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Credible Change: Exploring the Bases of State Reform in New Democracies

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Abstract

The essay starts from the assumption that institutions can be conceived of as patterns of expectation and thus that changing institutions requires changing expectations. According to its central hypothesis, the key to such expectational changes reads credibility: People correct their predictions about the ways others behave only when they have good reasons to do so. It suggests that three conditions must be fulfilled to render institutional reforms credible and thus effective: First, institutional reformers have to devise sound incentives compatible with the assumption that actors are self-concerned utility maximizers. Second, institutional reformers need sound moral credentials. They have to build solid images of moral integrity. Third, new institutions have to be built upon sound material bases. They demand skills, money, and technology. Yet, as the paper lines out in its conclusion, the ultimate proof of any institutional cake is eating it. Inconsistent performance devalues *ex post* any investment of trust eventually granted *ex ante*.

Notes

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Introduction

New democracies offer terrific job opportunities to institutional designers and architects. The interrelated tasks of consolidating and deepening democracy (see Diamond 1995) possess one common denominator: building institutions – forming and reforming them. In newborn democracies, institutional construction sites abound, and many of them involve complex, big-scale, and long-term projects. Examples are easily at hand: revising and reinforcing constitutional rules, converting parties from personalist vehicles into programmatic agents of representation, improving the substance as well as the predictive value of electoral campaigns, developing routines of elite cooperation and conflict management, constructing systems of interest group representation, diversifying the channels and broadening the arenas of popular participation, founding or revitalizing independent media, bringing the military under civil control and endowing its subordination with a sense of irreversible normality, enhancing the efficiency of parliamentary committees, decentralizing government, subjecting judicial systems to norms of impartiality and universality, introducing standards of professionalism into public administration, promoting republican ethics of public behavior, controlling political corruption, establishing strong and trustworthy auditing agencies, and so forth. The list of impending tasks is close to endless.

The present essay does not embrace this entire, breathtaking diversity of institutional challenges neo-democracies are exposed to. It limits its attention to one specific subfield of institutional development, namely, *the reform of the state* – which includes administrative reforms (that try to rationalize the state) as well as the establishment of “agencies of restraint” (that pretend to domesticate the state). Its analytical ambitions, however, fly quite high. It aims at molding some building blocks which in the medium term (at the end of a five-year research project on institutional development in new democracies) should fit into a middle-range theory of institution building. It pretends to trace some steps towards a framework of analysis and action, some hypotheses both fruitful and useful in new under-institutionalized democracies.

The paper starts from the idea that institutions can be conceived of as patterns of expectation and consequently, it equates institutional change with expectational change. Institutional transformations induce people to alter their expectations regarding the prevailing rules of social interaction. Parting from this conceptual basis the paper develops its main hypothesis: The key to such expectational changes is credibility. People correct their predictions about the ways others behave only when they have good reasons, reliable bases, to do so. The paper suggests that three conditions must be fulfilled to render institutional reforms credible and thus effective: First, institutional reformers have to devise sound incentives which are compatible with the assumption that men are angels maximizing their personal utility in the heaven of rational choice. Second, institutional reformers need sound moral credentials. They have to build solid images of moral integrity, ideally by exposing themselves to tangible personal risks and costs. Third, new institutions have to be built upon sound material bases. They demand skills, money,

and high technology. Of course, as the paper lines out in its conclusion, the ultimate proof of any institutional cake is eating it. If they perform in ways inconsistent with prior expectations, reformed institutions will fail the hard test of experience. Inconsistency kills credibility.

Institutions as Patterns of Expectation

The notion of institutions is wide and deep and soft, and thus evasive. What are institutions? This question has accompanied modern sociology since its very birth. But in spite of its advanced age it has not been ripe yet to withdraw into retirement. As a consequence, most institutional (or neo-institutional) analyses make an effort to clear the definitional ground, shaky and muddy, they step into. They define institutions in divergent ways, for example, as regularized patterns of interaction (O'Donnell 1994), social constraints (North 1993), structural constraints (Schedler 1995), enduring structures extended over time and space (Giddens 1984), second-order structures (Schülein 1987), rules and routines (March and Olsen 1989), rules, structures, and procedures (Shepsle 1989), decision-rules and incentive systems (Stepan and Skach 1992), rules, norms, and shared strategies (Crawford and Ostrom 1995), formal rules, compliance procedures, and standard operating practices (Hall 1986), and so forth.

Most authors introduce their definition without making explicit its relation to competing ones, and many pretend to offer synthetic unifying concepts of general validity (the standard grammatical form of expressing such solitary as well as ambitious varieties of conceptual certainty is the phrase "Institutions are ..."). The present essay will basically follow this heroic and therefore intrinsically rewarding practice. So, we roll up our sleeves, spit into our hands, climb up the ladder of abstraction, and here goes our definition: *Institutions are shared patterns of expectation (regarding the prevalent rules of interaction)*. Let us outline some implications of this conceptual proposal.

First, this definition is *subjective*. It looks at institutions from a participant's perspective, not from an observer's perspective. As a consequence, it does not conceive of institutions as simple external objects (rules, structures, or regularities) that exist outside and independent of actors' minds. Institutions are not made of rock and stone, we postulate, but of subjective perceptions, this marvelous material, fragile and expensive.

Second, our definition contains an intersubjective component. It is concerned with shared expectations, not with idiosyncratic ones, with social phenomena, not with private ones. The intersubjective character of institutions accounts for their relative autonomy vis-à-vis actors (not actors as such but individual actors) and thus for their stability. Intersubjectivity turns out to be most compelling in multi-layered institutions, that is, in institutions that compile multiple layers of expectations: first order expectations (I expect you to do x), second order expectations (I

expect you to expect me to do x), third order expectations (I expect you to expect me to expect you to do x), and so forth.

Third, our concept is relational. Defining institutions as sets of expectations precludes viewing them as things or as properties that could belong to individual actors. Unlike material resources, expectations resist technocratic management as well as administrative control. Single persons can neither create nor sustain them; they cannot call them into existence nor consign them into oblivion. The formation of expectations, that is, the building of institutions, is an interactive enterprise. Like billiard balls monads may follow the laws of physical nature. But they do not know institutions and they do not need them. They just clash, indifferently. No foresight, no order, no surprise.

Fourth, our notion is conventional insofar as it associates institutions with relative stability, with spatial and temporal continuity. Institutions are the rules we expect not to change everywhere and every time we interact. In other words, in addition to their social extension institutions are defined by their extension in time and space (see Giddens 1984).

Fifth, our idea of institutions is probabilistic. Action by definition implies uncertainty. While institutions reduce that uncertainty we should not assume that they provide actors with expectational certainties. When people expect others to do something they may be confident but they can never be certain. They attribute different probability values to different courses of action, and while extreme scores (be it high or low ones) indicate the presence of strong institutions, random distributions of behavior are symptomatic for institutional voids. Predicting regularities precludes surprises as little as knowing the rules protects against defection.

Sixth, our definition is open with regard to the degree of *reflexiveness and internalization* institutions display. We have no problem with including norms as well as conventions, and pre-reflexive as well as conscious rules into the extended family of institutions.

And finally, our definition is *functional* though in a somewhat hidden way. Porous and fuzzy boundaries delineate the semantic field where institutions live and work. The notion of institutions borders and overlaps with the related concepts of rules, norms, and structure. The precise relation between these concepts, however, is far from clear. Many authors import them into the very definition of institutions, *equating* them with rules, norms, or social structure. But it is open to doubt whether such definitions go beyond simple tautologies. At least, they do not appear to be very informative. Again, on this account, our own approach is not so different. After all – rephrasing the perception-centered definition given above – we comprehend institutions as *expected rules of interaction*. That is, rules, side by side with expectations, occupy the very core of our definition. Now, the functional point we want to make hides behind this definitional choice.

Rules, we think, provide the answer to the question: *What do institutions do?* They structure human interaction: they constrain and enable actors; they mold preferences, strategies, and payoffs; they open and close courses of action; they distribute resources; they admit and exclude actors; and so forth. In essence, social institutions transform randomness into intelligible patterns of normality and deviance. They create order and reduce uncertainty. Where institutions are weak or absent the Austrian National Lottery's advertising slogan becomes true: "Everything is possible." At the endpoint of institutional decay, "there is nothing people will not do" (Auster 1987, 5).

Changing Expectations

If institutions are patterns of expectation then building or reforming them implies changing expectations. It implies redefining the rules of the game, the rules of life, by altering the probability with which people expect certain patterns of interaction to recur. In essence, it implies turning behavioral exceptions into rules and *vice versa*.

The core challenge institutional reforms face lies in the simple fact that they lack one key resource institutions usually are able to exploit, namely, the past. Quite to the contrary, institutional reforms by definition have to assert themselves against the accumulated weight of the past. They precisely pretend to break with historical patterns, to introduce innovations, to establish discontinuities, to provoke ruptures, to try a fresh start. For them, the past represents a burden, not an asset. Thus, they cannot rely on the normal, time-consuming and backward-oriented mechanisms of institutional evolution, such as reiteration, reputation building, routinization, habituation, or the mere passage of time. That is, they cannot rely on the formation of memory and experience.

But how can institutional reformers step out of the shadow of the past? How can they bring institutional histories to an end, turn the page, and start writing new stories into the book of institutions? How can they make plausible that known institutional arrangements belong to past while new rules have become effective? How can they build institutions, that is, how can they induce expectational changes with nothing at hand than the naked present, shivering, stripped of its legitimizing historical costumes?

Viewed from below, from the citizen's perspective, the key question is: Why should I think that the rules of interaction I am familiar with have changed? Why should I revise my convictions about the way the real world works? Why should I disbelieve my experience? The answer is: I am prepared to rethink and to adjust my expectations only when I believe I have *good reasons* to do so, that is, when the institutional reforms I am confronted with seem to be *credible*.

Credibility represents a key component of any institutional arrangement worth its name. Our everyday language contains a whole array of distinctions that express the difference between credible and noncredible institutions. Most of them follow the theatrical imagery of reality versus façade. They contrapose real, substantive, and effective institutions against formal, hollow, apparent, fictitious ones, genuine institutions against shadow institutions, institutional caricatures, empty shells. These guiding distinctions become even more important when new institutions arise or old ones change. People have good reasons to ask for good reasons when asked to alter their expectations about others. If such reasons cannot be delivered projects of institutional reform will be disbelieved, discredited at their very roots. They will be perceived as hollow, theatrical, rhetorical maneuvers that do not change anything at all.

In the following we will outline three conditions of credibility, three reasons that may people persuade to find institutional transformations credible and thus, effective: sound incentives, moral integrity, and material viability. But let us first trace some assumptions regarding the type of rationality actors pursue, living and surviving in the contexts that interest us here: in contexts where institutions are weak or absent.

We Are All Rational Choice Theorists

Institutions structure action, we said above. They constrain and enable action. Any type of action. Some institutions allow free rein to strategic behavior (e.g. the market), others prohibit the calculus of costs and benefits (e.g. love). Some institutions erect walls of indifference against normative concerns (e.g. norms of professionalism), others create privileged spheres of moral action (e.g. the church). Some institutions restrict the expression of emotions and private motives (e.g. diplomatic codes of conduct), others encourage and protect unbound expressive behavior (e.g. psychotherapy). In sum, it is an open empirical question whether institutions rule strategic, normative, or expressive action, and whether they work as constraining or enabling forces. In unconsolidated, under-institutionalized democracies, however, political institutions are supposed to fulfill one specific primary function: They are supposed to bring dedicated full-time maximizers of private utility under control and to breathe some public spirit into the political arena. That is, they are expected to constrain strategic action.

Where institutions are weak or absent, people tend to follow the text book prescriptions of rational choice theory, of rational choice theory in its blunt, simple, unsophisticated variety. They turn into exclusively and narrowly self-concerned actors, into myopic egomaniacs, aggressive monads, microeconomic computers, autistic accountants, moral illiterates, apolitical animals, lone heroes who play for profit and survival in a Darwian jungle of coequal adversaries.

Microeconomic rationality, of course, is not problematic per se. It becomes problematic when it unfolds (running wild) in contexts of weak institutions. In such settings, individual rationality generates negative externalities and comes into conflict with collective rationality. Let us highlight three deleterious effects which institutional voids produce (and which themselves, in a reversion of causal arrows, feed back into the institutional vacuum, reproducing and reinforcing it).

First, weak institutions destroy the future. Life in an institutional vacuum is deprived of all the reliable, reassuring certainties that normally enable people to look beyond the immediate future, to save and invest, to plan, prevent, and postpone, to develop routines, to trade future against present costs, or simply, to trust and relax. Without institutions actors are stuck into the present. They are condemned to myopia.

Second, weak institutions destroy trust. The standard assumptions of game theory describe settings of structural distrust: The players meet only once, they do not know each other, they do not share neither past experiences nor a common future, they are not allowed to communicate, and they are not embedded into meta-institutional frameworks (such as legal systems) that would permit them to develop contractual, cooperative solutions. In under-institutionalized democracies, this game-theoretical presupposition of generalized distrust appears to be realistic. People do not trust anybody because they know that trusting means losing. Only fools trust others, they think, the reasonable rest of us engage in microlevel *Realpolitik*, with all its familiar component parts, such as mutual deterrence, spirals of military buildup, hit and run strategies, the primacy of self-defense and survival, the risk averse self-enclosure into the private world, and so forth. The logic of distrust is circular. It establishes self-reinforcing downward spirals that keep the players running amok, prisoners of a destructive equilibrium, fearful, vigilant, and cynical.

Third, weak institutions destroy social norms. The world of under-institutionalized democracies is a world of “amoral individualism” (Banfield) where the public sphere has been vacated, an empty space, destroyed and abandoned. *Grab and run* evolves into the guiding principle of political action, politics becomes synonymous with naked struggles for power and self-enrichment, and moral agents end up forming a rare exotic species on the verge of extinction (see, for example, Diamond 1995; O’Donnell 1994; Offe 1994; Schöpflin 1993, 274–87; Sztompka 1993). At a first and superficial sight, rational choice theory seems to be built upon the premise of unleashed individualism, of actors free and unconstrained in the pursuit of their private happiness. Yet this is far from true. The market, not civil war, provides the paradigm rational choice theory follows. The rationality it assumes belongs to the market place, not to the battle field, and its basic intuitions remit to Adam Smith, perhaps, but not to Thomas Hobbes. The type of rationality rational choice approaches adopt is already civilized and domesticated by the whole set of legal and moral rules the smooth operation of the market presupposes. Actors are expected to maximize their personal welfare but at the same time

they are supposed to play by the rules, which excludes, above all, resorting to violent and other extra-institutional means. Where both institutions and such meta-institutional frameworks are missing, social norms face slim chances of survival.

In sum, we the students of democratic consolidation are all rational choice theorists. We may like it or not but it is the very structure of our field of research which pushes us toward this conclusion. Where institutions are weak actors surrender to the reign of strategic rationality. And any effort to approach the question of how to construct and reconstruct democratic institutions in new democracies must take this contextual primacy of amoral action into account.

Sound Incentives

Our preceding observations bear direct practical implications. If institutional weakness indeed leads to a depletion of moral resources and to the generalization of strategic rationality, if in under-institutionalized settings the short-term calculus of personal benefits indeed becomes the only game in town, then strategies of institution building, if they want to be viable and realistic, must not expect anybody to be driven by normative motives but instead have to accept the assumption that everybody pursues nothing but his or her private happiness.

Institutional reformers therefore must somehow reconcile the dictates of self-interest with institutional imperatives. They must close the gap between individual rationality and systemic functions. They have to establish systems of punishment and reward which channel the strategic calculus of amoral actors into the promotion of institutional development, or at least, which render private interests compatible with institutional purposes. The people who run the institution in question must acquire personal stakes in making this institution work. They must accept self-restraint, value professionalism, and strive for efficiency out of nothing but naked self-interest. In sum, the same way as established institutions require sound incentives to be effective, new institutions require sound incentives to be credible. Thus, the key word of institutional reform reads incentive compatibility.

In setting up incentive structures institutional reformers face two separate tasks. They have to define the structure of payoffs: Who gets what? And they have to determine rules of decision: Who allocates sanctions and rewards?

The first question, the level of incentives, is of obvious importance. We know, for example, that depressed labor markets that offer poor salaries and low prestige lead to depressive levels of institutional performance. Anybody, teachers, judges, soldiers, police officers, doctors, journalists, tax officials, and others, will tend to do a miserable job when rewarded with miserable salaries and social disrepute. The challenge of designing and assigning plausible

levels of reward often forces institutional architects to perform delicate high-wire balancing acts between levels of reward which are ridiculous and others which are scandalous.

The second issue, the sources of incentives, may be even more relevant. Here, the key questions are questions of power: Who controls my incentives? Where do I get my money from? Who punishes and who rewards me? Whom do I depend on? For most of us, non-capital-owning proletarians living under the burning sun of capitalism, the key questions concern personnel politics: Who decides our fate on the labor market? Who decides whether we get a job and whether we keep it? Who controls the access routes to positions and who the exit ways? Who hires and who fires? Who is in control of appointments and disappointments? In order to gain credibility institutional reforms must therefore devise appropriate structures of power or dependency. The polar options are independence versus dependence, the institution of autonomy versus the imposition of control.

Some institutional reforms must respect, widen, or even create autonomous spheres of action. If they do not, the public will perceive them as pure games of power that aim at weakening, neutralizing, defusing, subjecting, deconstructing democratic institutions, in spite of all possible rhetoric to the contrary. This applies, above all, to reform projects which intervene in “agencies of restraint” (Paul Collier), such as law courts, Ombudsmen, audit offices, electoral tribunals, public television, and central banks. For these agencies to fulfill their tasks, freedom of maneuver and relative insulation are crucial. Where their independence is open to doubt citizens will perceive them as mere façades, as deceptive symbols, paper tigers, sweet ducks, decorative perhaps, but lame.

By contrast, other institutional reforms have to decrease the degrees of freedom actors enjoy. They must subject them to effective control. They must institute relations of dependency. If they do not, the public will look at them with disbelief and contempt. This applies, above all, to reform proposals which concern administrative agencies, such as the military, the police force, tax authorities, and welfare bureaucracies. These executive bodies are supposed to be subordinate to the authority of elected officials. If they are not, they tend to produce pathologies of all kind, ranging from corruption to democratic breakdowns. State workers, be it generals, police officers, tax officials, or health administrators, who are free to do what they want, run into the structural temptation of ignoring both standards of professionalism and republican ethics of public service. Institutional reformers who ignore these imperatives of control are very likely to end up, sooner or later, in the food chain of their own institutional children running free and wild.

Moral Integrity

Where institutions are weak, we said above, actors behave in self-interested as opposed to public-spirited ways. Utility maximization becomes the universal way of reasoning and moral

action becomes the monopoly business of fools and heroes. Fine. But does this assumption of pure strategic rationality apply to institutional reformers as well? Can they build and rebuild democratic institutions on the sole basis of rational choice? Is it nothing but the cool calculus of costs and benefits which sets them on the road to institutional reform? Can they do their job without tapping normative resources, without ever being touched by moral motives? In short, is self-interest enough to explain the emergence of reformist political entrepreneurs?

I think the answer is negative. In under-institutionalized democracies, institutional reforms would simply never come forward if institutional reformers were indeed just amoral profit-maximizers. The same way as institutions differ in their moral requirements (see, for example, Offe and Preuss 1991) processes of institution building differ in the normative demands they make on their protagonists. As a rule, however, institutional reforms are more demanding in moral terms than institutional routines are. The reason lies in the self-reinforcing nature of institutional failure. Weak institutions do not generate the incentives necessary to overcome their weakness. On the contrary, they contain inbuilt mechanisms of self-perpetuation. The weaker they are, the weaker they get. People play against the institution. Instead of investing into it they try to exploit it. Under-institutionalization is a circular vice. It creates perverse incentives which again, encourage further de-institutionalization.

How can such vicious circles be broken? I can think of three escape routes out of the dilemma. First, we may look out of the institutional window and hope for outside reformers to step in (*deus ex macchina*). Second, we may establish meta-institutional counter-incentives that block subversive habits or even redirect human energies into the reconstruction of institutions (the Ulysses method of self-captivation). Third, where these options are both out of reach we can either resign into institutional decay or bring normative motives back in.

Of course, the expectation that moral reasons might move in to repair the damage caused by perverse incentives, that normative concerns might compensate for reasonable payoffs, that actors might be willing to substitute morality for self-interest, of course, this optimistic expectation should better be called hope. After all, where institutions are absent moral motives properly do not exist. People perceive them as mere instruments and measure them with the same universal currency as anything else: utility. Yet, against all stakes, under certain, restrictive conditions it is possible to break up this cynical, instrumentalist perception of social norms. My “hunch” is that two sorts of situations give reformers good chances to have their moral self-descriptions accepted by their audience.

First, reformers are credible when the moral stances they take run counter their own manifest self-interest. They seem trustworthy to the extent they assume sacrifices and expose themselves to risks. The more they lose by acting morally the more they gain in terms of credibility. The visible costs they incur exonerate them from the suspicion of hypocrisy. Sometimes, however, risks are difficult to assess for outside observers. In such situations, it is

only ex post, when the story is over yet, that actors can get their moral credentials out of the shadow of doubt and skepticism and bring them into the daylight of simple facts. In some tragic cases, death acts as the ultimate proof of moral integrity. Sometimes, judges, journalists, social leaders, human rights activists, or political candidates fall victim to political assassinations, and through the hands that murder them, acquire an aura of moral superiority, the prestige of radiant, incorruptible reformers.

Second, reformers are credible when the social norms they invoke sound compelling in the ears of “amoral familists” (Banfield), that is, when they justify their actions appealing to key short-distance values, to the ground rules of intimacy and family life: respect your parents, love your brothers, protect your children, help your friends, avenge the dead, and guard your honor. These norms generate strong suppositions about the limits of strategic rationality. A sitting president is not supposed to murder his friend and hand-picked successor. His brother is not supposed either to commission the assassination of their common brother-in-law. And again, the victim’s brother is not supposed to cover up the whole crime. But shit happens, and as contemporary Mexico seems to teach us, sometimes even these minimal norms of social life fail to regulate the dynamics of political competition. Actors dare to transgress them and leave their stunned audience with no other option than adapting their expectations to Hobbes’s level of ontological distrust.

Material Viability

Most academic discussions of institutions focus on one of the two issues we discussed above: incentives and norms. By contrast, most of the practical efforts the international community has undertaken to foster institutional development in new democracies has concentrated on the material side of the institutional coin. Both official and non-governmental donors tend to channel their activities mainly into the buildup of material and human capital. That is, they try to improve skills through training programs, to expand the resource basis of organizations through financial and technological transfers, and to rationalize organizational structures of communication through managerial advise.

All this may sound trivial. Yet most institutions do not live from norms and incentives alone. They are more than moral orders and collections of rules. They are resource-intensive service enterprises. New or reformed institutions which lack appropriate material bases will therefore evoke strong expectations of failure. How should doctors work without medicine, how libraries without books, teachers without class rooms, party volunteers without posters and leaflets, congressmen without legal data bases, regulatory agencies without experts, central banks without money, investment funds without credit, police officers without walkie-talkies, tax collectors without computers, attorneys without audiovisual high-tech, soldiers without fashionable gadgets, payroll departments without salaries, bureaucracies without staff, health

care programs without local infrastructure, guerrillas without fax machines, and social movements without access to the Internet?

Conclusion

Institutions, we said, are shared expectations about the rules of interaction currently in force, and such expectations only change when the people who hold them believe they possess valid reasons to do so. Without credibility, no institutional change. We have outlined three sorts of conditions we think institutional reformers must fulfill if they want to be credible and thus successful: They have to design reasonable incentive structures. They have to sell themselves as committed moral actors. And they have to provide the institutions they create with reasonable resource bases. Where these three component parts of credibility are in place, so our hypothesis, people will evaluate institutional reforms positively. They will perceive them to be sincere (in moral-political terms) as well as viable (in strategic as well as material terms).

Yet, as history takes its course and past futures move into the present, people find out whether the new institutions indeed work the way they had expected them to do. People learn whether these arrangements indeed justify the trust and the hopes invested into them. In this process of re-evaluation, original predictions may turn out to be wrong, inconsistent with subsequent developments. Experience may disprove prior expectations. And institutions, failing the hard test of reality, may suffer a sudden devaluation, sudden losses of credibility, a sudden reversal of expectations. Credibility is a fragile asset. Institutional reforms do not gain it once and forever. They only assurance they have against losing it on their stony way to routinization reads consistency. Neither institutional reformers nor the institutions they create can afford acting and performing in ways that run in blatant and obvious ways counter their original promises. Judicial reformers who intimidate judges, peace negotiators who knock at the barracks, social reformers who live in luxury, supporters of decentralization who empower the center, neo-liberal reformers who hijack the central bank, state reformers who revive nepotism, or tax reformers who evade taxes, all these figures run very acute risks of plunging into disrepute. In short, consistent performance represents the ultimate proof of institutional reforms. Inconsistency destroys credibility.

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