allows us to compare (and hopefully rank) different countries with regard to the institutional legacies at their points of departure to the transition to democracy. The extent to which such features of the incumbent system will influence the

development of the transitional system finally has to do with how and by which mechanisms the incumbent system was extricated. Following Karl and Schmitter (1991), and combining an actor dimension (elite or masses) with a strategy dimension (transformation from above or from below), we can here distinguish between four modes of extrication that form the transitional institutions: a *pact*, in which incoming and outgoing elites negotiate a settlement about how the democratic institutions should be organized, in the process hedging the political interests of both sides; *imposition*, where a dedicated elite constructs the democratic institutions in accordance with its own political tastes (or interests); *reform*, in which civil society groups negotiate a solution, in the process also hedging social and political interests; *revolution*, involving a mass rising to overthrow the incumbent elite and in the process create a plebeian democracy. The four types are illustrated in Figure 2.

Figure 2. Modes of extrication of non-democratic systems.

		STRATEGY	
		<i>Compromise</i>	<i>Force</i>
Actors	<i>Elites</i>	Pact (Spain, 1976 Chile, 1988)	Imposition (Russia, 1991)
	<i>Masses</i>	Reform (Poland, 1989)	Revolution (Iran, 1979)

Source: Karl and Schmitter, 1991: 275.

The inductive conclusion reached by Karl and Schmitter around 1990 is that a pact between democratic elites is the solution that offers the best prospects for democracy, because this mode of transition both hedges a new government against elite obstruction, and protects it from undemocratic institutions in civil society. The classic case is Spain after 1976, or more recently, Chile after 1988. Iran after 1980 is an example of the opposite situation, in which a mass rebellion against a dictator prepared the political arena for autocratic elites supported by mass based religious (and anti-liberal) institutions in civil society. The regime changes in Eastern Europe around 1990, however, seem to alter this picture. Here elite guided regime changes appeared to

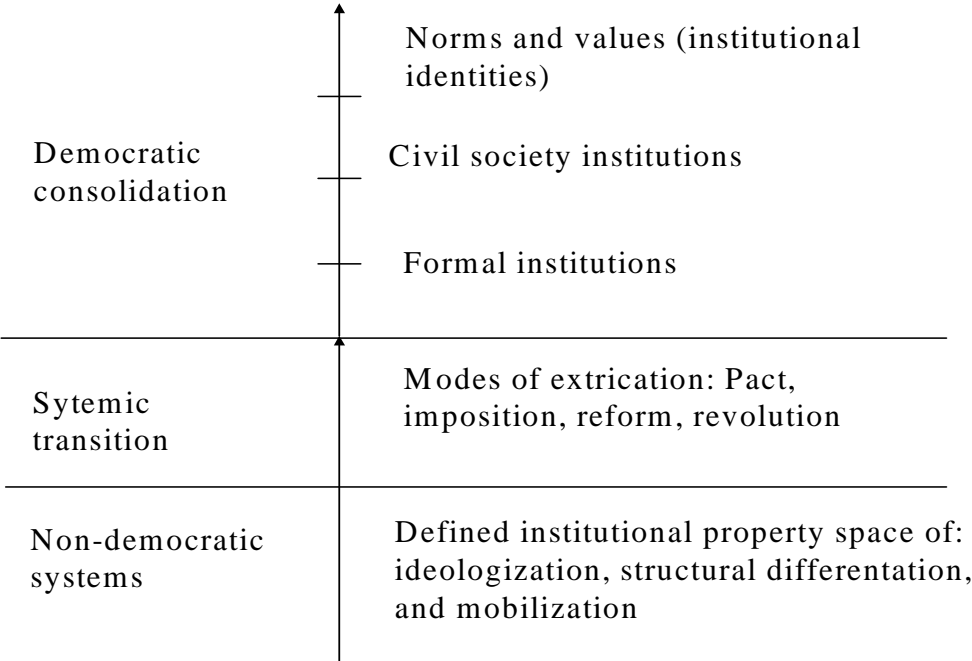
hedge elite interest at the expense of broader society and democracy, as exemplified in Figure 2 by Russia (Nørgaard, 2000). In these regimes, broad popular involvement seems to be a precondition for successful democratic transition, as exemplified by Poland. Obviously, however, conclusions would be premature. Moreover, this preliminary empirical observation is not the central point in this context. It is rather the observation that democratic transformation has an institutional aspect, in which the mode of extrication influences the kinds of political institutions that will survive the overthrow of non-democratic institutions.

This leads us to the third and final aspect of democratic transformation: how do we divide the process into operative stages so that comparisons across countries and time series become possible. A huge number of typologies have been offered, distilling the process into almost as many stages, steps or phases as there have been proposals, starting with the classical work of Rustow (1970). The fruitfulness of these exercises is questionable, however, and not the topic of this paper. In this context, it is sufficient to separate the process into two phases (stages or steps): democratic *transition*, that is, the process whereby the previous system is extricated, and the subsequent phase of *democratic consolidation* is initiated. In this understanding, a democratic transition is completed when the basic democratic institutions (typically embedded in a constitution) are in place, reflecting the particular version of democracy chosen, and democratic consolidation can now begin. This phase of democratization is open ended, but – with a view to the dimensions depicted in Figure 1 – represents a multidimensional, continuous but in effect also reversible process. The dimensions involved are mirror images of the institutions that were used to characterize non-democratic systems. To what extent are the democratic institutions linked to society by means of a multiplicity of political parties and organizations? Does an active and informed citizenry back up those parties and organizations? Are citizens and elites characterized by democratic political cultures and behavioral codes that foster compromise and conciliation rather than confrontation and polarization? Those questions must be answered if we are to measure the degree of democratic consolidation. But it is obviously a never-ending process, and the ideal type democracy (of whatever version) is never quite reached. The dimensions of democratic transition and consolidation are illustrated in Figure 3. In the present context, it is also important to observe the different roles played by institutions in the two major stages of democratic transition (Jørgensen, 2001). During the transition, institutions become the dependent variable. The essence of a successful transition is the establishment of democratic institutions such as constitution, electoral system, power sharing,

and what Valenzuela (1992: 61) terms 'horizontal accountability.' The factors that determine a successful institutionalization is a much debated subject among structuralists focusing for example on culture (Lipset, 1996), and actor oriented theories (Colomer, 1995: 75) focusing on the crucial role played by actors during a period when the constraints of structural factors are (temporarily) weakened. During consolidation, however, institutions become the independent variable, because a successful consolidation process is characterized by a gradual change of values, attitudes, beliefs, and habituated actions within and in relation to the democratic institutions that make democracy 'the only game in town' (Linz, 1996: 15).

This brief exposé of the central themes and problems associated with democratization revealed that although the clothing is somewhat different, the level of abstraction is decidedly lower and behavioral assumptions (and ontologies) implicit rather than explicit, we are in fact dealing with issues identical to those addressed by institutional theory. The focus on how to define and transform individual preferences into collective choice (in

Figure 3. Stages of democratic transition and consolidation.



institutional theory) corresponds to the focus on the role played by institutions in that process (in recent theories of democratization). But where institutional theory (like the behaviorist version of democracy) seemed to assume static social and political contexts, democratization seeks to understand how socially desirable outcomes are achieved within a dynamic framework. We are dealing with what has been termed 'emerging democracies'

where not only institutions but also the socio-political context change. We are hence facing a multi-level game in which political equilibrium cannot be achieved by manipulating the institutional factor alone (mobilization of the bias of institutions). We also have to consider how this in turn feeds back into the dynamic context of civil society and political culture.

4. A framework for analysis

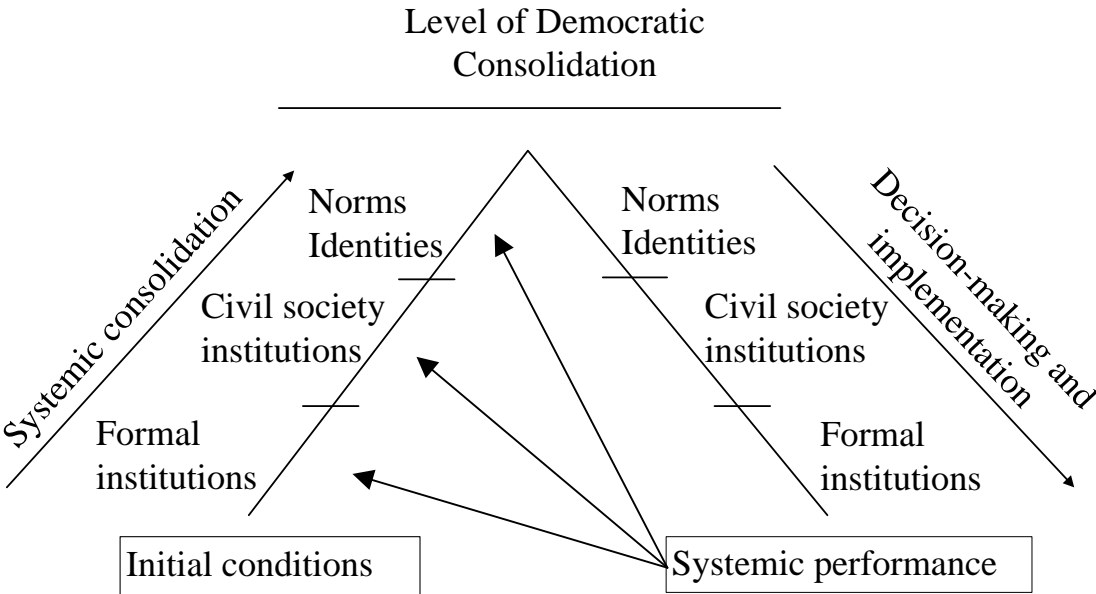
Institutional theories of democratization examine how institutions can sustain political equilibrium in a dynamic framework, and institutional theory how institutions affect the transformation of individual preferences into socially desirable outcomes. But how do we reformulate the questions of democratization in such a way that theories of democratization (the dynamic context) can benefit from the insights provided by institutional theory (the static context).

I believe that one way to proceed is to construct a general model of democratic consolidation that incorporates the dynamic socio-political context into the institutional model. In other words, we should design an analytical framework that describes how alternative institutions affect social outcomes in concrete country settings and at different societal levels, and how these outcomes in turn affect the performance of institutions. In this process, we must simultaneously consider how alternative assumptions about formation of individual preferences, institutional genesis and change, and normative standards (versions of the 'good' institution and 'good' democracy) – in sum the ontology of democratization – affect our understanding of how institutional factors influence processes of democratization.

One possible point of departure is the model illustrated in Figure 4. The model aspires to meet the demand for parsimony, while still depicting the complexity that follows from integrating static and dynamic models. It further aspires to meet the research ideal of combining empirical testing with deductive reasoning. Finally, it bridges the perpetual gap between actors and agents of history, because decisions are perceived both as historically constrained contingencies and as acts of human will that may change the inherited institutional framework.

The figure illustrates a democratizing system in which the democratic transition has just been completed. The basic formal institutions (of whatever democratic sort) are in place, but the other spheres of society are still afflicted with the institutional legacy of the old system on the dimensions depicted in Figure 1. Although incomplete, agents in the newly hatched democracy nevertheless have to make decisions at whatever level of consolidation they find themselves. Their decisions are, of course, informed

Figure 3. Democratization and institutional factors: a framework for analysis.



by the perceived needs and problems of society as presented by political actors and perceived by decision-makers. But in the political process (the decision-making process), such problems and demands are filtered by the understanding framed by the existing political culture (normative identities) and by the institutions of civil society (political parties, interest organization, grass roots movements, etc.). This is what we below will term path dependency in the tradition of historical institutionalism. The formal institutions that produce the political decisions, resulting in political outcomes, ultimately process these demands and issues. The system is efficient to the extent that institutions are able to make and implement decisions. Insofar as the outcomes meet the crucial problems of society as perceived by the major political actors, the institutions are also effective. Still, whatever the efficiency and effectiveness of the decisions made, decisions (or non-decisions, which are also decisions of a sort) are made. The outcome of such decisions is what we denominate system performance. Performance (economical, political, symbolic) eventually feeds back into the systemic consolidation (or deconsolidation) by means of legitimization of institutions, the performance of civil society institutions, mobilization of the citizenry and elites in support of the democratic institutions, and finally, in 'normative' support for democracy as way of making decisions and handling conflicts. This again influences the level of democratic consolidation, which subsequently produces new decisions and outcomes that influence system performance, etc., etc. The virtuous circle (what Diamond (1999: 74) calls 'deepening') represents a situation where the system is able to produce good results that

meet the demands of relevant political actors ‘who chose the sure awards for following the rules over the potential benefits to be had by breaking them’ (Merkel, 1998: 53). The system is therefore in a process of consolidation. The vicious circle comes into motion when performance is poor, leading to de-consolidation of democracy.

The dynamic process described here is also a multi-level process. Democracy consists not only of central constitutional structures that process the demands of citizens and outputs of central institutions. It also structures the way in which civil society institutions function (parties and organizations), and the way implementing agencies (executive and judicial) and institutions accomplish the tasks entrusted to them. Also here we are dealing with institutions that are integral parts of democratic consolidation, and our assumptions about how individual preferences intersect with the consolidation of institutions must be considered when we apply the insights of institutional theory to empirical cases of democratic consolidation in those institutions. That is, the role we ascribe to institutions and organizations in the process of democratization depends on how we *ex ante* perceive the interaction between institutions and political actors.

If we now want to answer how, to what extent, and under which circumstances, we must make a new differentiation between the alternative versions of institutionalism, subsumed under one headline in the first column of Table 2. In particular, we must reformulate the issues of democratization to fit the concepts of institutional theory and consider alternative assumptions about the formation of actor preferences, the definition and function of institutions, and the implications these premises will have for the application of institutional theory to processes of democratization. For each identifiable sub-species of institutional theory, we must answer these 7 questions:

- What are the assumptions about the formation of individual preferences (wants, demands) *vis-à-vis* the political system and the normative implications for the type of democracy that can be deduced from this premise? (Preferences as endogenous or exogenous to the political process; pluralist/utilitarian versus communitarian versions of democracy)
- How are institutions defined (behavioral versus cognitive/normative definitions) and are these definitions applicable to the issue of democratic consolidation?
- What explains the genesis of institutions, and what are the implications of the mode of explanation for our understanding of the creation of democratic institutions
- How is change (in our context, the process of democratic consolidation or de-consolidation) explained within this particular brand of institu-

tional theory? What is the strategic role of institutions for democratic change?

- What is the role of human agency in this institutional theory, and consequently in the formation of democracy and democratic consolidation? Is democracy and democratization the outcome of anonymous social and economic structures (as in classical structural theories of democratization)? Or is institutional change (democratization) better explained as a creation of human agency and strategic actors or elites?
- The de-ontological question: What is a good institution (and in our context, a good democratic institution). This question refers back to the first question about the formation of actor preferences, but should also consider the dynamic and strategic element, i.e., not only what the good (democratic) institution is, but also how it is achieved (in strategic and instrumental terms)
- Finally, at what level of analysis (level of democratization and of institutions) can a particular brand of institutional theory most adequately be applied? On macro phenomena such as the formation of constitutional structures and electoral systems? On micro phenomena like civil society organizations and executive institutions? Or on process based phenomena like decision-making (and implementation) processes in particular policy areas?

These are the questions to be answered in our review of alternative versions of institutional theory in the following section.

5. Alternative Institutionalisms and democratic consolidation

This section examines a number of 'institutionalisms' that have been identified in the recent literature. While a number of writers (Hall & Taylor (1996); Immergut (1998); Lane & Etsson (2000)) have chosen to make a narrow selection based on assumptions about the formation of actor preferences, we have chosen to follow the broader definition applied by Peters (1999). In his survey of alternative 'institutionalisms' in political science, he combines a typology based on actor assumption and the application of institutional theory in different issue areas. While his approach inevitably produces some overlap and can be criticized for blending different selection criteria, we consider it a suitable approach for exploring the potential and relevance of institutional theory for our understanding of democratization. Hence, this section will summarize the strengths and weaknesses of alternative versions of institutional theory, following the seven questions identified in the previous section.

5.1. *Normative institutionalism (NI)*

To the extent that March and Olson's 'normative institutionalism' (1984, 1989, 1996) can be considered an independent approach and not part of sociological institutionalism, its focus is on the impact of the formation of norms. In this tradition, preferences are not considered exogenous to the political process. Originating from various sources, they are influenced by institutions that form the framework for individual action in the process. In this perspective, normative institutionalism shares common ground with communitarian approaches to democracy, in that it subordinates individual preferences and interests to common values and notions about a common good. However, communitarian democratic theory (in its various versions) begins with the individual and individual preferences, which individuals then under certain conditions agree to subordinate to stipulated common good or community values. In contrast, normative institutional theory subordinates the individual, individual preferences, and individual identity to the identity of the institution. It is through membership of an institution defined by certain codes of conduct (logic of appropriateness) that the individual acquires civic identity. This in turn has implications for strategies of democratization. When a community approach is applied based on the formation of individual preferences, the problem of democratizing institutions becomes one of changing individual preferences and values (political culture). When normative institutionalism is applied, the problem becomes group (or institutional) identities hostile to democracy and democratic values, for example allegiances to religious, class, or national identities. In this version, the solution is not to change individual values, but to change instead individual identities associated with ruled-based actions that are incompatible with democracy and democratization.

Institutions are patterns of behavior that affect the behavior of individuals. Normative institutionalism sees institutions as defined by the rules reflected in the behavior of individuals belonging to the institution. Rules describe a certain code of conduct (logic of appropriateness) that provides the individual with a civic identity, which constrains and forms his actions. Social actions are informed by this 'logic of appropriateness' rather than the objectives aimed for by the institution or the individuals (logic of consequence). Hence, an institution is both norms and actions that reinforce each other in a dialectical and self-reinforcing relationship. In the context of democratic consolidation, this definition implies that where the legacy of the past is non- (or anti-) democratic institutions, our strategic ambition will be to change these self-reinforcing feedback mechanisms between norms and

behavior. If we succeed, we are in a process of democratic consolidation. If we fail, democracy is de-consolidating.

In this approach, institutions are formed by the society in which they are born. This implies that individuals are socialized into certain values, attitudes, beliefs, and habituated actions before they enter the institution. It also implies that institutions surviving the democratic transition may harbor identities and logics of appropriateness that are incompatible with democracy and democratic consolidation. However, what initially generates an institution (or a democratic institution) is not clear in this version of institutionalism.

Change of institutions is here described as a process of adaptation to context – the broader society in which the institution finds itself. Adaptation can proceed by a process of learning, by recognition of failing performance, by a top-down process where new leaders implement new routines or norms, or by the recruitment of new members with alternative values and codes of conduct. Hence, in the context of democratization, a reforming elite (or elites) can by pact or imposition define new standards for appropriate (democratic) action. That is what we saw in post-war Germany and Italy, and in post-Franco Spain. Or new generations can (in a bottom-up process) imbue the organization (or society at large) with alternative (democratic) values. That happened in post-war Germany and in a number of East European countries. The emphasis of this approach is thus on gradual adaptation and change rather than conflict.

While actors in an institution are bound by the logic of appropriateness, they can also under specific conditions transcend such boundaries and initiate change. Crisis situations where normative sanctions in an institution are weakened (punctuated equilibria) provide windows of opportunity that enable determined leaders to change codes of conduct, and hence institutions. Leadership and human action are thus assigned a decisive role in institutional change, and therefore also in processes of democratization.

The de-ontological question – what is a good institution – is not a priory normative in this version of institutionalism. Rather, a ‘good’ organization is one that is efficient in formulating coherent codes of conduct that are adhered to by its members. A normative standard about democracy and democratization is exogenous to the theory. Yet, this inclination toward institutional identities as the constituting element links this approach with (liberal) communitarian democracy.

While in principle applicable to institutions and organizations at all levels (including whole societies), I believe that this approach, which focuses on observable patterns of behavior and codes of conduct (logic of appropriateness), will mostly be effective in primary organizations at the sub-state

level. A democratizing society will depend on the analogous democratization of its constituent parts, of civil society institutions (political parties, professional organizations, and grass root organizations), and of its executive institutions (public administrations, courts, the military, the police, etc.). In contrast, if democratization reveals civic identities that are incompatible with liberal democracy the entire process may be derailed, as we saw in a number of post-communist countries (former Yugoslavia, Russia), where a mixture of nationalism, racism, and various forms of xenophobia has impeded liberal democracy and produced 'illiberal democracies' (Fareed, 1997). This is also the essence of March and Olson's recommendations for Democratic Governance (1994). Distilling (and understanding) the codes of conduct (logic of appropriateness) that imbue such sub-state institutions and their members with non-democratic civic identities will also help us to design appropriate strategies that can help change these identities. These observations on normative institutionalism and democratization are summarized in Table 3.

Table 3. Normative institutionalism and democratization

Definition of Interests	Role of institutions in the political process	Normative understanding of Democracy	Strategic role of institutions in democratization
Preferences and interests are formed endogenously to institutions	The sorts of preferences and interests that are advocated by individuals are influenced by the logic of appropriateness of the institutions to which they belong, i.e. their civic identity rather than self-centered interests.	Contains no normative theory of democracy. Values exogenous to the theory. Inclination toward (liberal) communitarian democracy	The codes of conduct - 'logic of appropriateness' and the ensuing civic identity - rather than individual values and preferences should be changed.

5.2 Rational choice institutionalism (RCI)

In rational choice institutionalism preferences are assumed to be exogenous to the political process. Individuals are assumed to be primarily motivated by personal utility maximization. However, contrary to classical behavioralism, behavior does not express real and objective preferences because individuals act under institutional constraint. This implies that when operating within an institution, individuals follow the rules of that institution in order to maximize their utility. Preferences are thus exogenous to

the political process, while behavior is not. Some RCI scholars modify these assumptions by stating that

As institutions become more successful they are more able to shape individual preferences, sometimes even before they formally join the institution. In institutional rational choice some preferences, e.g. a general drive toward utility maximization, appear to be exogenous, while some preferences also may be endogenous to the organization (Peters, 1999: 44).

Knight (1992) restricts these assumptions to a 'narrow rationality' meaning individual self-interest. He does so for several reasons: first, to gain an understanding of the nature of institutions in a world of narrowly rational actors, thereby enabling us to compare this understanding with one based on more relaxed assumptions. Second, to emphasize the conflict that characterizes many aspects of social life, and third, to clearly distinguish between personal and collective benefits. In Knight's words:

For the dominant contemporary account of social institutions to be sustained, the strategic actors' main concern must be the collective benefits provided by these institutions. The question therefore is if strategic actors would give priority to collective goals over distributional advantage in the development of social institutions. If they are motivated by narrow self-interest assumed by standard analyses, the answer will be no (ibid., 1992: 28).

The theoretical implication of these assumptions (in particular Knight's version) is a democracy based on competing interests whose preferences are exogenous to the democratic process. The type of democracy can therefore be labeled a pluralistic liberal democracy, in which interest aggregation and representation are the primary tasks of political parties and interest organizations. In this picture, policy outcomes can be described as equilibriums between vectors representing stable parameters of interests and interest aggregation in society. Versions of institutional rational choice in which preferences are mutable by (successful) institutions provide for a more dynamic picture (Przeworski, 1991). Here successful democratic institutions may in the process change the institutional preferences and political values of the actors. Hence, if democratic institutional performance satisfies the actors involved, they may in turn become more supportive of the democratic institutions than they were at the outset.

Knight (1992) describes institutions as sets of rules that structure social interactions in particular ways. For a set of rules to constitute an institution, the members of the relevant community or society must share knowledge of these rules (p. 2). Such rules thereby create incentives and constraints for actors' behavior by rewarding those that follow the rules and sanctioning those that do not. An institution is nothing more than a collective frame for

individual utility maximization, and its rules are as strong as the actors' enforcement of them.

RCI explanations of institution formation tend to be functional. Actors create an institution because they need it in order to interact (cooperate). Institutions solve collective action problems and thereby facilitate gains from trade (Peters, 1999: 54) /interaction. Sened (1991) and Knight (1992) avoid functionalist explanations by focusing on the actors' desire to impose their will on others as the genesis of institutions. Institutions can thus be seen as the 'product of the efforts of some to constrain the actions of others with whom they interact' (Knight: 19). Institutions thereby become byproducts of a distributional conflict that provide actors with knowledge about the range of possible beneficial actions and strategies. The most powerful actors are able to formulate and enforce certain rules, known to all relevant actors, whereby they create constraints and incentives for actions from which they themselves stand to benefit the most. Thus, the asymmetries of power in a society affect the creation and evolution of institutions. In explaining the evolution of democratic institutions, RCI would point to the fact that democratic transitions seldom are harmful to the majority of the powerful actors involved. These actors might create democratic institutions that stabilize and legitimize the political 'game' and increase available benefits in the economic 'game' through freer trade. In this perspective, democratic transitions originate from the elite who either form a pact or impose new democratic structures on the not so powerful masses to promote or to hedge their own interests. Democratic transitions in particular can be analyzed in game theoretic terms, and perceived as games of collaboration in the context of new democratic institutions. In this perspective the RCI understanding of the emergence of democratic institutions will emphasize the role of iterated games, where the initial prisoners' game dilemma is solved through repeated games that generate the trust that makes the (democratic) players forego immediate gains in expectation of concessions in subsequent games, because the repeated (democratic) games provide individual actors with information about the preferences and strategies of the other players. Within the RCI this is the *raison d'être* of democratic consolidation, in that the interactions of self-interested elites and their strategic actions are used to explain institutional outcomes (Colomer, 1991 & 1995; Calvert, 1995: 66); Axelrod, 1987).

Institutional change is closely associated with institutional formation as powerful actors influence both processes. Since institutional formation can be seen as an institutionalization of certain distributional benefits, institutional change occurs in two types of situations. First, if the institution ceases

to produce a satisfactory outcome for those actors who are powerful enough to change the institution, or second, if the power distribution between actors is fundamentally changed. The distribution of benefits engendered by an institution tells us something about the distribution of power among the actors, and thus the potential for institutional change. Change in the sense of democratic consolidation can be explained as a virtuous circle, where the majority of (powerful) actors benefit from a more democratic evolution and therefore support change in that direction. It can be perceived as a 'plus-sum' game, in which the benefits of one actor benefit another or at least do not affect the benefits of another negatively. Two game theoretic points support this cooperative element. First, Axelrod and Keohane's point (1986), that in a continuous series of games/interactions, a 'tit-for-tat' strategy will evolve, meaning that the actions of one actor will be returned in kind by another. This *may* result in a 'vicious circle' in the sense of reproduced mutual fear, creating a security dilemma or de-consolidation. However, assuming a continuous series of games with permanent actors, a positive 'virtuous circle' of mutual trust is more likely to evolve. Relevant factors are whether the game is a plus-sum game, and whether the benefits are perceived as absolute or relative. The second point is Tsebelis' (1990) focus on nested games in the sense that the outcome of one game/interaction has consequences for another, if the relevant actors participate in both games. This will make it more costly for an actor to use a defector strategy, since the outcome of a whole series of games will be affected. The existence of nested games thus extends and helps enforce the rules of institutions. For example, a discontented general will think twice before initiating a military coup in the *interior* political game (violating the rules of democracy and initiating a de-consolidation of democracy), if he stands to be severely sanctioned (for instance invaded) by other players in the *exterior* political game.

Human agency is at the core of the rational choice variant of institutionalism. Institutions are products (or byproducts) of actors' strategic actions that enable collective action. Institutions shape actors' strategies and actions (but not preferences) through rules and incentives. One implication of the narrow self-interest assumption is that a rational actor will break the rules if that enables him to maximize his personal benefit. However, the actor or actors must be strong enough to avoid sanctions, and the existence of nested games makes a violator/defector strategy unlikely. Human agency is the primary source of explanation in RCI, but institutions constrain actors' strategies, and therefore the outcome of interactions. If the variables 'time' and 'range' of institutional interaction are introduced, institutional rules are more readily enforced, and the institution therefore becomes more stable.

In this context, a ‘good institution’ is one that proves capable of enforcing the rules, thereby constraining individual utility maximizing when it is collectively harmful. One could formulate three goals for an institution if the narrow self-interest assumption is relaxed to encompass the priority of collective goals (Knight 1992, pp. 28-38). These goals are (1) social/allocative efficiency, which means the creation of institutions that maximize social welfare or utility. (2) Pareto optimality, a situation where an exchange among actors does not improve the welfare of one without harming that of another. (3) Stability, when no actor who has incentives to make changes is sufficiently strong to impose them. Functional explanations focus on the institutional ability to constrain actors and provide collective benefits. However, following a perspective that focuses on the distributional conflict between individuals within a *narrow* rationality, the latter perception of a ‘good institution’ must be dismissed.

RCI is a macro theory that can be applied when analyzing the formation and evolution of institutions. The micro theoretical foundation of this perspective, for example principal-agent theory, also enables us to analyze distributional conflicts between relevant (powerful) actors, and it is useful when analyzing elites and top-down controlled transitions and consolidations of democracy (Solnick, 1998). The perspective can incorporate the temporal and spatial dimensions of institutions, helping us to explain the cooperation and stability of institutions. The political performance can be analyzed and the powerful actors identified by observing the pay-off structure of the institution – who benefits, what actions are sanctioned, how, and by whom? This insight into the nature of politics is not new and was formulated elegantly by one of the forefathers of political science: ‘Politics: who gets what when and how’ (Lasswell, 1936). These observations on rational choice institutionalism and democratization are summarized in Table 4.

Table 4: Rational choice institutionalism and Democratization.

Definition of interest	Role of institutions in the political process	Normative understanding of democracy	Strategic role of institutions in democratization
Preferences and interests are exogenous to institutions and the political process.	Institutions shape actors’ actions (but not preferences) through rules and incentives by giving actors knowledge about possible beneficial strategies.	Focus on competition between different interests, leading to a pluralistic liberal democracy.	Violators of institutional rules (e.g. democratic) are sanctioned if they are not powerful. A diachronic and spatial dimension of institutions facilitates cooperation and thus stability of institutions.

5.3 Historical Institutionalism (HI)

Steinmo, Thelen and Longstreth's (1991) contribution is central to this approach. The basic idea behind *HI* is that the policy choices made when an institution is created or a policy initiated will have a long-range determining impact on future policy. One way to describe this argument is 'path dependency.' When an organization or a political program is defined, there is a tendency that the original policy choice engenders institutions that bind (or prescribe) future choice. The path may be changed, but it requires great political craftsmanship to do so. The implication is that institutions are rarely (or never) constructed from scratch but are always influenced by existing formal or informal institutions.

HI was actually the first version of the new institutionalisms that arose within political science. Among the first to consider the issue, albeit without referring to it as *HI*, was Peter Hall (1989, 1992), who stressed the importance of institutions in formulating policies over time. Hall's basic argument was that in order to understand the policy choices of a particular country, it is necessary to understand both that country's political and policy history. The policy initiated at any one point in time is determined by choices made in the past. Institutions thus reflect a country's past. *HI* focuses on the impact of various institutional factors on policy choice and government performance. The argument is that once a government has initiated policy and institutional choices in a particular area, the pattern chosen will remain unless there is sufficient power to change it. This is 'path dependency.' In order to understand a particular policy it is therefore necessary to go back and determine which powers formed the institutions that went on to formulate policy in a specific area.

The definition put forward by historical institutionalism is relatively vague compared to other approaches. Thelen and Steinmo (1991) define institutions by illustration, be it formal governmental structures (legislative assemblies), legal institutions (election laws), or social institutions (social classes). All these are included in their institutional apparatus. Hall and Taylor (1996) define institutions as formal rules, compliance procedures, and formal procedures (Standing Operational Procedures – SOP), in other words, a set of rules and procedures. A characteristic feature concerning the definition of institutions found in *HI* literature is the emphasis on the role of ideas. Ideas, their origin, and impact are accorded special importance. One example is Ellen Immergut's (1992) analysis of health care policies in several European countries. She argues that ideas concerning the practice of medicine impact public health care programs. According to *HI*, institutions thus have formal and informal aspects: Ideas create institutions, which

thereby become material manifestations of ideas. Another example is the historical genesis of legal formalities, in particular the distinctive difference between common and civic law (Pedersen & Nørgaard, 2001; Mahoney, 2000). Once established, these alternative modes of legal institutions have had discernible effects on economic and political outcomes.

This approach does not provide a clear explanation of the setup of institutions. *HI* places more emphasis on the continuity of an institution/organization after its creation than on the process of setting it up. The ideas embedded in the structures that support institutions may be used to a certain extent as descriptions of the setup of institutions. One could argue that once an idea is accepted and formalized in a manifest structure, the institution is created. This, however, is very nearly tautological: the institution exists once an idea has become accepted, but this very acceptance is an expression or a sign that a structured institution exists. Even more important in this context is to establish exactly when the formation in fact occurs if one is to argue that initial patterns remain and shape policy in various ways.

HI does not have much explanatory power concerning change in organizations and institutions. Change is not impossible within this approach but it is not a central element. *HI* has treated the issue under the heading 'punctuated equilibria' (Krasner, 1983), i.e. punctuated or interrupted equilibrium. As indicated by the definition, the approach envisions that an institution will find a new equilibrium in accordance with the demands made on it by the context. Something may happen that perturbs the equilibrium, and the institution will then find a new equilibrium adapted to the changed circumstances. A permanent equilibrium thus does not exist, and the institution is considered capable of change. Another very similar view of change uses the concept of 'critical junctures', crisis situations that generate imbalances in relation to the context, motivating political actors (entrepreneurs) to act and thus fracture existing path dependencies. Institutions can also change through learning and acquire a new equilibrium. If we return to the ideas, institutional change therefore becomes a question of how ideas change. Seen in relation to democratization of non-democratic societies and institutions, change (democratization) is thus possible if: 1) political developments generate events wherein interests favored by the previous (undemocratic) institutions lose influence to an extent that allows new actors motivated by democratic ideas to enter the political scene; and 2) if central actors no longer find that their interests are properly managed by existing institutions, and democracy in some form is seen as the (compromise) solution that will secure future influence for the greatest number of interests. In both cases,

exogenous ideas about what constitutes a good political system (international regimes), may affect internal democratization in a specific country. It can nevertheless be difficult to determine the extent to which a de facto democratization is the result of internal factors (historical paths, actor constellations), or external influence ('Galton's problem').

The central question in any institutional analysis is how institutions affect individual behavior. As described in the previous section, new institutionalism provides two general answers to this question: the calculus approach (RCI) and the culture approach (NI). In concrete analyses, historical institutionalism has proved eclectic and applied both the calculus and the culture approaches in specifying the relationships between institutions and behavior (Hall & Taylor, 1998). It is debatable whether this constitutes an ontological problem. Hay and Wincot (1998) thus argue that historical institutionalism cannot bridge the gap between rational choice and normative/sociological institutionalism because they are based on fundamentally incomparable ontological premises. Historical institutionalism must therefore create an entirely new approach in which structure and actor approaches are integrated through focusing on actors' ability to change the incentive structure in a dialectic interchange between institutions and actors. Hall and Taylor (1998), on the other hand, argue that the rational choice and culture approaches are already in the process of softening the basic assumptions, such that actual research praxis may generate the same synthesis in the long term. Also Guy Peters (1999) emphasizes the eclectic aspect. He writes that although the structural elements of an institution may engender a situation in which certain outcomes are more likely, individual decision-makers must still transform these limitations into action. If this link between individuals and institutions does not exist, it is difficult to see what connects current behavior with earlier decisions made by an institution.

The structure – actor dichotomy brings us to the question of individual preferences. Based on the above, individual preferences are given both endogenously and exogenously. What does this imply for the type of democracy involved? It means that it is not possible to pinpoint a specific variety. The local democratic system will be nationally specific, reflecting a particular society's historical heritage on both the actor and the cultural level. Whether a specific type of democracy tends toward a pluralistic or a communitarian system will reflect the values and actors that historically shaped the political development of a particular country. One example (and there may of course be nuances) is the pluralistic tradition in North America, developed on the basis of an individualistic tradition that originated in a settler society. In contrast, we find the more collective (communitarian)

views that dominate Europe (and especially Eastern Europe and Russia), where historical developments have engendered collective values and collective actors have always been more prominent.

HI does not have an explicitly normative content. Historical institutionalism stresses what is rather than what should have been. The basic purpose of this approach is to explain institutions and the continuities of their policies, rather than evaluating their character in relation to a normative ideal. It should be added, however, that one way of assessing the quality of an institution is to look at its adaptability. Many initial choices do not function in practice, and the successful institution must therefore be capable of adapting to changing circumstances in such a way that tradition and values can survive changes imposed from without. Although the original choices were appropriate, the surrounding environment changes, and adaptability therefore becomes essential. Another normative element is that good institutions are those that can transform their basic ideas into action. If the institution is based on ideas, it must be judged on its ability to make effective policies that implement these ideas.

Historical institutionalism is applicable to most aspects of the analytical model (Figure 3). A consolidation phase will be influenced by the past/history and by performance, because all new institutions have to focus in the context of the historically formed institutions. At the same time, it is necessary to be aware that the paths created by the past can have varying impact on different levels of the political system. There may be contradictions between the institutional legacies (identities, civil society institutions, and formal institutions) and the paths created in the political center and regional units. Institutions may also vary across policy areas. It will therefore be fairly useless in general to emphasize 'undemocratic' traditions and institutions created by the past in some countries. Within the framework given by the primary institutions, there may be regions or sectors that are influenced to a greater or lesser extent by other institutions, and therefore have the potential for change/democratization. One example is the various institutions that survived within the framework of the former (totalitarian/ authoritarian) Soviet Union that have now created different regional preconditions for economic reform and democratization. These observations on historical institutionalism and democratization are summarized in Table 5.

Table 5 Historical Institutionalism and Democratization.

Definition of interests	Role of institutions in the political process	Normative understanding of democracy	Strategic role of institutions in democratization
Preferences and interests are formed both endogenously and exogenously to institutions	The preferences and interests that are advocated by individuals are influenced by the institutions to which they belong in a dialectical relationship	Contains no normative theory of democracy Inclination toward a democracy that reflects the specific country’s values, attitudes, and strategic actors	Institutions should be designed to maintain a dynamic equilibrium within the societal context, by acknowledging the interests of the major groupings and the civic identity of society

5.4 Empirical Institutionalism (EI)

Empirical Institutionalism is less a theoretical approach than a methodological example. EI shows us how to demonstrate empirically the effects (or capabilities) of institutions in order to identify patterns: ‘We want to be able to specify the dynamics by which the formal structure creates any observed differences in behavior’ (Peters, 1999). EI is based on empirical examples and comparative analyses and not on explicit theorizing, which makes the answers to the seven questions somewhat different from the genuinely theoretical perspectives already considered.

In this tradition, an institution is simply a given fact of political life and defined empirically by examples. Most EI focuses on the effects of different regime or government types. Weaver and Rockman’s (1993) attempt to estimate government capabilities is one of the most cited examples. However, whereas most examples of EI address attempts to measure the effect of specific institutions (e.g. parliamentary versus presidential systems) on concrete policy outputs, Weaver and Rockman advocate a more sophisticated approach. They suggest that institutional effects (government capabilities) are measured in terms of a number a properties that (across policy areas) are expected to increase performance when comparing the effects of presidential vs. parliamentary rule on specific policy outcomes. In particular, they argue that the following properties of institutions are essential when estimating institutional capabilities: ability to set and maintain priorities, to innovate, to co-ordinate conflicting objectives, to impose losses on powerful groups, to represent diffused, unorganized interests (i.e. the collective good), ensure

effective implementation, ensure policy stability, to make and meet international commitments (especially in trade and defense), to manage political cleavages. The indicators are not observable (and measurable) but can only be estimated through their effects in selected policy areas. Proceeding from here, the argument is '... that political institutions shape the processes through which decisions are made and implemented and that these in turn influence government capabilities.' They argue that there is a causal relationship between institutional constraints and policy.

The emergence of institutions is poorly explained by EI because the theory primarily focuses on their effects. However, EI seems to suggest that the change of institutions can be seen as a response to changes in the individual actor's preferences (behavioralism). For example, new institutions often follow from new legislation, institutions then being the outcome or tool for the implementation of a given legislation, which again reflects individual preferences. It can therefore be said that in order for an institution to function, its values and effects must reflect the interests of major actors.

Changes of institutions occur in a process of adapting to the environment. EI as a theory does not explain the dynamics of this process very clearly, perhaps again because it is so preoccupied with explaining the effects rather than the genesis of institutions. It is an implicit assumption that designing institutions to accomplish the goals of their designers is actually possible. This is related to the understanding of institutions as determinants of individual behavior by prescribing roles, strategic behavior and 'appropriate behavior' for individual and collective actors. In this sense, EI is close to normative institutionalism with its emphasis on norms and values. It nonetheless fails to explain how institutions are affected by different values among actors within an institution.

In the understanding of EI, the good institution is effective or operationally successful. Institutions are assessed by their effects on decision-making: '... the empirical institutionalists argue that the important fact is simply the arrangement of the operative elements, not what those elements are' (Peters, 1999: 95).

When applied in the context of the analytical model illustrated in Figure 3, EI is useful when we want to assess the effects of certain institutional setups on policy outputs. In particular, we can use the accumulated insights of comparative studies on the effects of institutions as a starting point for generating hypotheses for our own research. The basic definitions of empirical institutionalism are summarized in Table 6.

Table 6. Empirical Institutionalism and Democratization.

Definition of an institution	The roles of institutions	The normative understanding of democracy	The strategic role of the institution for democracy
Interests are defined by observable behavior	Institutions constrain and empower collective interests	Effectiveness in accomplishing stipulated goals	The ability of the institution within given societal contexts to generate and consolidate democracy

5.5 Sociological Institutionalism (SI)

In the sociological institutionalism approach, individual preferences are always described as endogenous to the political system or the wider environment in general. Because it is an approach, sociological institutionalism covers a number of different theories about the relationship between the individual and his or her environment. These theories include two broad categories, i.e. functionalist theories and Weber inspired theories. The main sociologists in these categories will be described by explaining how they connect the environment variables with individual preferences and how this connection in turn can influence a democratization strategy.

Functionalist theories explain the formation or change of individual preferences as resulting from changed conditions in the environment. A functionalist theory will focus on a process of how an agent (individuals or organizations) meets the demands of the environment. The environment provides the agents with the resources needed to function and survive. The actors will consequently have to adapt to their environment and change their preferences accordingly.

Emile Durkheim, father of functionalism, claimed the existence of 'social facts' that could 'force' individuals in a society to behave in a certain manner by manipulating their preferences (Guneriusen 1996, pp. 70 ff). These social facts could be certain patterns of behavior (e.g. suicide rates) that would correspond to forms of societal development. Durkheim's functionalism consists in his insistence that the environment, e.g. societal development, will influence the behavior of individuals consistently. This influence will then become manifest in regular patterns of behavior among individuals. Durkheim's theory can be used to identify the societal development necessary to produce individual preferences that are conducive to a democratic society. Not every society will be able to initiate a democratic process if the level of societal development does not correspond to democratic norms.

Talcott Parson is the clearest example of a functionalist sociologist. Parson's theory makes a typology of the functions that a social system needs to maintain vis-à-vis its environment in order to function. Institutions in the social system carry out their task by extracting resources from the environment to the social system (Peters, 1999: 99). An individual preference relates to the tasks that these institutions carry out on behalf of the social system. Parson's theory can be used to explain what kinds of functions a social system will have in a democratic society and diagnose whether a given country has these kinds of functions. Parson's theory falls short when it comes to explaining change toward for instance more democratic functions because it is static.

Max Weber's approach to sociological analysis is the main challenge to functionalist explanations. His theory examines how cultural and religious variables will influence the creation of formal institutions, e.g. rational-legal bureaucracy, and how and why this influence occurs (ibid.: 96; Maanson, pp. 90ff). Individual preferences will be shaped by the norms of institutions and the cultural and religious environment will in turn shape institutional setups. The theory can be applied to the analysis of deliberate attempts to create legal institutions in emerging democracies. The theory can help diagnose which institutions are more conducive to democratic norms. The designers will have to consider the influence of cultural and religious factors in the design of such institutions.

The definition of institutions within SI is similar to the definition used by normative institutionalism, that is, institutions will result in patterned behavior among the individuals subjected to the institution. However, SI is an approach, and every theory within it has its own definition. In functionalist theories, institutions are not treated as entities. They are used as explanatory devices to describe the process of exchange between the context and typically organizations or groups of individuals (Peters 1999: 105). When functionalist theories are applied to democratic transitions they do not focus independently on institutions, but on the mechanisms by which the social and cultural environment influence the functioning of society.

Similar to the perspectives applied in normative institutionalism, institutions are products of the social and cultural history of society. Consistent with the previous section, there is no independent focus on institutional formation within functionalist theories because institutions are used as independent variables. In Weber inspired theories, individuals will grow up under certain norms that are products of the cultural environment (Maanson, 1996: 94). After a democratic transition with new formal institutions, old

undemocratic norms may still survive in the population because predispositions change quite slowly.

It is difficult in functionalist theories to distinguish between formation and change. Change is implicit in the process between environment and agents. If the environment changes, relationships will change as well, as described by new or altered institutions (Peters, 1999: 108). Whether the new relationships are described by new institutions or by altered institutions is not immediately apparent and not important as such. In Weber inspired theories, change can result from new formal institutions implemented by elites in a democratic transition that changes the norms in society. If these new norms have no resonance in the cultural foundation of the society, change can be slow and conflict-laden. In contrast, new formal institutions materialize as results of slow and gradual changes of norms.

Consistent with section 1, the SI approach will always be described by its structural elements. The approach focuses on how individuals acquire their preferences in relation to the broader society. Neither functionalist nor Weber inspired theories describe the initiation of democratic transitions as resulting from isolated human intentions or agency. Individuals always acquire their values and motives from the wider society, and the genesis of human action should always be sought in prior cultural and social variables.

The SI approach is not concerned with de-ontological questions. Like normative institutionalism, its outlook is not a priori normative. Normative SI questions are concerned with efficiency. The 'good' institution will be able to adapt to a changing environment. When designing new institutions, the designers ought not create institutions or organizations that are at odds with the cultural values of a given society. Functionalist theories tend to stress the constraints under which new organizations operate.

SI can be applied to all levels of democratization. Macro-sociological theories focus on entire societies and the general cultural and social variables found within. Durkheim's and Weber's theories are examples of macro-theories. Micro-sociological theories stress the functions of organizations in a democratic transition from a policy-perspective. Parson's theory is both a macro- and a micro-theory. Especially functionalist theories find it hard to generate testable hypotheses because of the difficulties in separating cause and effect. Other theories are more ideographic and focus on a single society or organization and describe why and how they have become as they are. These theories in turn have greater difficulties with applying their findings to other organizations or societies with different cultural backgrounds. These observations on sociological institutionalism and democratization are summarized in Table 7.

Table 7. Sociological institutionalism and democratization

Definition of Interest	Role of institutions in the political process	Normative understanding of democracy	Strategic role of institutions in democratization
Preferences are always explained by the relationship between the environment and agents. Given endogenously in this relationship	In functionalist theories, institutions are used as an explanatory device to express the relationship between environment and agent. In Weber-inspired theories institutions are an intermediate factor between social and cultural variables and the motives of agents.	Contains no a priori normative idea of democracy. Values exogenous to the theory. Focuses on efficiency and adaptability.	Focus on what in a given context is feasible and the constraints that must be respected.

5.6. *Institutions of interest mediation*

It is debatable if this brand of institutional theory can be considered an independent approach, because both political parties and interest organizations can be analyzed by using the other versions of institutional theory. Peters (1999) argues, however, that the other approaches have difficulties in explaining the mediating role of institutions, which is the very reason for the inclusion of this separate approach. The approach should not be considered a consistent theory, but rather a number of approaches under one heading (corporatism, pluralism, networking etc.).

The approach is not definitive on the issue of the nature of individual preferences. Rather, they are implicitly defined as in traditional behaviouralism, i.e. by observable behavior. Hence, the approach does not lead to a specific type of democracy.

The approach does not clearly define institutions, but characterizes them by their empirical existence. Political parties and interest organizations are thus denominated as institutions because they do in fact exist and because they are – from a normative perspective – carried by a certain ‘logic of appropriateness.’ Also the party system is considered an institution because it represents patterned interactions and certain codes of conduct, including

electoral rules. The same logic applies to the system of interest intermediation, the patterned relationship between state and society. To sum up: in this understanding an institution is characterized by stable patterns of interaction, predictability about the effect of institutions, and the existence of certain 'logics of appropriateness' within the individual institution. From the perspective of democracy, democratic institutions are not seen as consolidated until interactions are stable and regular and they share a democratic logic of appropriateness.

Weiss (1998) emphasizes that history and geopolitics in conjunction with development timing, security concerns and other external factors generate institutions. Proceeding from here, we can distinguish between the geneses of parties and interest organization and the genesis of the total structure of interest intermediation. Concerning the first question Peters (1999), for example, refers to the policy-community literature in which the role of entrepreneurs is crucial. An alternative explanation emphasizes the role of the state in the creation of networks and organizations (McAdam, McCarty & Zold, 1996). Theories about the genesis of parties are multifaceted. Apart from the entrepreneur approach, the opportunity structure approach emphasizes the importance of new ideas and cleavages. In the study of social movements in particular, three factors are used to explain the rise of an organization: a) political opportunities, i.e. change in power relations and alliances; b) mobilizing structures that focus on resources within existing organizations; and c) cultural framing, which searches for explanations in the cognitive aspect of organizations' existence.

Regarding the genesis of systems of interest mediation, Weiss (1998) distinguishes between state corporatism, similar to the 'embedded autonomy' identified by Evans (1995; Evans & Rauch, 1995), statism where the state is the only actor, and her own version, governed interdependence. In this understanding the state uses political parties and interest organizations to gather information and for policy implementation. These alternative approaches will also be reflected in how we understand the origin of democracy. It may be the work of dedicated democratically minded elites (Levine, 1988). The stimulus may come from the state itself, where a reformed elite can impose its values on a conservative society and conservative organizations. The resource mobilization paradigm tends to focus on changes in the political resources of the democratic actors (legitimacy, money, facilities, and manpower). Or they may find the explanation in the rise of a democratic discourse where only democratic parties are able to construct a meaning.

In this tradition change is ultimately explained by adaptation to changing contexts. Such changes may occur when internal value systems in institutions change in response to a changing environment. Or we can understand the changes as responses to the functional demands of the wider society or international system. In this perspective, democratic consolidation (or de-consolidation) will ultimately depend on exogenous factors, for example changing alliances or cleavage structures. Stability and continuity in this tradition thus represent important factors of democratic consolidation.

This approach does not leave much room for political actors, although Weiss (1998) does include the political entrepreneur in the early stages of state building. Once the systems are stabilized, however, the influence primarily runs from institutions to actors. The implication is that democratic consolidation is a result of structural features, rather than the actions of political players. The important features are the role of the state, socio-economic conditions, the nature of civil society, and the code of conduct that characterizes the party system and the system of interest intermediation.

The distinction in this approach between a good and bad institution is based on expectations about the performance of alternative institutions. It is in fact judgmental and therefore ultimately an empirical question. A good democratic institution within this approach is one that promotes and consolidates democracy.

Related to Figure 3, this approach has its strength in the 'right' leg. It is concerned with the output produced by alternative institutional setups, whether or not this output (and ultimately outcome) is conducive to democratic consolidation. Table 8 summarizes these observations on institutions of interest mediation.

Table 8. Institutions as interest mediation and democratization.

Definition of an institution	The role of institutions	The normative understanding of democracy	The strategic role of the institution for democracy
Interest is defined by behavior	Institutions transmit preferences and implement policies	Does not have a normative theory	Must provide institutions that in a given context are able to provide stability and outcomes that strengthen the legitimacy of democratic institutions

5.7. *International institutionalism (II)*

It is questionable whether or not international institutionalism (II) may be designated as a separate approach. Rather than a unique theory or approach, it can be perceived as the application of institutional theory to the international system. II deals with institutions (regimes) at the international level and the actors are predominantly states or international organizations. But the compound nature of the approach makes it difficult to determine whether preferences are given endogenously or exogenously. Peters (1999) suggests that a state can abandon a regime if the interests of the state are at stake. The tradition thereby applies a rational choice perspective that places it close to the realist tradition within international politics, a tradition in which a state is one united actor that follows its own exogenously given interests. On the other hand, Peters also describes international institutionalism as a type of normative institutionalism but on a higher level. This suggests that preferences are primarily created inside the regime and thus generated endogenously.

Because of this vagueness, it is also difficult to determine what type of international system II would engender. Whether the approach is placed in the communitarian or in the pluralistic end of the spectrum depends on which of the other institutionalisms is read into international institutionalism. Dealing with a higher level of analysis further complicates matters. Yet, the focus on the way in which preferences are formed brings the realistic/rational approach closer to a pluralistic understanding of the international system and international regimes, and the normative version is perhaps closer to a communitarian understanding. The most frequently used definition of a regime was given by Krasner (1983), who defines a regime as '... implicit or explicit norms, rules or procedures of decision-making within which actors' expectations converge on different areas of international relations.' Every policy area is dominated by a set of norms that defines good and bad behavior in the regime in question.

International regimes are created in two different ways. First, a regime can be founded when any given behavior has become sufficiently common or when the same pattern of interaction between states has taken place over a period of time and given rise to shared and accepted norms. That regimes arise out of practice indicates a functionalistic view. Second, a regime can be founded for a specific purpose, for example on the basis of negotiations between states. Several international organizations are results of this kind of regime creation, the WTO being but one example.

The design of a regime or an institution reflects the policy area that it is to cover. If a regime has a low threshold of agreement and if rather large

variation in state behavior is accepted, design requirements are greater. Similarly, the design should be less tight if any violation of the rules causes the regime to break down.

Furthermore, regimes can be changed in different ways. From the normative perspective, regimes can change in response to changes in the environment (cf. logic of appropriateness). As for the rational approach, changes can take place if important actors defending their own interests decide to make a change, for example by leaving the regime. International regimes, however, are more fragile than institutions at the national level. If an actor defects the sanctions are much more limited than they would be at the national level. Regarding regime change Krasner (1983) also distinguishes between a Darwinist inspired understanding of development and change as, on the one hand, an evolutionary process that takes place over a long time, while on the other he introduces the concept of punctuated equilibrium where intermittent crises cause radical changes.

The regime theory assumption is that the involved actors' expectations will converge because of their frequent interactions, so that there is less variation in values and behavior when a regime exists than when there is no regime. The common values will in effect move interaction from hierarchy to co-operation and mutual influence.

The ambiguity of international institutionalism's adaptation of different institutional approaches also becomes clear when dealing with the structure-actor problem. It is no self-contradiction when Peters moves interactions from hierarchy to co-operation and mutual influence, and at the same time mentions the possibility of a dominating actor (which would indicate a partly hierarchical relationship).

As in most other types of institutionalism, the criterion for a regime's success is whether a state follows the regime's norms and rules despite the limited possibilities for sanctions. International institutionalism is concerned with the relationship between actors in international society, and it can therefore be difficult to relate the approach to our model for consolidation of democracy in a specific country.

In connection with democratic consolidation, however, it is relevant to discuss the relationship between regimes in different policy areas and countries that do not yet follow the norms and rules of those regimes. One example is conditional aid to developing countries, where receiving aid is contingent upon reforms in various policy areas. In other words, external actors seek to promote democratization in the country in question. Accordingly, regime theory might explain the policy output (economic and political reform), which is located lowest on the 'right leg' in Figure 3.

External actors do not necessarily make demands that cover the other elements in our model, but hope instead that a specific output via the feedback loop will affect the 'left leg' and initiate a process of consolidation. In this context, the external actors' possibilities for blocking future aid can be seen as a sanction. The observations on II and democratization are summarized in Table 9.

Table 9. International institutionalism and democracy.

Definition of interests	Role of institutions in the political process	Normative understanding of democracy	Strategic role of institutions in democratization
Preferences and interests can be formed endogenously or exogenously depending on whether the norm based or the actor based approach is adopted	Regimes affect actors' behavior (and possibly their preferences). The regime's norms and rules form their expectations	Contains no explicit conception of democracy	Regimes can promote democratization by imposing international norms on countries

6. Institutional Theory and Democratization: Theoretical conclusions

This paper began by asking whether (new) institutional theory can improve our understanding of the issues addressed in theories of democracy and democratization. Both are preoccupied with the interaction between institutions (or structures) and actors. But where the former has been inductive, macro-level behavioralist and comparative, the latter produced deductive analyses and often focused on micro-level institutions. Did we succeed in bridging the gap between different discourses, levels of analysis and deductive and inductive theory and gain new insights or understandings of democratization processes?

The answer is partly yes, and partly – that depends! It is yes, because the exposé of alternative institutionalisms has identified the ontological basis of alternative versions of democracy. Democracy is not just democracy, and to answer questions about transition and consolidation we must stipulate our dependent variable along the pluralist – communitarian axis, which we have shown as representing the constituent divide between alternative perspectives on democracy. It is contingent because the alternatives generate hypotheses (and policy prescriptions) that are ambiguous and difficult to test empirically.

Regarding the ontological status of alternative concepts of democracy, we have shown that the pluralist, liberal version of democracy has its roots in a rational choice version of institutionalism, which assumes that rational, informed actors create – and manipulate – institutions in pursuit of their own interests. Democracy and the establishment of democratic institutions becomes a zero-sum game for actors who calculate that the choice of democratic institutions is the best way to hedge their interests and positions in the long term. Alternatively, we have also shown that the normative versions of institutional theory (among which should also be counted the various sociological approaches) are associated with versions of communitarian democracy. If interest formation is endogenous to institutions, if institutions influence interest formation, the establishment of democratic institutions becomes a plus-sum game. You may start the institution-building process with competing positions, but in the process, interests converge because actors are influenced by their (the institutions') code of conduct or logic of appropriateness, and eventually all may agree to a common purpose or policy or subscribe to a common identity. In the long term, of course, both rational choice and normative/sociological institutionalism assume plus sum-games, in the sense that institutions will increase the predictability and stability of institutions, and hence their political (or economic) output. And when the pie gets larger, there is more for everyone. This is the *raison d'être* of institution building, whether in the rational choice or normative/sociological version. This logic is summarized in Table 10.

From an ontological perspective, the other versions we have examined do not provide additional insight. They may improve our understanding of how institutions were formed, and sensitize us to the effects of institutional paths for present configurations of interests and institutions, as is the case with historical institutionalism. Or they may provide adequate methodologies for comparison of institutional performance and institutional effects, as is the case with empirical institutionalism and interest intermediating institutions. Or finally, they may improve our understanding of the effects of institutions on different levels of analysis, as when international institutionalism applies the concepts of rational and normative institutionalism to international actors and the international system (realism versus idealism). But regarding the core issues – stipulations about the formation of actor preferences and interaction between institutions and actors – they offer nothing substantially new. They either incorporate or contextualize the alternatives (historical institutionalism and international institutionalism) or ignore the issue (empirical institutionalism).

Table 10. Institutional theory and types of democracy

Institutional theory	Basic principle (ontology)	Type of democracy
Normative (sociological)	Primacy of institutions (culture, norms, identities)	Communitarian (consensual)
Rational choice	Primacy of rational actor (calculus)	Pluralist (conflictual)

These versions of democracy based on alternative ideas about institutional interaction will have implications for our expectations about the performance of alternative institutional principles in the consolidation of democracy. If we base our understanding on a rational choice type of institutionalism, the first priority will be to construct institutions that hedge the positions of major players. The mechanisms used will be different forms of minority protection, checks and balances, civil law and, in general, institutions that prevent the abuse of state power and violations of the rules of the game by other players. In policy prescription and advice, this type of democratization will highlight institutions that emphasize human and civil rights and sanction defectors, and not institutions that encourage participation and state-society interaction. If instead we base our understanding on normative/sociological institutionalism (of whatever kind) we are more concerned about designing institutions that in a given context will promote popular participation, cooperation between state and society, and consensual solutions.

These basic differences in what also constitute alternative normative versions of democracy may also be reflected in the concrete institutional setups that we expect to promote democracy. If we follow the reasoning of rational choice institutionalism, we will expect the same institutional principles to be applicable everywhere. Because the role of institutions is to protect and hedge rather than to mediate and conciliate, institutions that serve these purposes are expected to function in the same way regardless of context. Because of the emphasis on competition, exclusion and short-term zero-sum games, the constitutional arrangements will tend toward institutional systems that emphasize the mutual insulation of state and society, individual rights and legal arbitration. It is also imaginable, however, that the concrete institutional setup may be different, reflecting local cultures and cleavage structures, but the underlying principles will remain the same. Rational choice institutionalism in this way mirrors the approach in economics, where neo-classical theories produce neo-liberal policy prescriptions that are assumed to work in all societal contexts. If, in contrast, we base our predictions (or advice) on the ideas of normative institutionalism,

things necessarily become more indefinite. All we can (or will) say is that the institutions should promote participation, conciliation, and integration. The concrete nature of these institutions must, however, reflect local attitudes, beliefs and habituated actions if they are to be effective. They may in fact come very close to the institutions advocated by a rational choice institutionalism if they are applied in a context characterized by high levels of individualism. Hence, also here we mirror the debate in economics, where the structuralist, institutionalist, and evolutionary alternatives to neo-liberalism have been equally imprecise in their alternative solutions and policy prescriptions.

If, for the sake of clarity, we apply these considerations to our conceptual framework (Figure 4), the implication is two alternative sets of hypotheses about which type of democratic institution is superior in consolidating alternative normative versions of democracy. If, on the one hand, we apply a rational choice institutionalist perspective, we anticipate that institutions that hedge and protect interests against the state (and against each other) will be our best guess about which institutions will generate outputs and outcomes that consolidate this specific version of democracy. On the other hand, if we base our hypotheses (or predictions) on a normative/sociological version of institutional theory, we would expect institutions that generate mutual understanding, collaboration, conciliation, and convergence of interests to produce superior outcomes in terms of consolidating a communitarian democracy. As outputs and outcomes we in principle consider all policy areas and their implications for democratic consolidation – although some policies obviously have more direct relevance for systemic consolidation (the ‘left leg’ of the model) than others do.

However, we cannot infer which type of democracy – pluralist/conflictual or communitarian/consensual – is ‘best.’ This is a normative question, and therefore beyond empirical analysis. We can nevertheless make empirical enquiries into which type of democracy – on its own terms – has the best prospects for consolidation. By examining how alternative versions have performed in terms of generating outcomes that meet the expectations and demands of citizens, we can also infer which type of democracy in a specific country context has the best prospects for starting the virtuous circle of support and consolidation described in section 3. In answering this question, we move from normative to causal theories. From this perspective, the initial situation – in particular political culture (civic identities) and supporting institutions in civil society – will be decisive if we want to assess which kinds of institutions we expect to perform the best in a given societal context.

If we take the normative/sociological stand, we anticipate that institutional identities are generated in an interactive process with the institutions that characterized the incumbent non-democratic system. From this follows that if institutions are imposed in a context where the ontology of traditional institutions (attitudes, beliefs and habituated actions) differs from that of the new institutions, the situation will be unstable. Or stated differently: If institutions based on the assumptions of rational choice institutionalism are imposed upon societies characterized by a collectivist and consensus seeking culture, we face an unstable situation where either the institutions or society must change if democracy is to consolidate. This will, for example, be the case in Latin America and Eastern Europe, where pluralist institutions have been imposed on what we know to be essentially collectivist societies. In contrast, this will not represent a problem in rational choice institutionalism, because it is assumed that institutions form society – and not vice versa. Rational choice institutionalism here takes on the form of a traditional theory of political modernization, which assumes that all societies over time *will* move from collectivism to individualism and from community to conflict. Alternatively, it may represent an aspiration that all societies *should* move in this direction. But then we are back in normative modernization theory. The two causal theories that follow from alternative institutional theories are outlined in Figure 4.

Arrow *A* here denotes the assumption that all societies will move from traditional collective toward individualistic social and cultural systems. Under these assumptions, the consolidation of democracy presupposes institutions based on individualism and conflict. If, however, we do not accept the general theory of political modernization represented by arrow *A*, but instead assume that countries will move toward varying degrees of collectivism/individualism, democratic consolidation assumes that institutions must adapt to that context. Pluralist institutions in a consensual society must move toward consensual democracy, and consensual institutions in an individualistic society toward pluralist institutions (arrows *b*). This functionalist analysis of course does not imply that the adaptation will actually take place, only that this is the precondition for a consolidation of adequate versions of democracy as outlined in Figure 4. Whether the adaptation will in fact take place depends on the configuration of power and interests in the concrete context.

The problem with these reflections is that they thus far remain deductive and hence speculative. We simply cannot know if one version of democratic institution is superior to another when it comes to consolidating new democracies. To answer this question we have to move from the sphere of

deductive theory to empirical testing – to comparative politics. We should, ideally, be able to examine if an institution based on the ontology of rational choice institutionalism in a concrete context shows superior performance in terms of consolidation compared to another, based on the normative/ sociological perspective on institutions. Starting from here, we may select a sample (or subset) of democracies encompassing both types of institutions

Figure 4. Types of society and types of democracy.

Type of democracy / Culture and civil society	Pluralist democracy	Consensual democracy
Individualistic	← A	← B
Collectivistic		B →

and then subject them to comparative analyses (statistical or qualitative). Yet, while in principle a straightforward procedure, the question remains whether it is possible – in operational terms – to make this distinction between alternative institutional setups, and whether democracies are internally consistent in the way they construct their institutions. Only if we are able to identify two coherent subsets of democracies, representing respectively the rational and normative/sociological versions of institutionalism, will it be possible to determine which type is superior in consolidating (alternative) democracies. But if we succeed in this endeavor, we will not only have moved toward a better understanding of the relative strength of the rational and normative approaches to democratic consolidation. We will also have a more firm foundation on which to base our advice (if we are asked) about how institutions should be constructed in a new democracy.

Notes

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