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Institutional Change in Latin America: External Models and their Unintended Consequences

Kurt Weyland

Abstract: Influential theories claim that institutions shape actor behavior but are sustained by these actors' behavior. How do scholars escape from this trap of endogeneity? This article highlights a partially exogenous factor: institutional models and blueprints. Since these ideational schemes do not emerge from actor preferences, they play an independent, irreducible role in institutional creation. In fact, Latin America has borrowed many blueprints from the "First World." But transferred to a different setting, these imported models often fail to command firm, reliable compliance and do not operate well. Therefore, informal mechanisms arise and guide behavior. External borrowing thus produces persistent disjunctures in institutional development.

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Kurt Weyland is the Lozano Long Professor of Latin American Politics at the University of Texas at Austin. He has published *Democracy without Equity: Failures of Reform in Brazil* (Pittsburgh, 1996); *The Politics of Market Reform in Fragile Democracies* (Princeton, 2002); *Bounded Rationality and Policy Diffusion: Social Sector Reform in Latin America* (Princeton, 2007); and many articles and book chapters on democratization, neoliberalism, populism, and social policy in Latin America. His new project analyzes the wave-like diffusion of political regime changes across countries, starting with the explosive spread of the 1848 revolution in Europe and Latin America.
E-mail: <kweyland@austin.utexas.edu>

Institutional Theory in the Endogeneity Whirlpool

Prevailing theories of institutional creation and change suffer from a self-contradiction: They attribute causal importance to institutions, but derive institutions from the interests and strategic interaction of rational agents. As a number of authors – most starkly Przeworski (2004) – have pointed out, these two fundamental claims stand in tension. If institutions are the mere product of preferences and choices, and especially if institutions are conceptualized as equilibria rather than constraints, then how can they exert any independent causal force? Institutions cannot really "make a difference" if they are epiphenomena of the interests and capabilities of rational agents.

These contradictory claims reflect a problem of endogeneity. Many scholars have argued that institutions – usually defined as the formal or informal rules of the game (North 1990: 3) – affect the behavior of political actors. Candidates for office, for instance, adjust their electoral strategies and tactics to the laws governing democratic contests; proportional representation prompts different efforts at vote-getting than single-member district plurality. But while institutions shape choices and actions, important strands of institutionalism also argue the inverse, namely that the creation and maintenance of institutions result from rational behavior and strategic interaction. In the most pronounced version of this argument, advocates of rational choice claim that institutions constitute equilibria: They survive only as long as no relevant actor has the interest and power to force change. But if institutions depend on self-interested behavior, then how can they shape that behavior? Institutionalism seems caught in a logical circle, the whirlpool of endogeneity.

It was not by accident that institutionalism, particularly its rational choice version, fell into this "Przeworski trap" (cf. Przeworski 2004). Advocates of rational choice discovered institutions when faced with the need to explain the unexpected stability of political patterns and outcomes. Kenneth Arrow's "impossibility theorem" and its subsequent generalization seemed to predict constant "cycling" of political alignments and the impossibility to bring democratic decision-making to an authoritative conclusion. But even a cursory glance at the "real world" outside the formal models conclusively proved that politics was far removed from this eternal instability. Instead, political actors frequently arrived at decisions, which in turn attained great stickiness in many political systems, such as the U.S. (Shepsle 1989).

To explain this theoretically surprising yet empirically obvious absence of constant cycling, authors invoked institutions, which structure the decision-making process and thus allow institutionally empowered participants to privilege their own preferences. Chairpersons of Congressional committees, for instance, can sequence voting between potential alternatives in a

way that facilitates approval of the option that they themselves prefer. Institutions thus produce "structure-induced equilibrium" (Shepsle 1989).

This argument, necessary to account for the massive divergence between empirical observations and theoretical expectations, threatened the methodologically individualistic foundation of rational choice, however. If a decisive feature of politics arises from supra-individual macrostructures, how can rational choice still claim to start from *micro*-foundations? A theory of structure-induced equilibrium alone would turn rational choice into a version of structuralism – and some advocates of rational choice have indeed advanced strikingly structuralist interpretations of this approach (Satz and Ferejohn 1994).

Most adherents of rational choice were unwilling, however, to depart from methodological individualism. After they had used the call for micro-foundations to attack other approaches such as culturalism, structuralism, and historical institutionalism, they were understandably reluctant to relinquish this highly effective weapon, cross lines, and join their erstwhile adversaries. Instead, as soon as they came to highlight the importance of institutions, they stressed that institutions themselves were merely the products of individual interests and strategic interaction among rational actors (Shepsle 1989: 137-141). In this way, they safeguarded their micro-foundation – but at the cost of falling into the endogeneity whirlpool. The current predicament of rational-choice institutionalism is therefore no accident. Unless scholars loosen some premise of this approach or attribute significant importance to exogenous factors, an escape from the Przeworski trap will be difficult.

In principle, one could move in several different directions. One option is to invoke cultural tenets and values. Shared assumptions that are taken for granted restrict actors' consideration of options, limit the range of preference orderings that feed into democratic decision-making, and thus prevent constant cycling. By invoking an inherently supra-individual factor, culturalism radically departs from methodological individualism, however. Another option is to criticize the ideal-typical notion of rational agency and point to the ever-growing body of cognitive-psychological evidence that demonstrates the lack of realism of rational choice's micro-foundation (e.g., McFadden 1999; Thaler 2000; Kahneman and Tversky 2000; Gilovich, Griffin, and Kahneman 2002; for applications to political science, see McDermott 2004; Mercer 2005; Jones 2001; Jones and Baumgartner 2005; Weyland 2002, 2007). If "really existing" actors regularly and systematically diverge from the postulates of "economic" rationality; if they process information selectively and make their judgments in a distorted fashion; then unintended consequences abound and the results of interaction – including institutions – cannot be conceived as mere products of the preferences of strategically interacting individuals. Cognitive-psychological deviations from pure ration-

ality introduce elements of inertia and stickiness that give institutions a degree of independence and real causal force. Actors may end up creating institutions whose mode of functioning they did not fully anticipate and whose consequences and repercussions escape their control. Like the sorcerer's apprentice poetically depicted by Johann Wolfgang von Goethe, they may unleash forces that they cannot tame any more.

These two types of rescue efforts would come at the price of forced conversion. To escape from the Przeworski trap, rational-choice institutionalism would need to give up some characteristic – if not defining – premises of its basic approach. A flight into culturalism would weaken methodological individualism, whereas a capitulation to cognitive psychology would force a profound reconceptualization of rationality.

The Importance of Ideational Supply Factors

The present article addresses this crucial issue in a much less frontal fashion,[1] namely by highlighting a partly exogenous factor. Advancing a modest proposal, it calls attention to the issue of ideational supply, which established institutional theories have not considered sufficiently.[2] Rational-choice institutionalism, like theories of institutional creation and change from an economic-structural perspective, proposes a demand-driven argument: Institutions emerge from the preferences and strategic interaction of contending political or socioeconomic forces. Actor interests provide institutions' DNA, that is, all of the informational programs that in whatever mix result in institutions; and actors' power, which shapes their strategic interaction, determines whose DNA leaves a stronger imprint on the institutions that emerge from negotiation, competition, and conflict. This explanatory scheme underlies not only rational-choice institutionalism, but also other purely interest-driven approaches such as economic structuralism (which highlights supra-individual actors such as social classes, however). For instance, in the view of power resources theory, a prominent version of economic structuralism, the welfare state results from the pressures and bargains among contending sociopolitical forces that deliberately pursue

1 Thus, I deliberately avoid the huge debate on rational choice, which has taken some new turns due to the development of incomplete information games, the recent revival of theories of bounded rationality (Bendor 2003; Jones 2001), etc. and which I have engaged in other publications.

2 For efforts to move in this direction, see Schofield (1996), Stokes (2001), and Biglaiser (2002).

their clear, given class interests (e.g., Huber and Stephens 2001). Thus, the demand-focused approach to institutional creation and maintenance has adherents far beyond rational choice.

This demand-driven argument is incomplete, however, and cannot explain institutional creation and maintenance in the "real world" with all of its tremendous and rapidly increasing complexity. Contrary to claims of perfect anticipation advanced especially by adherents of rational choice (e.g., Alt and Shepsle 1990: 2), political actors often cannot foresee the actual consequences of their institutional choices. Unintended consequences therefore appear with considerable frequency. For instance, electoral rule changes in Poland's new democracy produced losses rather than gains for more than half the actors who undertook such institutional manipulation (Kaminski 2002). Similarly, Argentine politicians did not anticipate the disaggregative impact of the *Ley de lemas* that they borrowed from neighboring Uruguay (Tula 1995: 247-250, 263).

Designing institutional solutions that maximize actors' preferences is very difficult. Actors often have reasonably clear goals but are uncertain about the best means to pursue them. They know *what* they want but not *how* to get it best. Instrumental knowledge about the optimal means for attaining a given end is far from unproblematic. In particular, it does not automatically flow from interests. For example, social-democratic parties in Europe during the 1920s intended to reform capitalism thoroughly, but did not know how; since they shied away from revolutionary radicalism, they remained confined to administering the status quo. Only when Keynesianism showed a way out of this dilemma did they learn how to make their redistributive goals compatible with the economic requirements of capitalism (Przeworski 1985: 35-36). This novel economic approach allowed them to square the circle and lay the foundation for the social democratic welfare state. Preferences alone were not sufficient; new ideas made an indispensable independent contribution.

The uncertainty facing interest-driven actors, especially during the crises that often give rise to institutional reform or creation, gives ideas a decisive role (Blyth 2002). Novel programs or schemes can suddenly allow actors to cut through the fog surrounding them, especially in fluid, volatile situations. They lead decision-makers down paths that they had not planned or foreseen beforehand. They allow actors to overcome a decisional impasse and pursue their interests, but not necessarily in the best imaginable way; instead, the limited supply of ideas constitutes an important constraint. Actors need to choose among the ideas that happen to be available to them at the time of decision-making; they may well have made a different choice if another idea had been developed or they had been aware of it.

Institutional creation and reform therefore depend not only on demand factors – primarily interests and power – but also on supply factors. As ideas do not automatically spring from interests, these supply factors have an independent status and are by no means mere epiphenomena of preferences. The recognition of this autonomous, partly exogenous factor thus begins to open a way for institutionalist approaches to avoid the depths of the endogeneity whirlpool: Actors are influenced by institutions, and these institutions in turn are shaped by actors' choices – but institutions are not the mere products of self-interested choices. They are not equilibria that optimally reflect the prevailing constellation of actors and the strategic interaction among them, but the results of imperfect choices, constrained by the limited menu of ideas that happen to be available. Institutions are not pure derivations of power and interests but are also shaped by the limited, "unpredictable" supply of ideas, which can lead actors to pursue their interests in decidedly suboptimal ways.

The External Supply of Institutional Ideas and Models

The potential disjuncture between interests and actions is especially pronounced because the difficulty of designing ideas induces actors to be receptive to external sources of inspiration. Throughout history, yet at an increasing rate with the advance of globalization, political actors have been attracted to and impressed by ideas designed in other political units. Greek ideas had an irresistible impact on ancient Rome, despite the elder Cato's fears about the corrupting effect on the moral fiber of this warlike republic; many early-modern princes sought to imitate the Sun King Louis XIV in trying to acquire absolute power; and as a rapidly growing literature has documented, a wide range of innovations, from Chilean pension privatization to regulatory regimes and conditional cash grants, have spread across a vast number of countries in recent decades (Levi-Faur 2005; Weyland 2007; Simmons, Dobbin, and Garrett 2008). As a surprising variety of countries adopt the core principles of the same innovation, the power of new ideas – the supply factor stressed in this article – becomes obvious.

As decision-makers commonly take inspiration from external ideas and models, institutional change often proceeds in waves. A bold foreign innovation that crystallizes into a coherent, neat model whose logic is easy for observers to grasp, can exert strong attraction and stimulate imitation in a number of countries, especially among the forerunner's neighbors. If such a striking new blueprint attains initial success, it induces a range of followers to advocate its emulation. An upsurge of diffusion results as the innovation quickly spreads in the originating region and beyond (Weyland 2007: chap-

ters 1-2, 4). As numerous countries of different socioeconomic and political characteristics adopt the basic principles of the same external model, similarity spreads amid diversity.

These waves of diffusion show that institutional creation and reform are not driven by the preferences and power of domestic actors alone. Instead, the external supply of ideas also plays a crucial role. Domestic actors may be ready to adopt a novel blueprint; but only when an innovation designed in a foreign country makes such a blueprint available to them do they actually proceed to enact this change. The very fact that countries of significantly different characteristics adopt a similar model within a short period of time suggests that domestic readiness was not sufficient for prompting institutional transformation; instead, the external input was necessary for showing domestic actors how they could resolve problems and accomplish goals that they had unsuccessfully struggled with before.

Ideas and their frequent supply from external sources can thus help to keep institutionalism from drowning in the endogeneity whirlpool. The appearance of a foreign model constitutes an exogenous factor that cannot be derived from the preferences and power of domestic political actors alone.

As empirical investigations show, learning from foreign models can introduce additional deviations from the optimal pursuit of rational self-interest. First, the collection and processing of information about external programs and schemes often does not live up to basic rational standards (Mossberger and Wolman 2003; Page and Mark-Lawson 2007; Weyland 2007). Rather than systematically gathering the relevant information, actors are content with selective perception. For instance, they react to dramatic news that grabs their attention, rather than conducting a more proactive search. And they often fail to conduct a thorough, balanced assessment of the benefits and costs, the promises and limitations of a foreign innovation. Instead, they tend to overestimate early signs of success or failure, drawing rash conclusions about the inherent quality of an innovation from a slim, potentially unrepresentative base of data. They overrate the evidentiary value of small samples and do not properly consider chance factors, such as regression toward the mean (Weyland 2007).

Moreover, political actors often do not thoroughly examine the necessary prerequisites for importing a foreign model: What works well in the country of origin may have quite different repercussions in a different setting. As institutionalists have realized (e.g., IDB 2006), the same configuration of formal rules can have strikingly divergent effects, depending on the institutional, political, socioeconomic, and cultural context. Political actors are often so "taken with" the success of an external model that they overestimate its applicability and promise for their own country. Bolivian experts

and policymakers, for instance, were highly impressed by the bold pension privatization adopted in neighboring Chile and neglected the prerequisite of having a minimally functioning capital market in place (WB. IEG 2006). Similarly, many nations created state institutions to support and regulate scientific activities although they did not have any domestic science community to speak of (Finnemore 1996: 43-46). Thus, political actors commonly import foreign models that fit their internal conditions rather imperfectly.

As these examples suggest, the import of institutions that do not "fit" well is frequently driven by high ambition. Political actors are eager to imitate foreign models that they perceive as successful; their quest for improvement makes them downplay the internal preconditions for replicating this success. Moreover, normative pressures and the desire to enhance their legitimacy can motivate decision makers to reach for the sky. Determined to demonstrate their commitment to modernity and progress and to avoid the stigma of backwardness, they adopt advanced solutions that their comparatively underdeveloped countries may have difficulty sustaining.

Certainly, ambitious imports can end up being beneficial by exerting an uplifting effect. They can induce domestic political actors to undertake an extra effort and accomplish "the impossible" to make the external model function. In this way, the emulation of demanding models can give institutional development a particular push.

The Risks of Institutional Import

Institutional import also creates the risk, however, that decision makers reach beyond their limits and adopt foreign innovations that cannot work out due to the absence of domestic prerequisites. In this case, the new formal institution may turn into a mere façade behind which entrenched informal mechanisms do the real work of regulating behavior. Worse even, efforts to put an over-ambitious imported institution into effect may be counterproductive, undermining a long-established system of behavioral regulation without replacing it with a functioning alternative. In this case, institutional development may actually be set back because the innovation ends up being discredited while domestic actors are tempted or feel compelled to fall back on older, less advanced mechanisms.

Such unsuccessful or even counterproductive efforts at institutional emulation have occurred throughout recorded history. The status-driven efforts of medieval kings in West-Central Europe to reconstitute the Roman Empire, for instance, faced problems of institutional feasibility that rulers sought to overcome through the expedient of feudalism, that is, a network of personalistic, particularistic, hierarchical exchange relations. According to

the famous analysis of Otto Hintze (1970), the political, cultural, and educational backwardness of the Germanic successor kingdoms did not allow for clearly defined, impersonal, institutional authority relations between different office holders. Instead, the new emperors felt compelled to resort to a far inferior linkage mechanism, namely personalistic loyalties that they sought to cement through the exchange of land possession for obedience – yet with very limited and shifting success. This uninstitutionalized, fluid support structure provided a rather insecure base for stable domination. The Holy Roman Empire, a hollow shell of the grand institutional structure of antiquity, was plagued by constant infighting, especially feuding. The disaggregative tendencies of feudalism weakened the empire more and more, driving a ruler who took his official universal mission seriously, Charles V, into resignation and abdication.

Thus, an ambitious formal institution, imitated in an unpropitious setting, could be effectively sustained only by non-institutional, personalistic mechanisms, which ended up undermining this fancy structure. The impossibility of sustaining the official façade with a firm institutional scaffold created a need for resorting to mechanisms of a very different nature, namely personal loyalties. Of these two divergent logics, personalism proved stronger because it was much more firmly entrenched in a backward polity. Grafted onto a different root, the institutional transplant did not blossom but arguably held back state formation in Central Europe. Whereas territories outside its borders consolidated into modern nation states, effective political rule inside the Empire itself fractured more and more, creating a dysfunctional, economically and politically inefficient structure.

This early experience with over-ambitious, problematic institutional imitation is only one of many examples in which formal institutional structures, imported synchronically or diachronically from more advanced countries, cannot effectively fulfill their tasks, guarantee compliance from office holders and regular citizens, and reliably guide behavior. Such unrealistic institutional emulation seems to underlie part of the frequent divergence between formal rules and informal mechanisms that the literature on "informal institutions" has highlighted (Lauth 2000; Helmke and Levitsky 2006; see also O'Donnell 1993; Méndez et al. 1999). Scholars have documented many cases in which informal – not formal – rules actually govern behavior and are enforced with considerable consistency. These informal mechanisms often violate the spirit of formal rules or produce behavior patterns and outcomes that undermine them. These disjunctures appear because of the ineffectiveness of formal rules, which in turn can arise from their non-native, imported character.

The following analysis of important turning points in Latin America's institutional development illustrates these arguments about the significant role of external ideas and the potentially problematic repercussions of institutional imports. While in no way claiming to provide a rigorous empirical test, it offers evidence on external borrowing and its unintended consequences throughout Latin American history. It seeks to establish that such counterproductive effects *can* happen and have happened, preparing later investigations of the conditions under which they are likely to happen. This preliminary discussion highlights that over-ambitious efforts at emulating formal institutions from abroad can paradoxically give rise to the construction of divergent informal mechanisms; that the resulting tensions and disjunctures can persist for a very long time; and that externally inspired attempts to challenge the established institutional framework are even more likely to backfire and have counterproductive effects. None of these claims are novel, and they are not derived from primary research. Yet this article seeks to make a modest contribution by putting these various pieces together into a bigger picture, which it relates to current theoretical debates in the institutionalist literature.

The discussion first focuses on the creation of new political regimes after Latin America's independence, when the new nations, constrained by standards of normative appropriateness, borrowed predominantly the institutional model of the U.S. In these unconsolidated states and polities, however, this liberal import made it difficult to restore political stability and paradoxically gave rise to informal patterns of collusion and manipulation. As the subsequent section documents, a similar divergence between formal rules and effective informal patterns has persisted during the "third wave," when the external promotion of democracy induced a number of countries to adopt more "advanced" institutions than they could domestically sustain. The last section extends the analysis to external ideas about the process of changing established institutions, showing how the revolutionary fervor fueled by the Cuban Revolution backfired and helped to undermine long-standing democracies in Chile and Uruguay. The present think piece thus casts a wide net to examine how external ideas, institutional blueprints, and models of change can shape institution building in Latin America and exert unexpected and even counterproductive effects.

Institutional Import after Latin America's Independence

Interestingly, external institutional ideas and models have shaped Latin American polities since the struggles for independence in the early nineteenth century. While some researchers have stressed domestic roots of institutional development (Stoetzer 1994; Rodríguez 2007), the very foundation of independent states occurred in a setting that was strongly influenced by foreign precedents as well, especially the French Revolution and the creation of the United States. In addition to Spanish liberalism, which found a particularly prominent expression in the Constitution of Cádiz (1812) and the liberal "revolution" of 1820, French, North American, as well as British ideas had a significant impact on the new-born nations of the Western hemisphere.

Latin America's struggle for independence was triggered by the Napoleonic invasion of the Iberian peninsula, which weakened the colonial power and suddenly created the opportunity for gaining national sovereignty. The primary impulse for this chain of events thus was the disruption of political-military control by the mother country. Independence did not come to Latin America as the result of domestic political initiative, demand-making, organization, and mobilization, as in the U.S. or later in India. Instead, a double exogenous shock – the sudden debilitation of the mother country, which in turn resulted from a foreign attack – opened up the window of opportunity for Latin American independence.

As a result, the political and military elites that arose in the region had not developed very clear ideas, designs or blueprints for organizing the new polities (Guerra 1994: 2-4). How should they govern? What type of institutions should they build? How should they organize the new states? Answers to these urgent questions were uncertain. The longstanding discussion inside the Spanish Empire, both in the Americas and in Iberia (Stoetzer 1994; Rodríguez 2007), had focused on general ideas and principles, but had not arrived at clear and consensual institutional blueprints.

To fill this gap expeditiously and bring order and stability to the war-plagued former colonies, the emerging political elites looked to external sources of inspiration as well, especially from the U.S. and France. Their own fight against monarchies made republics particularly attractive; the U.S. and France had undergone similar "revolutionary" experiences as the newly independent continent; and those nations had experimented with especially advanced, modern forms of political rule. On this crucial point, for instance, Spanish liberalism, which accepted the persistence of monarchical rule and sought to constitutionalize rather than abolish it, could not serve as an inspiration. (Burns 1979: 11, 14, 16-21, 27; Véliz 1980: 147-152, 162; Liss 1994: 266-269).

The French precedent, however, was stained with memories of the *terreur* (Guerra 1994: 3). It held appeal to the minority of radicals but not to the major-

ity of more moderate and conservative sectors. The fear of mob rule and plebiscitarian dictatorship, fueled by social, ethnic, and racial tension in starkly unequal societies and reinforced by the recent experience of the slave revolution in Haiti (Bushnell and Macaulay 1988: 14), instead enhanced the attraction of the separation-of-powers doctrine, as instituted with seeming success in the U.S.

The U.S. constitution with its intricate system of checks and balances therefore exerted a good deal of influence over the new countries to the South (Safford 1987: 51, 56, 59, 85, 96; Bushnell and Macaulay 1988: 34, 65; Brumm 1992: 22, 24; Lynch 1993: 38; Gargarella 2005: 17-22; Véliz 1980: 154-155; Needler 1976; Negretto and Aguilar Rivera 2000: 365). As the Spanish-American republics followed the basic outline of the presidentialist design and "imported" specific institutions from their brother to the North, such as the electoral college for presidential contests (Colomer 2004: 81, 90), they ended up embarking on a fairly ambitious institutional experiment. Could the borrowed institutional framework ensure effective governability? Would it work in significantly different settings and situations? For instance, whereas the economically more dynamic and politically increasingly influential North of the U.S.'s settler society was fairly free of hierarchically ordered social inequality, the many societies of conquest in Latin America, in which light-skinned elites continued to oppress a large indigenous population, approximated caste systems in some cases. Moreover, whereas state- and nation-building long proceeded without great challenges in the North, the proper shape of the newly emerging countries in Central and South America was much more contested: Would Central America unite in one state or form five separate units? Would "Colombia" include present-day Venezuela and Ecuador? Would Uruguay remain a province of Argentina or become an independent country, and what would the relations between Buenos Aires and the interior provinces of contemporary Argentina be? Thus, internally and externally, stateness was far from consolidated. Governing these unequal and tension-filled countries with their unclear shape and contested boundaries was difficult.

The institutional frameworks borrowed to a considerable extent from abroad indeed faced overwhelming problems. The expulsion of the Spanish monarchy left a legitimacy deficit that the new rulers empowered by imported institutions had difficulty filling (Morse 1982: 59-61). Elections simply did not confer a firm right to rule that found broad acceptance. And the official configuration of checks and balances did not prompt the inter-institutional negotiation and compromise that would have allowed for coherent political decision-making and the consistent exercise of governmental authority. Instead, gridlock among the formally empowered institutions

developed regularly, which in turn prompted frequent efforts to break the impasse by extra-constitutional force.

Indeed, following imported liberal doctrine, early constitution makers did not include emergency powers into the institutional framework, making it difficult to combat crises and restore order without overturning the constitution (Negretto and Aguilar Rivera 1999: 1798, 1803-1804). When in later decades emergency provisions were included in constitutions, liberal institutional engineers did not know the model of temporary dictatorship developed in republican Rome, which limited the threats to the established institutional order (Negretto and Aguilar Rivera 1999: 1810, 1821). Instead, the regimes of exception that were created in Latin America opened the door for abuse and the creation of lasting dictatorships (Loveman 1993). With similar frequency, established governments faced uprisings from rebellious generals or the leaders of private armies, the notorious *caudillos*. In many of the new republics, for decades the right to rule was grabbed more with bullets than acquired via ballots.

As a result of this instability, the formal institutional framework often turned into a façade; effectively, power was exercised with far more brutal means (Safford 1987: 70-71). As constitutional provisions were suspended frequently, elections turned into playgrounds for all the imaginable tricks of manipulation and fraud. At the same time, constitutions were revamped with disturbing frequency as newly winning factions sought to stabilize their control by decreeing a novel set of rules and thus giving their domination formal legitimacy. Yet precisely because the new constitution was often tailor-made for and by the current incumbent, it was not seen as a consensual framework for the country. As soon as the present government fell, it suffered a profound overhaul by the new victor, and the whole cycle started anew. As a result, constitutions were replaced with dizzying speed, and Latin American countries established amazing records of flux in their – supposedly – fundamental institutions.

This widespread disrespect discredited formal institutions as such. If constitutions could be suspended or changed so easily, they could not gain command over actors' behavior. Why submit to a formal rule if friend and foe alike did not? Why incur a political disadvantage by complying with a constitutional prohibition if competitors were certain to display less self-restraint? As institutions turned into mere instruments of short-term political struggles, long-term considerations that could have motivated greater respect, such as the intention to build up a reputation for proper behavior or the desire to capture the mutual gains from reciprocal exchange, faded into the background.

As formal institutions failed to regulate political behavior, alternative mechanisms emerged to fill the gap. Typically, these mechanisms had a more personalistic – rather than institutional – nature. Given the weakness of formally defined rights and duties, actors resorted to personal loyalties to guarantee support and establish cooperation. Horizontal and vertical networks therefore proliferated. To enhance political stability, cliques of elites elaborated informal mechanisms of power sharing and political succession that were sustained through the systematic manipulation of elections (Negretto and Aguilar Rivera 2000: 378-397; Guerra 1994: 23-24). Behind the official institutional façade, invisible powers made the real decisions. As in the Holy Roman Empire analyzed by Hintze, actors resorted to informal mechanisms to make an imported institutional framework operate, however imperfectly. Drawing on personalistic networks among elite groupings as well as clientelistic control over larger population sectors, they managed to attain greater political stability during the second half of the nineteenth century. As formal institutions failed to guarantee order, dense informal mechanisms filled the gap.

In sum, institutional import after Latin America's independence clearly had unintended consequences. First, the liberal framework failed to secure a minimum of political stability; later, stability emerged, but only through informal, personalistic mechanisms that hollowed out and discredited the official liberal institutions. Thus, the supply of external models helped to deflect institutional outcomes from the preferences of the relevant political actors.

Long-Term Effects of Externally Supported Institutional Models

By the time the "third wave of democratization" swept across Latin America, liberal, pluralist democracy had turned into the end goal of political development embraced by the large majority of domestic and foreign constituencies. Efforts of military rulers to hide their undemocratic intentions behind "democracy with adjectives," such as "strong democracy," fell on deaf ears. Military rule ended up discrediting right-wing efforts to deviate from full democracy by instituting *dictablandas* or *democraduras*. As a result, remaining limitations on universal suffrage now fell as well. For instance, Brazil, Ecuador, and Peru eliminated the literacy requirements that had traditionally restricted the right to vote. Dialectically, the very horrors of dictatorship reaffirmed the value of liberal democracy. As a result, even sectors of the left that had previously despised "bourgeois" values discovered the benefits of liberal safeguards under the threat or the reality of tor-

ture. Large sectors of the left therefore embraced liberal, pluralist democracy and gave up any demands to replace it with "revolutionary" alternatives.

Yet while full democracy had grown firm domestic roots and a large proportion of power contenders embraced it, either out of normative commitment or pragmatic acquiescence, external forces continued to play an important role in enhancing the attractiveness and acceptance of this regime type and in helping to protect it against challenges. Starting with the high-profile advocacy of democracy and human rights under President Carter and interrupted only temporarily during the revived Cold War of President Reagan's first term, liberal democracy and its core components turned into a standard pushed with increasing consistency by the international community. The end of the Cold War and the fall of the Communist bloc eliminated any temptation to trade off democracy for the political stability supposedly guaranteed by right-wing dictatorships. Given Latin America's membership in the cultural community of the West, the region has been held to these standards during the last two decades – much more so than other regions of the developing world (Hawkins and Shaw 2007: 35-38). Thus, besides its ever stronger internal roots, Latin America's adherence to democracy has also reflected the desire to live up to external norms and expectations, prove modernity and moral advance, and comply with new rules of proper political behavior.

Thus, external pressures and normative influences have been important in helping to keep the region on the path of democracy, discouraging and – if necessary – stopping open efforts to overturn civilian competitive rule. Foreign inputs have significantly affected Latin America's regime trajectory, which cannot be attributed exclusively to the interests and power of domestic contenders; the regime equilibrium that would result from domestic factors alone would probably be quite different in many countries, such as Paraguay, Nicaragua, Haiti, Guatemala, El Salvador, and present-day Bolivia, Ecuador, and Venezuela.

Interestingly, these external inputs are nowadays more the product of foreign initiatives, pressures, and constraints than when liberal and democratic constitutional principles first took hold in the region after the struggle for independence. At that point in time, constitutional convergence resulted from the "demand pull" exerted by Latin American importers of institutions. Nowadays, the "supply push" of First World "exporters" plays a significant role as well.

This external impulse is evident in the huge "democracy promotion industry" sustained by First World countries. A vast network of NGOs, political party foundations, governmental agency, and other publicly funded institutions have preached the gospel of democracy during the last three decades

(Whitehead 2005; Farer 1996; Legler, Lean, and Boniface 2007). They have provided instrumental, technical advice, for instance on how to run and monitor free, fair elections. They have sought to spread democratic values and principles, working, for instance, with previously undemocratic sectors of private business and the civilian right in Chile. And they have revealed and criticized deviations from democratic rules and principles and pushed for consistent compliance. Open violations have also drawn condemnation and threats of sanctions from First World governments. This democracy promotion and protection regime has contributed greatly to the survival or restoration of democracy in unstable settings, such as Ecuador, Paraguay, and Peru.

But for political and informational reasons, this external support system focuses on the basic principles and core institutions of formal democracy. It centers on the most typical and important mechanism of modern democracy, namely elections for the national parliament and especially the head of government (similar Boniface 2007). Politically speaking, free and fair contests certify a country as democratic; and as regards informational requirements, the features of elections are relatively easy to observe and monitor. By contrast, the way in which elected governments treat their own citizens – a decisive element of democracy as well – is much more difficult to ascertain and influence. Rather than being temporally concentrated in one national-level event that unfolds according to similar rules across the national territory (like an election), the interaction between governments and citizens continuously plays out in many different settings according to a multiplicity of rules; for instance, school teachers act differently from pension bureaucrats and police officers. Monitoring this tremendous variety of implementation decisions and checking its compliance with democratic norms is infinitely more complicated than observing an election. And trying to influence such implementation decisions would constitute very deep "interference in the internal affairs" of another country, facing serious limits of political feasibility.

Therefore, democracy in many Latin American countries continues to have limited penetration throughout the national territory. Whereas this externally supported system has by now taken root at the national level and while its norms of citizenship largely regulate behavior in urban middle-class areas, this is less and less the case, the farther one moves away in social and spatial terms. Poorer, less educated people, especially if they are (perceived as) socially marginal or have darker skin color, are treated much less well by the gamut of state agents; their rights of citizenship are less guaranteed and can be violated with ever more striking impunity the more one moves down the social pyramid. Thus, the democratic principle of universal equal citizenship is not observed in practice, especially in urban squatter settlements and in rural regions (O'Donnell 1993; Méndez, O'Donnell, and Pinheiro. 1999;

Brinks 2007). Many of Latin America's new or restored democracies are distinctly "illiberal" (Smith and Ziegler 2008: 35-39).

In sum, the significant disjuncture between formal rules and actual behavior that has characterized Latin American politics since national independence has persisted at the "infrastructural" level of relations between the state and its citizens. Indeed, this gulf does not just reflect a failure to live up to ambitious principles and norms that are pushed and supported in part from abroad. Instead, the informal deviations from full democracy may be the price for sustaining this regime at the national level. They allow conservative elites more influence than they would otherwise get, increasing their acquiescence in a political regime that may not constitute their first preference (Kurtz 2004). Important sectors of Latin America's socioeconomic and political elites were reluctant to accept the installation or restoration of democracy, which they associated with trouble and turmoil, if not attacks on their core interests, including economic property rights and political order. The mobilizational experiences of the 1960s and early 1970s, such as the struggle over "basic reforms" in Brazil (1961-64), the "revolution in liberty" (1964-70) and abortive "march to socialism" in Chile (1970-73), and the outburst of contention and violence in Argentina (especially 1973-76), had reinforced elites' fear of democracy. They saw the return of equal universal suffrage, now completed through the abolition of literacy requirements, as a potential threat.

The influence that these sectors can maintain via informal mechanisms that are at odds with the spirit of democracy, such as clientelism, can alleviate these concerns. As more backward regions, where these sectors tend to have a particularly firm hold, are frequently overrepresented in Congress, they acquire a significant degree of strength, which can in some cases – depending on the institutional framework and fragmentation of the party system – amount to veto power. While this conservative anchor may appear to be a small price to pay for the return of civilian competitive rule at the national level, it creates an inherent tension between the sustainability and the quality of democracy (on the case of Brazil, see Weyland 2005). For the sake of system maintenance, efforts to deepen democracy, for instance by undermining clientelistic elites that hinder poor people's effective exercise of citizenship, may have to remain limited. Thus, the gulf between formal rules and effective political patterns "on the ground" may not be a gradually fading legacy of political backwardness, but a structural feature of inherently deficient democracies.

Thus, the political price for maintaining externally supported democratic institutions at the national level may be to hand over local control in more backward regions to conservative elites that operate with less than democratic means and keep many poorer people from effectively exerting

their citizenship rights (Gibson 2005). While the tension between formal institutions and effective political mechanisms has clearly narrowed since the times of Latin America's independence, it has by no means disappeared. Instead, it has persisted especially where the state, in trying to exercise its infrastructural power, comes in daily contact with millions of citizens. While there have been considerable and sometimes impressive improvements in "high politics," progress has advanced less in the innumerable small interactions that shape the lives of large masses of people.

In conclusion, the last two sections have sought to demonstrate that the creation, maintenance, and restoration of political institutions can be shaped by foreign ideas, models, and pressures and that this partial borrowing can have unintended consequences. In particular, externally inspired institutions often set up a framework of formal rules that fail to command reliable compliance and really govern actual behavior. Personalistic informal mechanisms then emerge or manage to persist and fill this gap. The incapacity of the formal framework shifts the task of guiding actual behavior to these informal mechanisms, which therefore gain a boost in sustenance. In this way, externally inspired ambition in institutional creation can have unintended consequences, allowing personalistic mechanisms that operate underneath the formal institutional façade to do the real work of behavioral regulation. As with Brazil's famous 1831 "lei para inglês ver," the shiny exterior can cover up a significantly different reality on the ground.

Counterproductive Effects of Externally Inspired Challenges to Established Institutions

While externally promoted democracy has continued to have an imperfect hold on many Latin American countries, externally inspired challenges to this broadly accepted model had a much worse fate, backfiring frequently. Besides institutional blueprints, ideas about challenging established institutional frameworks can also diffuse across countries; both the inspiration for seeking radical change and specific strategies for effecting such change can spread in this way. During the 1960s, the Cuban Revolution exerted tremendous attraction throughout the region, even among left-wing forces that had for decades participated loyally in democratic regimes, as in Chile and Uruguay (Wright 2001: 39-45, 50-56, 93-94, 130-131). Despite the very different setting, the fascination with Fidel Castro and Ernesto "Che" Guevara and the profound socioeconomic and political transformation that they enacted in Cuba induced Chilean socialists and Uruguayan leftists to embrace "armed struggle" and poke scorn at liberal, "bourgeois" democracy (for Uruguay, see especially Rey Tristán 2005: 78-95, 158-161, 397-407; also

Van Aken 1976: 125). This radicalization in turn triggered ever deeper threat perceptions on the right, helping to bring down these long-established democracies in the early 1970s. Thus, an externally inspired and promoted challenge to the existing institutional configuration seriously backfired. Even the Uruguayan Tupamaros, whose catastrophist approach sought to reveal the "fascist" core of the state and then bring it down more easily, were ill-prepared for the fierce repression that their violence provoked; the "fascist" state – an inaccurate characterization anyway – quickly defeated them.

Throughout modern history, dramatic revolutions have frequently exerted demonstration and contagion effects and set in motion waves of emulation. Impressed by the success of an outstanding revolution, potential insurgents in other countries come to believe that the time is ripe for challenging their own authorities. Thus, the very impulse for rising up and engaging in violent conflict can spread cross-nationally. Moreover, externally inspired revolutionaries often use similar means and tactics as their role models, borrowing from the repertoire of contention established elsewhere. The 1830 and 1848 revolutions in Paris, for instance, introduced the barricade, which was imitated throughout Europe (Tarrow 1998: 150-154). Thus, foreign precedents can inspire domestic oppositionists to make an uprising and teach them how to do so. In this way, both ideas about profound institutional change and specific models for bringing about such change can diffuse, affecting followers in a wide range of countries.

As a result of these demonstration and contagion effects, rebellion often spreads, yet with mixed success. In fact, the most drastic waves of revolutionary upheaval, including the rash of guerrilla insurgencies triggered by the Cuban Revolution, tend to result in a large proportion of failures. In many of these situations, domestic conditions were far from being ripe for a successful revolutionary challenge. In fact, domestic factors on their own would not have triggered an uprising in the first place. Instead, the supply side of institutional change, namely the inspiration provided by an earlier effort in a similar country, seems to play a crucial role in turning a single revolution into the trigger of a wave of rebellions and uprisings (Katz 1999). Interestingly, the force of this external input often appears to overpower considerations of domestic conditions and prerequisites. It spurs imitation efforts in a variety of settings, many of which are not particularly propitious. As a result, these attempts at emulation often do not succeed; indeed, they can unleash such a strong reaction from the defenders of the established order that the status quo gets pushed away from the type of system preferred by the revolutionaries. In Chile and Uruguay, for instance, rash, ill-considered, and badly prepared efforts to push for socialism even with violent means played a crucial role in provoking brutal military coups that ush-

ered in long-lasting dictatorships. Ineffective leftist action brought forth effective rightist reaction, with disastrous consequences for leftists and many other citizens. Rash challenges clearly backfired.

Waves of revolutionary attempts are often fed in part by the missionary efforts of first-born revolutions to export upheaval to neighboring countries. The Cuban Revolution, for instance, engaged in such efforts with particular zeal (Wright 2001: 39-40). But even in these cases, violent contention diffuses much farther, extending beyond the range of these deliberate attempts to spread revolution. For instance, the Chilean Socialist Party underwent a pronounced process of radicalization that was not instigated by Cuban emissaries or supported materially by La Habana. Instead, Chileans were fascinated with the Cuban Revolution and on their own sought to follow in its footsteps (Walker 1990: 138-153; Faúndez 1988: 167-173; Arrate and Rojas 2003: 333-337, 425-428). Although the regime they faced, a seemingly consolidated democracy in a highly institutionalized state, differed greatly from the personalistic dictatorship that had crumbled before Fidel Castro's assault, they nevertheless went so far as to endorsing armed struggle to bring about a socialist revolution. Any dispassionate, rational assessment of domestic circumstances would have advised greater caution. Thus, the fascination with "Cuba" is indispensable for understanding the fervor gripping parts of the Chilean left, especially sectors of the previously more moderate Socialist Party, during the late 1960s and early 1970s.

In these waves of contagion, revolutionary contention spreads far beyond the range of countries in which domestic conditions were sufficient for causing unrest. The spark provided by the initial revolution played a decisive role in setting ablaze the tinder of unresolved problems that had accumulated in those nations. A "great revolution" serves as a powerful signal that grabs observers' attention. Potential insurgents in other countries and the conservative defenders of the status quo cannot help but be affected, even if socioeconomic and political conditions inside their own country differ significantly from those prevailing before the initial revolution. The drama of a violent uprising has a strong impact and elicits widespread interest. Observers do not proactively search for relevant information; instead, the vivid experience of revolution directly impresses itself on them (case study in Weyland 2008).

In this vein, the Cuban Revolution triggered rash inferences, sparking insurgencies throughout Latin America. This external impulse motivated actions that were not in tune with domestic realities. Timothy Wickham-Crowley (1992: 33) reports:

> "In retrospect, some of the guerrillas candidly recognized the degree to which they had been seized by an idea… whose superiority lay more

> perhaps in its psychological immediacy and temporal proximity than in its political efficacy."

As the precedent of a "great revolution" led both opponents and defenders of the established order to believe in its precariousness, this inference did not emerge from wishful thinking, but from a rash inference that was common to both sides. As a result, potential rebels felt encouraged and tried to overthrow the institutional framework, while status-quo forces overrated these efforts' chance of success. Therefore, rightists mobilized all resources at their disposal, sought external support from the "hegemonic" power in the region, the U.S., and combated leftist challenges with full force and great brutality. In a significant overreaction, conservative forces eventually called in the military and condoned its unprecedented repression, which reflected the exaggerated fears of suffering overthrow (Wright 2001: 149-164). Thus, the example of the Cuban revolution helped to exacerbate domestic conflict and unleash a spiral of polarization, which ended with a right-wing coup. The left's revolutionary fervor clearly had counterproductive effects.

In sum, the tendency to attach undue importance to the single case of an outstanding revolution, which prevailed at both extremes of the ideological spectrum, motivated serious misjudgments, rash efforts, and overreactions on both sides. In particular, it triggered efforts to emulate a striking revolution in settings that lacked the domestic preconditions for success. As a result, failures abounded.

Episodes of political contention that are less dramatic and profound than a full-scale revolution can also exert contagion effects. For instance, the student protests and rebellions erupting in the U.S. and Europe during the 1960s also found emulators in Latin America. The striking outburst of May 1968 in Paris served as a particular inspiration. While student activism and mobilization had existed in Latin American countries long before this quickly famous incident, it played a significant role in fanning the flames of protest against new dictatorships and old democracies in Brazil and Uruguay, respectively. In the latter country, the impetus arising from "1968" allowed urban guerrilla groups, especially the Tupamaros, to net a significant number of young recruits (Rey Tristán 2005: 408-415) and thus increase their violent activities, which provoked strong repression and helped to undermine one of Latin America's oldest democracies.

In Brazil, "1968" coincided with a cautious, tentative opening of the new military regime installed in the 1964 coup. As different factions and groupings in the armed forces had not yet decided on the duration of the regime and the depth of its transformation project, a possibility for political liberalization seemed to arise. The resulting loosening of repression allowed for student protests, which drew inspiration in part from the worldwide

wave of contention. But these protests, interpreted by conservative forces as part of a dangerous coordinated movement of international leftists (Langland 2007: 6-7), led to a right-wing backlash, which contributed to a decisive turn towards long-lasting authoritarian rule. As hardliners invoked the trouble and turmoil in the streets to justify a crackdown, the leftist challenge, which had drawn an additional impulse from foreign precedents, backfired and helped to tip the intra-regime balance in favor of dictatorial sectors. As an international precedent provided inspiration to the left and exacerbated the fears of the right, pro-democracy protests had a counterproductive impact and ended up provoking an anti-democratic reaction. What could ideally have turned into an early transition to democratic rule became a trigger for intensifying and prolonging a dictatorship (Skidmore 1988: 71-84; Flynn 1979: 401-406, 418-425; Ridenti 2007).

In sum, external impulses that help to trigger domestic challenges to the established political order can easily prove counterproductive. The example of a foreign success, as the revolution in Cuba, or a particularly dramatic uprising, as in Paris in May 1968, can inspire discontented sectors to try and pull of a similar feat in their own country. Drawing rash inferences from a singular sequence of events, some groupings jump to the conclusion that they can emulate. As they get "carried away," they do not assess the domestic preconditions for doing so with sufficient objectivity and thoroughness. The external supply factor assumes disproportionate importance and overpowers considerations of domestic "demand" and feasibility. The rash challenges that result often fail, and by triggering reactionary countermobilization, they can make the political situation significantly worse, as radical leftists in Chile discovered in the dungeons of the Pinochet dictatorship. All in all, political action is not derived from the preferences and power capabilities of domestic actors alone; attractive foreign experiences and models can make a significant independent contribution that can deflect political action from the fully rational pursuit of given preferences. Enthused about outstanding achievements in other countries, actors can make the mistake of rashly emulating such apparent success, and the consequences can be disastrous.

Conclusion

This essay has sought to make a small contribution to a big issue, namely the question of endogeneity in institutionalist analysis, which plagues especially rational choice frameworks. Those approaches tend to derive institutions – conceptualized as equilibria – from the preferences, power capabilities, and strategic interaction of the relevant political players; thus, they invoke de-

mand-side factors. By contrast, this essay has highlighted an additional, partly exogenous factor, namely the supply of institutional ideas, principles, and blueprints. Whereas preference-driven approaches implicitly treat the availability of instrumentally optimal solutions as unproblematic, actors "in the real world" often face considerable difficulty coming up with good schemes for advancing their interests. Given this problem, they are receptive to foreign ideas and models. Borrowing schemes that have been tried out elsewhere can be much easier than designing an institution from scratch; and the stretch of experience attained by the frontrunner country offers useful information on the performance of an innovation.

But institutional importing also has downsides because a transplant may work very differently in the new setting. In fact, the aura of success attained by an innovation may make institutional borrowers downplay the contextual differences and neglect the need for thorough adaptation to local conditions (cf. Weyland 2007). Thus, learning from a foreign precedent may diverge significantly from rational standards and suffer from cognitive distortions. Moreover, distinctions in international status may induce countries to be overly ambitious in their institutional borrowing and take inspiration from much more developed countries. To speed up progress and live up to advanced norms of modernity, they are tempted to imitate novel institutions regardless of their domestic prerequisites. This aspirational gap can condemn institutional imports to ineffectiveness and allow for or prompt the emergence of informal, more personalistic mechanisms that do the real work of behavioral regulation.

In this vein, overambitious institutional import may help account for the frequent divergence in Latin America between formal rules, on the one hand, and actual behavior and the informal mechanisms guiding it, on the other. As discussed above, the liberal constitutions of the nineteenth century that were strongly inspired by foreign models and experiences were incapable of guaranteeing compliance and ensuring political stability; instead, a web of informal mechanisms arose that violated the spirit and letter of the formal rules to establish order in informal ways. Excessive ambition in the formal institutional framework thus had the unintended consequence of opening the way for informal mechanisms to flourish, which in turn discredited formal institutionalism in the eyes of the citizenry and turned political liberalism into a farce for many sectors.

The present essay thus highlights cognitively or normatively driven misjudgments and their counterproductive consequences. Since the institutional instruments for pursuing actor interests are far from unproblematic, institutional "equilibria" cannot be derived from preferences, power capabilities, and strategic interaction alone. Instead, ideas and schemes play a crucial role

as partly exogenous factors; they are not mere epiphenomena of the demand-side variables stressed especially by rational-choice institutionalism. Instead, the supply of institutional frameworks also plays an irreducible role. The limited availability of solutions and the frequent legitimacy pressures to embrace advanced blueprints can prevent actors from pursuing their interests in an optimal way and can produce unintended consequences.

Certainly, however, the supply of institutional solutions is not purely exogenous. There often is a menu of options from which actors can choose, and their interests shape the selection of options from this menu. For instance, while nineteenth century liberals were especially drawn to the U.S. constitution with its checks and balances, more authoritarian leaders such as Simón Bolívar gravitated towards different models, especially the Napoleonic constitutions (Safford 1987: 66). Thus, ideational influences embody a combination of exogenous and endogenous factors. But the menu is limited by the cognitive availability of prior experiences that enter actors' radar screens; normative pressures create further restrictions by declaring only certain options as legitimate. For instance, Latin American liberals failed to consider the scheme of emergency powers designed in republican Rome, which could have provided a less dangerous model of dictatorship than what they ended up adopting (Negretto and Aguilar Rivera 1999: 1810, 1821; Loveman 1993). Therefore, the exogenous element in institutional import is significant.

The present essay thus outlines one argument that can help prevent formal institutionalism from getting stuck in the Przeworski trap. Since the pull of this whirlpool arises from the endogeneity problem, recognizing and highlighting the partly exogenous supply of institutional models and blueprints can ease the difficulty. But grabbing this lifeline comes at a price for rational-choice institutionalists, who may need to soften the maximization postulates underlying their approach. Yet acknowledging that institutions are not equilibria that perfectly reflect the constellation of relevant actors, interests, and power capabilities may be a much more realistic approach for institutional analysis "in the real world."

Of course, a wide-ranging essay that calls attention to a relatively neglected factor and demonstrates its capacity to produce unintended consequences raises more questions than it can answer. The next step is to examine the precise conditions under which external ideas and models are influential and under which they prove counterproductive.

As regards the likelihood of import, two factors deserve special attention in this research program. First, the gap between domestic experience and expertise and the availability of external ideas and models seem to play a role. The incentive to borrow is especially strong if the domestic knowledge base is sparse but there are coherent external blueprints that look promising.

Why reinvent the wheel, especially if domestic capacity is limited? Second, the magnitude of the (perceived) institutional task matters as well. Where the old institutional framework has collapsed, looks unviable, or is seen as normatively bankrupt and a reconstruction from scratch appears as unavoidable, the difficulty and risk of this undertaking increases receptivity to external sources of inspiration. By contrast, where relevant actors merely seek to modify existing institutional patterns, the perceived need for external inputs is much lower, especially because local knowledge, namely an understanding of the context of gradual reform, becomes more important. Further research will need to operationalize these factors, assess their impact, and trace out the causal mechanisms underlying their operation.

Interestingly, both of the factors just mentioned also increase the danger of counterproductive effects. Limited domestic expertise cannot only forestall the autonomous design of institutional solutions, but also affect the choice from a menu of externally given options. Moreover, it precludes a thorough adaptation of the foreign import to local conditions. Similarly, a major discontinuity in institutional development exacerbates the risks of an externally inspired re-foundation. Is the ground prepared for the import of a bold innovation? If future research corroborates these conjectures, which associate the conditions of institutional import and its unintended consequences, then external inspiration should frequently end up being problematic – and the more problematic, the more of a departure the external innovation brings.

Another issue deserves more systematic research, namely what shapes actors' choice from the menu of available foreign inputs. As is evident in the above discussion, this choice certainly cannot be derived from actors' preferences alone; it has a crucial exogenous component. For instance, radical leftists in Latin America did not advance their own best interests by taking inspiration from the Cuban Revolution, as the disastrous consequences of contentious efforts in Chile and Uruguay reveal. Instead, two sets of factors seem to interfere in the pursuit of self-interests via external borrowing. First, cognitive filters limit the availability of external ideas and models by drawing disproportionate attention to some foreign inputs while keeping others off of actors' radar screen. Attention and information processing are selective, distorted by criteria that are powerful albeit logically accidental and arbitrary (Jones and Baumgartner 2005; Weyland 2007). Second, standards of normative appropriateness further narrow the range of actors' choice by ruling out some cognitively available models and declaring them unacceptable and illegitimate. This normative filter can keep actors from adopting external ideas and models that would favor their self-interests. Thorough historical research is required for assessing the impact of these factors.

In conclusion, the present essay has a simple message: The import of external ideas and models matters. The article highlights a supply factor that the predominance of demand-based explanations of institutional creation, maintenance, and change has neglected. By documenting the theoretical significance and potential empirical importance of an independent variable, the essay also outlines an agenda for future research.

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Cambio institucional en América Latina. Modelos externos y sus consequencias involuntarias

Resumen: Teorías influyentes sostienen que las instituciones constriñen la conducta de los actores, pero a la vez son el producto de la acción estratégica de estos actores. ¿Cómo pueden escapar los académicos de esta trampa de endogeneidad? Este artículo resalta un factor parcialmente exógeno: modelos institucionales. Como estos esquemas ideacionales no emergen de las preferencias de los actores, tienen un papel independiente e irreductible en la creación de instituciones. Precisamente, América Latina ha copiado diversos modelos del "primer mundo." Sin embargo, transferidos a un escenario diferente, estos modelos importados frecuentemente no operan de forma adecuada y no logran establecer un cumplimiento firme y confiable. Entonces, mecanismos informales emergen y guían la conducta de los actores. En consecuencia, la implementación de instituciones importadas genera quiebres persistentes en el desarrollo institucional.

Palabras clave: América Latina, institución, modelo, idea, difusión