

Analytical Challenges for Neoinstitutional Theories of Institutional Change in Comparative Political Science*

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This article analyses the core critiques on institutional change theories within the neoinstitutional research agenda in comparative political science. It offers an explanatory typology using analytical challenges for the development of theories with new institutional approaches. This typology provides key critical issues that should be seriously considered by political scientists when analysing change. The framework suggests that the analytical challenges be posed in five interwoven dimensions: a) inclusion of institutional variables; b) agency and cognition; c) contextual sensitivity; d) increasing precision in the concept of institution (and institutional change); and, e) recursive interaction between agents and institutions in the process of institutional change. Based on these challenges, the article conducts a comparative analysis of the theories of change suggested by North and Aoki to understand how they deal with such issues.

Keywords: Comparative political science; Institutional change theory; New institutionalism; Theory and models; Research design.

Introduction

The study of institutional change continues to take up a prominent position in the research agenda of comparative political science. Considerable analytical efforts within this discipline seek to offer consistent interpretations and explanations of how and why political institutions are transformed in various contexts and under various

* The author thanks the National Council for Scientific and Technological Development (CNPq) for the financial and institutional support to the development of this work. The critical comments made by the anonymous peer reviewers of the Brazilian Political Science Review and by Emerson Oliveira do Nascimento contributed to the reorganization and improvement of the original version.

conditions. In spite of significant advances in the provision of theories and models generated since the beginning of the last decade, political scientists have continued to question their effectiveness. Traditional models and theories have been deeply questioned, and the emergence of new conceptual, theoretical and methodological demands has challenged the new generation of comparativists. In this sense, the analysis of institutional change is generating a set of theoretical and methodological critiques considered fundamental to the development of comparative political science.¹

These critiques have been formulated on the basis of theories originating within two of the main paradigms that orient analytical reflections in political science: new institutionalism and rational choice.² Authors from these traditions continue to vigorously discuss about the limits and possibilities of the generation of more robust theories and interpretative schemes about change. In this sense, the field of comparative politics is generating the reflexive conditions for the emergence of new advances and methodological refinements. This work focuses precisely on understanding these critiques about change, taking the specific case of new institutionalism. Around which questions and problems do critiques of the theory of change take shape in the context of new institutionalism? And how does this generate new challenges — theoretical, methodological and epistemological — for political scientists? These are the central concerns of this article.

As stated by Hall and Taylor (1996), new institutionalisms in political science seek to understand how institutions emerge, evolve and change. For their part, March and Olsen (2006) say that in new institutionalism, authors start from the assumption that the existing institutional arrangements possess considerable causal power to explain how and why institutions emerge and are transformed. In comparative political science, the intense use of neoinstitutional theories since the start of the last decade has been responsible for a considerable expansion in supply, yielding a large and diverse set of studies on the possibilities of change.³

However, despite this arsenal of studies and research, several authors consider the existing set of theories generated by new institutionalism to be problematic to produce consistent theories about the complex problem of institutional change. This point is the principal challenge to the advance and consolidation of the institutional tradition in political science.

This paper is situated exactly in the reflection on the constitutive dimensions of these critiques. It conducts a systematization of the critiques, as well as pointing ways forward for overcoming these critical points and the elements needed to generate neo-institutional theories of change.

The text is organized as follows. In the first section, it provides an explanatory typology,⁴ systematizing the main critiques by neoinstitutional authors in political science.

The analysis of the critique of institutional t models reveals that, despite their diversity, the fundamental tensions are structured on the basis of four articulated dimensions: a) rational choice; b) conceptual separability; c) the premises of stability; and, d) the problem of the connection between ideas and institutions. These dimensions are presented in systematic (and not exhaustive) fashion to show how they impact the development of more effective institutional theories.

Next, the text turns to a set of themes and problems — understood as analytical challenges — considered indispensable for one to construct more refined theories and models starting from institutional assumptions. One seeks to understand which would be the elements and questions considered essential for analysts to be able to adequately deal with the problem of change in future ventures in the field of comparative political science. It is suggested that the possible paths articulate five dimensions: a) the inclusion of institutional variables; b) agency and cognition; c) contextual sensitivity; d) greater precision in the concept of institutional change; and, e) strategic and recursive interaction between agents and institutions. The article specifically discusses how these elements should ideally be treated in the construction of models and theories for the case of new institutionalism.

Lastly, and in the light of existing critiques and of the frontiers of refinement mentioned in the two sections, it offers a comparative analysis of two theories of change that take on board significant innovations in the treatment of the theme in the context of the new historical institutionalism, namely those by North (1990; 2005) and Aoki (2001; 2007), so as to illustrate how refinements in institutional theories of change have been processed.

Emerging Critiques about Change in the Neoinstitutional Debate

This section presents the main emerging critiques within the neoinstitutional debate. These critiques are systematized on the basis of the concept of explanatory typology suggested by Elman (2005). A presentation of the main narratives around the critiques and their implications for institutional change theory is attempted. The fundamental tensions produced in this debate are structured in four areas: a) the limits of rational choice approaches; b) the problem of conceptual separability; c) the premises of stability; and, d) the problem of the connection between ideas and institutions. These critiques produce the five analytical challenges with which we deal in the next section.

The limits of rational choice approaches

Despite being very useful when it comes to interpreting phenomena that relate to the creation of new political institutions, agency models inspired in rational choice theories

— that amply influential in contemporary political science analyses — are not capable of dealing satisfactorily with the analytical demands present in the treatment of the problem of institutional change.

Traditional models from rational choice theories in political science basically suggest that processes of institutional change should be understood based on alterations in the equilibria position by the strategic interaction of rational agents (or agents with limited rationality). Institutions represent equilibria built to overcome dilemmas of collective action, to reduce transaction costs and to reduce the uncertainties in the interaction of social agents in politics. Rational agents would be capable of producing institutional designs that tend to persist over time.

Institutions represent positions of equilibrium created from the structure of incentives and opportunities that rational agents face. The central critique of these models rests in the basic fact that they consider self-enforcing assumptions. This notion that institutions cause incentives for their own maintenance is a problematic one, if political science is to explain change in institutions based exclusively on agents' choices. How to account for processes of alteration in institutional arrangements starting off from rational agents if these supposedly suffer the costs associated with change without the assumption of analytic recourse to causes or factors considered exogenous?

It is widely known that interactionist models centred on rationality fail in their explanation of institutional change based on these assumptions — rationality, self-enforcement and recourse to exogenous factors. Such assumptions would be more useful for one to understand processes related to stability and order, as opposed to dynamic processes of institutional change.

Greif (2006) considers that when game theory models are applied to the problem of institutional change they suffer severe limitations. Classic theory is silent with reference to the problem of cognitive sources that produce given behavioural choices by agents in relation to the construction of new institutions. Cognitive dimensions get reduced to the supposition of a "common knowledge" that each agent possesses about the context, the causal relations, other agents' preferences and a range of other important parameters for the decision about rules. Endogenous theories of institutional change should be more attentive to the question of social transmissibility of cognitive systems over time. Traditional models are highly limited to deal with the problem of cognition and reduce the question to the optimization of rational choices.

Greif and Laitin (2004) consider that the main challenge for these models lies in dealing satisfactorily with the following question: "how to explain that institutional change is generated endogenously, i.e., based on institutional variables?". Explanations in the ambit of this tradition of analysis end up resorting to a set of exogenous variables to

explain changes in the position of equilibrium, therefore not managing to understand how the institutions themselves produce — or fail to produce — institutional change.

One of the possible routes to solve this in political science has been to resort to models of “analytical narratives” (Bates et al. 1998), which attempt to explain institutional change based on models of rationality, adding in elements relating to the context, processes and narratives of the agents. The basic transformation is to conceive of institutions as extensive-form games, rather than as Nash equilibria, i.e., positions that, once created by the agents, do not generate incentives for their alteration. Once institutions come to be seen as extensive-form games, analysts can seek to understand equilibria based on specific sub-games (cases). Therefore, analytical narratives innovate when they attempt to avoid the well-known problems involved in the imputation of preferences to the agents in rational choice models and to penetrate deep inside the basic processes of preference-formation — fundamentally, in the mechanisms involved in institutional change processes, considered essential to political explanation.

The problem of conceptual separability

Another powerful critique present in institutionalist debates rests in the fact that institutional theories of change suffer from important dilemmas of “conceptual separability”. This problem emerges decisively when analysts need to specify institutional variables relevant to the explanation. Two basic levels of conceptual separability are strongly taken into account in the analyses: a) those between structure and institutions; and, b) those that relate to institutions and the intentional (and non-intentional) effects generated by them.

At the first level, it is usually recognized that the dividing lines between institutions and structure are tenuous, configuring two basic types for political scientists. The first lies in analysts’ ability to discern with reasonable levels of accuracy (and operationalization in specific cases) what actually constitutes an institutional variable. Analysts run the risk of producing structural and non-institutional models in the face of this imprecision, owing to a problem of specification of institutional variables. In this sense, institutional models might be generating only new structural explanations.

The second relevant problem is associated with the dilemmas that analysts encounter to make the claim that institutional variables that actually matter for one to comprehend processes of institutional change. How can analysts tell whether the institutional variables are the ones that really matter when explaining change? And, more broadly, how to differentiate institutions from specific structural effects (intentional and non-intentional)?

Ferejohn (2006) considers conceptual separability between institutions and agent

behaviour a problem for practical institutionalism, i.e., that concerned with understanding empirical processes of institutional reform. He argues that the inseparability between institutional arrangements and the behaviour of human agents associated with them makes institutional variables suffer from problems when one tries to understand change on the basis of causal models. If institutional models could be autonomous, it would be possible to choose institutional variables dissociated from behaviours associated with them, as is usually done in positive political theory and rational choice models. These models usually consider that institutions represent formal restrictions to the agents and their choices, and leave aside important questions relating to the fact that institutions and behaviours are analytically inseparable. Might institutional variables be relevant when it comes to understanding change?

Przeworski (2004) offers an answer to this important question. He argues that institutional variables in fact do not have an autonomous role to play in explanations of change. This is due to the exogenous nature of institutionalist premises. Institutional models suffer considerably from a problem of connection between social structure, institutions and associated effects. Analysts face considerable difficulties in specifying what really matters in institutions. Given that structural conditions mould institutional arrangements, how might we tell whether what really matters to explain change is related or not to institutions? The advance of institutionalist theories largely depends on analysts' ability to analytically "isolate" institutions' conditions, and then gain a finer understanding of the causal mechanisms of endogenous institutional change.

A plausible alternative for overcoming these limits suggested by the author is more intensive use of comparative research to account for contextual variations and to gather under what conditions institutional variables effectively matter. Fundamentally, the explanation of institutional change in political science requires an added dose of scepticism in relation to the status of institutional variables.

Premises of stability

The third source of criticism resides in the premises of stability and persistence of institutions. The assumption that institutions must be relatively stable to be considered analytically reduces the capacity of neoinstitutionalist models to deal with processes of change. In this sense, several authors consider that neoinstitutional theories suffer from a "stability bias" and are therefore more suited to explain phenomena linked to the institutional genesis and the maintenance of order than to change.

For one to be able to state that institutional variables are analytically relevant, it is necessary for models to take into account assumptions related to stability and order. This

assumption is typical of the first generation of neoinstitutional studies, in which models start off from the idea that it would not be possible to study the influence of institutional arrangements on the formation of agents' preferences, on the construction of actors' identity, on strategic action and on decision-making processes if the theories did not have assumptions centred on the stability, persistence and durability of institutional arrangements.

More recent critics of institutionalist models take two paths: one is a theoretical critique, the other, an empirical one. The theoretical critique derives from the basic fact that these models should be more attentive to producing endogenous theories of change, i.e., theories that admit the smallest possible dependency on exogenous factors or causes, as models are usually constructed. Various authors consider that the weight placed on non-institutional causes to explain change end up discrediting the analysts of change in this tradition. On the other hand, one must consider that theories and models should be more in tune with the important fact that in the empirical world, institutions do not have as much stability or persistence as is usually assumed in theory.

Peters (2000) argues that institutional theories possess reduced adaptability to include dynamic elements involved in the analysis of change. He suggests that institutional theories are more adequate to explain differences and variability between institutional types than to explain processes of change. In order to analyse change, neoinstitutionalists usually resort to a type of rupture with legacies of institutional stability generated by critical events exogenous to the institutions.

Hall and Soskice (2003) consider the problem of change to be the weak point of institutionalist theories. Conceptions of change are usually dealt with based on punctuated equilibrium models. In these models, formulations that consider a "clear analytical demarcation" between moments of stability and moments of rupture and change are typical.

The basic conception of this kind of model derives from the original formulation by Katznelson (2003), who looks at change generated at critical junctures, when one finds a reconfiguration of relations between structure and agency. Models usually consider that during periods of stability, structure prevails over the agents, and at times of change, the agents prevail over the elements of structure, and therefore have causal power to explain processes of change. Critical junctures create more latitude for agents to undertake change on the basis of new institutional choices.

Another conception derived from the premises of stability is the analysis centred on the legacies of path-dependent trajectories that are usual in politics (Mahoney 2000; Pierson 2000; 2004). Typical arguments around change derive from new choices by agents at critical junctures, when positive feedbacks are radically altered. Harty (2005) suggests that the principal critique of the models rests in the fact that the theories must be able to account for change taking institutional variables into consideration. The idea that critical

junctures reduce, suspend or eliminate the costs associated with change does not turn out to be analytically reasonable.

Gorges (2001) argues that neoinstitutionalist explanations for change usually fail to spell out clearly the specific conditions under which institutions produce institutional change, as well as to explain the causal patterns and mechanisms⁵ involved, given that there is a strong tendency to associate change with exogenous factors. Strong premises of order and stability, high causal complexity, strong appeal to the notion of embeddedness in institutional matrixes and dependency on exogenous variables to explain change end up complicating the analysis of processes of institutional transformation and reform.

He argues that the first of the two problems is more urgent to the development of neoinstitutional theory and that adherence to the assumptions of path dependency inhibits the production of endogeneity that is necessary to understand better change and its diversity. Neoinstitutional approaches end up being problematic for one to understand change owing to the fact that they are generated by punctuated equilibrium, drastic ruptures with institutional orders produced by changes in exogenous conditions. This bias significantly reduces the endogenous understanding of the causes and conditions that produce change. Upon being exogenously determined, change usually confers little attention on the problem of agency.

Lieberman (2002) argues that institutional theories of change suffer from three decisive problems: reductionism, exogeneity and the primacy of structural elements over elements of agency. A considerable part of the theories is geared to explaining elements of stability, coherence and the production of equilibria. The fundamental question to be answered is: "how can analysts explain dynamic and highly complex processes starting off from stable causes such as institutions?" Given this impasse, contemporary institutionalist explanations would be immersed in the well-known trap of "regress to infinity": to explain institutional change, it is necessary to attribute causes and factors situated in a previous change, in initial factors and conditions, and so on. This style of analysis ends up eliciting crucial dilemmas for analysts to confront the problem of "preceding variations".

These models typically lead to exogenous conceptions of change. The important question to be answered by institutionalists should be: which conditions produce critical junctures and how do these really affect processes of institutional change? Institutional models are powerful to explain processes of stability and institutional reproduction, but are fragile to understand processes of change over time.

Several authors converge towards the fact that neoinstitutional models and theories lack fertile conceptions that permit one to comprehend elements of gradual, endogenous change in depth, and, especially, the diversity intrinsic to processes of change. The refinement of historical institutionalist models takes off from the idea that it is necessary

to overcome the typical determinism that the notion of legacies confers on the analysis of institutional change.

Ideas and institutions

Another source of limitation for institutional theories of change lies in the questioning of the actual capacity of the models to generate explanations combining ideas and institutions. Some authors take the view that the survival of institutionalist explanations in contemporary political science depends on analysts managing to find satisfactory ways of introducing the explanatory power of agents' ideas over institutional transformations.

Lieberman (2002) points out that the survival and evolution of institutional models in political science necessarily implies bringing ideas back in. Institutional models and theories have shown themselves to be limited in terms of incorporating variables that take into consideration important aspects related to processes of formation of beliefs, of structuring of preferences, elements of knowledge, understandings and expectations, which in his eyes would be central "variables" to conceive of change based on the interaction between agents' mental models and the institutional fabrics where they are situated and operate the change.

Introducing variables relating to ideas or ideological matrixes in the broadest sense might be an excellent point of departure for the connection between dynamic processes of change because they open up the possibility of incorporating agency and its chances of altering structural restrictions, largely overcoming the problems of exogeneity, the imperatives of stability and legacies. Ideas play a decisive role in the creation of new institutional arrangements and analysts must seek variables associated with ideas. These would need to be given better consideration in order to account for the causal mechanisms that produce change.

Although arguing that ideas and institutions matter decisively is relevant, it does not suffice to explain how these ideas matter more effectively under specific historical conditions. The question of to what extent ideas of institutional reform are produced or caused by other social, economic and historical factors has not been specified much by recent models. Moreover, it is important to consider that a large part of institutionalist explanations are too limited to explain the "origin of ideas", and even the specific conditions under which norms and values are diffused and implemented in different contexts.

Analysing the case of change in institutional patterns of social policy provision, Béland (2005) argues for the need to include factors related to ideas to complement variables related to the legacies of public policies. When confronted with the necessity of understanding and interpreting change, he considers that analysts must permit models to take into account the

mechanisms through which policy entrepreneurs resort to ideological matrixes to suggest the creation of new institutional alternatives. Beland suggests that understanding public policy change based on models constructed in the new historical institutionalism depends to a large extent on the capacity to seriously consider analytical categories that deal with the role of beliefs and values that bolster a new institutional matrix. Consistent theories of change should work in more balanced fashion, incorporating institutional variables (legacies and formal and informal institutions) and ideas. The notion of policy ideas emerges as a possible category to deal with agents' principles and values linked to certain policies and institutional designs.

Models centred on agenda-setting theories show that ideas about institutional models that try to capture policymakers' attention are situated at two levels. Firstly, they belong to policy paradigms that consist of models and principles about causal beliefs, which produce credible paths for reforms. Secondly, the agents in the political and bureaucratic arenas try to obtain the most popular support for the changes proposed.

To the analytical models within the new historical institutionalism that allow for a better reading of change, the concept of social learning is associated. In it, one considers the explanatory power of the analytical categories associated to ideas as fundamental to the interpretation of processes of institutional change. This concept permits one to consider three articulated elements: a) the importance of cognitive elements and the intellectual formulations of the agents as decisive mechanisms in the process of production of public policies; b) a reaction to existing institutional models; and, c) the crucial importance of making room in models for the role of public policy experts who work with relative autonomy from political and bureaucratic agents.

Lieberman (2002) suggests that institutional theories can more adequately interpret complex processes of institutional change when reconfigured on the basis of an ontology of politics as "situated in multiple and not necessarily equilibrated order". This conception requires processes of change to be interpreted as being generated on the basis of tensions (frictions) between institutional models and ideas. Political orders are laden with uncertainty and ambiguity, thus significantly increasing the potential to produce change.

He considers fundamental the introduction of variables associated to ideas and values, by far overcoming the reductionism of institutional theories in political science that tend to understand political conflict and cooperation by means of decisions by rational agents situated in a one-dimensional space, based on a given structuring of preferences. The introduction of ideas enhances the chances that the models may confer the multidimensional nature typical of political phenomena, as well as allow analysts to "be able to leave aside" the premise of considering the interests and beliefs of the agents as being fixed and given, as in usually done in traditional rational choice models.

The key to the interpretation of change rests in understanding how tensions between institutions and cognitive models can, under specific conditions, drive the reformulation of incentives and strategic opportunities for political agents. Therefore, the adequate approach suggested by Lieberman (2002) would not permit emphasis on ideas or on institutions in isolation. It is precisely the interaction between these models that allows for a more satisfactory comprehension of change. The model's basic hypothesis would be that the probability of abrupt political change (as opposed to a normal variation) will be greater under conditions where the level of tension between political orders is more prevalent.

The model's essential analytical category is the decomposition of the notion of a single political order; rather, it considers to what extent its constituent parts get superimposed, integrated or conflict with one another, and how these configurations produce change. One comparative advantage of this model is that it considers as much the institutions as the "ideas in interaction", as basic constitutive elements of an explanation. In analytical terms, this situational and relational comprehension of change allows elements associated to the specific way in which the variables (or causes) are articulated under specific historical conditions to be considered, expanding on traditional models that emphasize the causal power of legacies in determinist fashion.

One application of the approaches centred on the idea of friction between multiple orders is offered by Weir (2006), for public policy reform. She suggests that two analytical strategies are appropriate to understand change from the point of view of causal powers situated in agency: institutional dissonance theories and the analysis of processes of configuration of agents' strategies.

Institutional dissonance theories start from the assumption of the coexistence of multiple institutional orders. Institutional change is understood — similarly to Lieberman's (2002) model — as being constituted by an emergence of "processes of institutional friction" between these multiple orders and their different logics, with reference to the production of public policies. The strategic role of agents, situated in different institutional domains, in the production of the process of change becomes decisive.

On the other hand, approaches that focus on the construction of agents' strategies start from the assumption that agents should be understood as "complex organizational entities", inserted in multiple institutional networks, and that set up their strategies based on a situational and relational logic. The analysis of change must pay attention to the internal processes by which agents configure (re-configure) their interests and strategies of action, as well as the mechanisms by means of which they manage to obtain political support for the strategies of change in a complex institutional environment.

Smith (2006), although considering that multiple order models are of fundamental

importance to the advancement of more consistent theories on change in political science, offers a critique of Lieberman's (2002) model, by drawing attention to the analytic need for defining more precisely the concept of "multiple orders". It becomes important to differentiate between institutional orders and analytical categories related to ideological traditions or ideational orders. Analysts must seek to introduce variables related to ideas that may ensure greater coherence, meaning and direction to institutions.

Historical institutionalists in comparative political science do not work with institutional categories that allow one to treat ideas adequately in their theoretical models. Institutions carry ideas but cannot be reduced to elements merely related to ideas. Smith (2006) considers that the purposes, rules, norms, roles and patterns of behaviour in institutions are manifestations of agents' ideas. Phenomena like the creation and maintenance of institutions cannot be understood if dissociated from the ideas of the members of the coalitions that support them. Smith takes the view that more models with more sensitivity in relation to ideas and institutions are fundamental to comprehend processes of change.

Analytical Challenges to the Generation of Institutional Theories of Change

Once reviewed the arguments around the main critiques of the efforts of theory and analysis about institutional change in the new institutionalism, it becomes necessary to present an agenda of problems considered "essential", to be confronted in the formulation of new models and theories. These we will call "analytical challenges" here. Due attention to these essential questions will allow analysts to have greater chances of developing more consistent routes towards institutionalist interpretations in the field of comparative political science about the always complex problem of change. In this section, we will approach the following problems that may be considered decisive: a) the centrality of institutional factors; b) inclusion of agency and cognition; c) contextual sensitivity; d) conceptualization of institutional change; and, e) recursive interaction between agents and institutions.

The Centrality of Institutional Factors – The first analytical challenge of key interest is located in the question of deepening one's comparative knowledge on institutional factors or causes that lead to processes of change in specific contexts. Theories must clearly specify what the institutional variables are and how they produce mechanisms associated with change. Satisfactory theories cannot be built just by attributing change to exogenous factors or to radical alterations in institutions' external environment. A decisive point is showing that there exist causes internal to institutions that produce processes of change, either in isolation or combined with exogenous elements.

In this sense, as argued by Mahoney and Thelen (2010), analysts must be on the alert, so as to adequately deal with the problem of theorizing about the causes and variations of endogenous change. The authors suggest that it is necessary to understand more closely which institutional properties create possibilities for the production of change, and how agents formulate behaviours and strategies that unleash such change.

Inclusion of Agency and Cognition – The second challenge for analysis lies in considering the potential created by models and theories to include causal factors associated with agents and their cognitive models. The inclusion of these elements allows for a better understanding of how and under what conditions agents reflexively generate processes of change in institutions. One is not merely talking about including variables closer to agency rather than structure. Rather, the point is making conceptual and analytic room to understand how and why institutions change based on the reflexive interaction of agents with institutions. Understanding how rational agents (or agents with limited rationality) interpret, create interests, identities and representations in the political calculation of the strategies of change remains a considerable challenge. Models centred on cognitive factors still constitute “outliers” in the range of institutional theories of change in political science.

Contextual Sensitivity – The third analytical challenge rests in the question of how to include contextual elements in a theory of institutional change. There is considerable latitude for convergence of the argument that contexts are decisive for one to understand the specific way in which complex processes of production of new institutions occur on the basis of elements that integrate the context with the resources available to agents. Ostrom (2008) considers that more consistent theories on institutional change should be more attentive to the issue of the emergence of forms and variations in strategies of change in multiple contexts and configurations. Analysts should avoid the temptation of promoting theories and interpretations devoid of contextual sensitivity. Contexts are fundamental analytical categories for one to understand the specific conditions under which preferences, choices and agents’ action strategies are structured in the face of the policy for the choice of new institutional arrangements.

Conceptualization of Institutional Change – Another challenge that seems essential to the advancement of institutional change theory relates to what actually constitutes change. Models and theories must be attentive to be more precise regarding what it is they are dealing with as “institutional change”. Given that the occurrence of phenomena associated with changes exhibit great variability of forms and mechanisms, it is necessary to define more clearly what is being considered in each analysis (or set of analyses) about patterns of specific change in institutions.

One of the clearest steps in overcoming this challenge is for theories of change to draw closer to middle-range theories to create theorizations that deal in differential forms

with differential phenomena. Often what analysts consider institutional change could be simply termed an incremental adaptation or review/reorganization of institutions.

Defining more accurately what institutional change is in each analysis (or cluster of analyses) can deal with the issue of comprehending more adequately how and when processes of institutional stability permit one to include considerable elements of “institutional adaptation” or series of sequential reforms.

Thelen (2009) argues that the reflection on what in fact constitutes an institutional change represents one of the main points of inflection in the contemporary neoinstitutionalist debate. New theories should avoid starting off from the premise that institutions are stable and persistent. Rather, they should include dynamic elements that may understand incremental, gradual and adaptive change in institutional arrangements. Institutions are durable and persist because there exist agents that produce collective action to maintain the institutional models. More consistent theorizations, such as the theory of gradual change proposed by Mahoney and Thelen (2010), represent a first solid step taken by the new historical institutionalism towards the progress of a new generation of theories.

Recursive Interaction between Agents and Institutions – Harty (2005) – suggests that models ought to seriously consider the problem of why agents should seek change in the face of the benefits of stability and institutional persistence. Consistent theories must account for processes that unleash institutional changes and consider two options as fundamental to the explanation: a) the connection between loss of legitimacy and institutional change; and, b) the question of the costs involved in the change. These options permit one to deal with the interaction between agents and institutions as a central process in the analysis. Theories must turn their attention to an analysis of the conditions under which agents initiate processes of change. The idea that there exist favourable institutional opportunities for change to be produced by agents must be seriously considered. The search for plausible explanations for processes of change seems to be closer to models that incorporate the interactions between agents and existing institutions as a problem of resources, and agents' ability to transform legacies to produce new institutions. The advantage of an approach centred on resources — material and immaterial — is that it allows analysts to shift the focus of an analysis to the costs associated with the choice of new institutional models.

Chart 1 systematizes the set of analytical challenges, the fundamental questions raised for the institutional change debate and possible effectiveness gains for theories mindful of such problems.

Having gone over the analytical challenges for the development of institutional theories, we turn in the next section to the comparative analysis of two contemporary theorizations that are heedful of some of the recommendations generated by the neoinstitutionalist debate on institutional change: the models by North and Aoki. The analysis of these theories will

demonstrate how they offer plausible alternatives to the treatment of these problems and of the critiques put forward in comparative political science debates.

Chart 1

Analytical challenge	Basic questions to be answered for models	Impacts on theory's effectiveness
Centrality of institutional variables	How to specify clearly which institutional variables matter? How to understand change with institutions as the starting point? How to identify the key mechanisms generated to produce change?	Increase in models' endogeneity level. Allows for more intense understanding of how institutional aspects are relevant in the various types of institutional change.
Inclusion of agency and cognition	How to include causal factors associated with agents and their cognitive models? How to include analytical categories associated with agents' reflexivity?	Increase in the power to understand and interpret processes of change based on mechanisms of reflexive interaction between agents and institutions.
Contextual sensitivity	How to include elements related to context and culture? How to conceptualize and operationalize elements relating to the institutional (and non-institutional) context?	Increase in the capacity to understand how the conditions generated by the context affect dynamic processes of institutional change.
Conceptualization of institutional change	How to define accurately what institutional change is in each analysis (or cluster of analyses)?	Greater conceptual precision about the various types of change that are usually analysed in each class of theories about change.
Recursive interaction between agents and institutions	How to include more clearly the recursive interactions between agents and institutions?	Enhancement of explanatory power regarding the costs associated with processes of institutional transformation based on agents' mental models.

Institutionalist Innovations in the Analysis of Institutional Change

In this section we explore the perspective of analytical challenges to compare two models of interpretation of change, those proposed by North (1990; 2005) and Aoki (2001; 2007), in the context of new institutionalism. The purpose is to understand how these authors responded to the analytical challenges in building models to deal with complex processes of institutional transformation. The analysis attempts to cover the principal innovations suggested by the two authors in order to refine institutionalist theories of change.

North and the incremental change of institutions: From adaptation to cognitive models

The first theoretical case presented in this section is the theory of incremental change proposed by Douglass C. North in the book *Institutions, institutional change and economic performance*, published in 1990, and refined in *Understanding the process of economic change*, published in 2005. The refining of the model of analysis shows how the author develops his arguments about change so as to gradually respond to the analytical challenges raised by the institutionalist theory of change.

The original model proposed by North in 1990 is grounded in the concept of incremental change typical of the neoinstitutionalist tradition in economics and political science. The author bases himself on the well-known evolutionist tradition of economic thought that associates — as formulated by pluralist and neo-pluralist authors in political science — changes to processes of adjustment of values at the margin, as suggested in the “muddling through” model originally proposed by Lindblom⁶ (1959) in his analysis of public policies. North proceeds to combine the ideas of the new historical institutionalism, especially the conception of path-dependency, with the argument on transaction costs, typical of the new economic institutionalism. Incremental change is affected by existing institutional legacies, as well as by transaction costs associated with reform processes.

With reference to the specific way in which North’s model deals with the problem of conceptual separability, the model offers a clear distinction between organizations and institutions. Organizations analytically represent the agents that conduct the processes of change, while institutions are treated as formal and informal rules with which agents interact strategically in the process of creation and transformation of institutions. This important analytical distinction allows one to understand how in each case the processes of incremental change result from the intentional action of organizations.

The elements relating to contextual sensitivity are also markedly present. North proposes to account for factors relating to the context in which agents and institutions are interacting based on the notion of efficient adaptation. Processes of incremental change are produced by diverse mechanisms of efficient and gradual adaptation to the context. He suggests that institutional theories should direct their energies at understanding the diversity of processes of adaptive efficiency in each context (i.e., under different configurations of conditions). Based on this understanding, analysts can say in more detail how institutional variables effectively have causal powers to explain the mechanisms of institutional change.

The treatment of institutions in the incremental model proposed by North suggests a pattern of recursive interaction between agents and institutions. These are understood as

having a dual role for organizational agents. The duality consists in dealing with institutions at two articulated levels. If on the one hand institutions structure their strategic processes of acquisition of knowledge and abilities, on the other, they act as a restrictive element, limiting the maximization of opportunities to individual agents endowed with rationality. The attention paid to the elements of context permits analysts to identify how processes of acquisition and mobilization of resources occur within specific processes of change.

The idea that institutions create means of making resources available to agents is the central point of change theory. North suggests that organizations are more prone to promoting changes starting from a systematic movement of acquisition of resources considered “critical”, commonly treated in political science literature as knowledge and ability resources. Agents’ capacity to carry out the acquisition of critical resources in each context in order to promote changes largely explains the differential capacity to promote processes of change.

Typical institutional change generating mechanisms suggested by North are change in the structure of incentives (understood in economic language as a change in relative prices) and alterations in agents’ preferences. In this sense, it combines elements endogenous to institutions with elements of agent choice, i.e., in organizations. As commented earlier, processes of change are produced by a political calculation of “marginal adjustments” to the institutional values of the context. This context may be understood as a set of norms, rules and structures of voluntary obedience (compliance) contained in the institutional structure that can be operationalized in each analysis and specific case. Institutions tend to produce configurations of incentives for agents to be able to invest in the acquisition of knowledge and learning, to induce innovations, absorption of risks, enhancement of creativity and availability to solve problems of collective action associated with the creation of new institutions.

The interpretation of processes of institutional change in the incremental model is grounded in the following argument:

[...] significant transformations in the structure of incentives present in institutional rules tend to promote alterations in the perception that the agents involved have of the benefits and costs generated by the contracts that govern relations in existing institutional arrangements.

The configuration of new preference structures is associated to a calculation by agents in terms of costs (and benefits) in the face of the expectation of the construction of new contracts. Institutional changes involve the mobilization of uncertainty about new rules, which tend to raise substantially the transaction costs associated with processes of change.

Changes involve high transaction costs and uncertainty for the agents, given that decision-making processes about the “reform policy” are embedded in existing institutional arrangements. In order to promote changes, agents must act strategically to mobilize the uncertainty produced by the attempt to alter institutional incentives. Institutions produce a gradual erosion of norms and the introduction of new informal rules, which are decisive for agents to create room for transformative action. Institutional reforms are often laden with mechanisms typical of the “politics of institutional choice” analysis in comparative political science, such as agenda-setting and veto power, dilemmas of collective action and non-anticipated effects.

In this sense, the informal dimension of institutions becomes an element of crucial importance to understand change. Informal institutions’ main role would be to modify, supplement or complement formal rules. North argues that it is fundamental to consider in the analysis that institutional changes to formal rules gradually generate new informal equilibria. The model suggests that analysts should understand how continued interaction between formal rules, informal rules and the mechanisms of enforcement and monitoring of rules get processed.

Culture plays an important role as a factor to explain why reforms are more likely to occur in certain contexts and under certain conditions than others. Culture must not be seen as an invariant, but as possessing aspects related to natural selection and social learning, as well as to randomness. Culture plays a crucial role in the production of change in elements of informality.

North suggests that one of the decisive points for change theory is that formal rules get altered, while informal institutions (understood as restrictions) do not vary in such elastic fashion.⁷ Granted, there emerges a continued tension between the informal institutions and the new formal institutions, which are usually inconsistent with each other. Informal institutions, conceived of as gradual evolutions of pre-existing institutional arrangements, tend to continuously demand new formal institutions. It is in this sense that the question of cultural heritage becomes decisive. It reflects the fabric of institutional arrangements produced by agents over time; these are endowed with considerable power to resolve transaction dilemmas. This tension increases the chances of incremental change.

The incremental model proposed by North was expanded in 2005, when he conceived of a new theory of economic change. In it, he adds elements to further emphasise agents and the role of intentionality in contexts of limited rationality. In the new model, the understanding of change is refined based on the assumption that agents have the ability to interpret and act reflexively about new institutional alternatives. Agents’ reflexivity is situated in culture and context, and matters decisively to explain why institutions vary beyond factors linked to policy legacy or even the notion of efficiency connected with transaction costs.

The basic source of agents' intentionality derives from the crucial role of uncertainty that institutions face, given a context of constant mutability. North seeks to integrate cognitive elements in the sense of including elements relating to the formation of beliefs and to agents' capacity for reflection. He dives deep into questions of the formation of beliefs, of relations between agents and of institutional arrangements. The basic argument developed by North is that agents construct their beliefs and mental models based on how they understand the normative elements of institutions.

However, he puts special emphasis on the crucial role of the beliefs and values of agents (organizations) in bringing about change. These strategic agents' choices are limited by structural restrictions. The basic mechanism of change suggested is the perception of reality, adaptation and revision of beliefs by agents, production of institutions and intervention in reality via new policies.

Aoki: Reflexivity and mental models in institutional change

The second case analysed in this section is the model developed by Aoki (2001) in the field of political economy for the analysis of institutional change. This approach represented a significant innovation in relation to traditional approaches in the new institutionalism. Using the tradition of game theory, the author responds to the analytical challenges of theories of change by suggesting a re-conceptualization of institutional change and by introducing greater latitude to agents' explanatory powers on the basis of cognition. He suggests a rupture from the conception of institutions (and institutional change) as equilibria for one to be able to actually understand how and why institutions change, especially owing to factors considered endogenous.

The basic argument put forward by Aoki is that refining institutionalist conceptions of change requires conferring explanatory power upon agents' cognitive elements in the face of changes in equilibrium positions. Changes, conceived of as shifts in the equilibrium position, produce significant alterations to models of representation of strategic agents involved in the politics of institutional choice. More robust models should allow for conditions to find more satisfactory forms of integration between the formal and informal dimensions of institutions. And, according to Aoki, one possible route for this is the inclusion of elements of agency and cognition present in agents' mental models.

In this sense the model innovates by responding to the problem of the inclusion of agency: it takes seriously the inclusion of elements relating to the behaviour of agents instead of the traditional concern with rules. The main innovation lies in the fact that institutional change is an alteration of agents' expectations, and not produced by rules. Transforming institutions is not only about transforming the rules of the game (formal or

informal). Rather, it is about understanding how agents' expectations and mental models are "altered", with the threat of institutional change as the starting point.

Aoki's fundamental criticism of traditional models of strategic rationality in the new institutionalism focuses essentially on the limited conception of considering institutions merely as rules. He argues that this conception is rather restrictive, especially when one is dealing with understanding change based on elements endogenous to institutions. Processes of institutional change should be analysed on the basis of categories related to elements situated in agents' mental and cognitive models, regarding changes in positions of equilibrium.

The problem for Aoki is in the conception of institution and of institutional change. He suggests that an institution be understood as a summary representation of just a few "visible" characteristics of a position of dynamic equilibrium. Institutional change is in fact a contingent transition to a new position of equilibrium, one that causes direct impacts on agents' mental models. Far from understanding the role of path dependency in deterministic fashion, and from conferring causal powers on exogenous elements with the occurrence of "critical junctures" as do historical institutionalists, institutional change depends on how agents — situated in the institutional reality and endowed with limited rationality — "interpret" change and its effects. In this sense, Aoki suggests that agents' reflexivity should constitute an essential category for understanding processes of institutional transformation. Traditional new institutionalism is not on the alert as to these categories from agents' viewpoint, even in its versions that are closer to cognition and mental models, such as the models of new sociological institutionalism, which are usual in political science. These tend to conceive of change as being generated by processes of diffusion, adaptation and, fundamentally, of isomorphism. Models mindful of agents' cognitive construction in the face of change are rare, especially in comparative political science.

This feature (attention to cognitive elements) translates the need for greater sensitivity on the model's part to questions of context and agency. Culture plays a decisive role, as the model considers that agents' mental and cognitive resources are mediated by culture. Culture matters less as social capital and more as a flexible element, directly linked to agents' internal construction by means of their interactions with institutional orders. Strategic agents embedded in institutions in fact tend to perceive and formulate the alternatives for change in highly differentiated fashion, based on their values and beliefs, and not on clearly revealed effects.

Agents interpret reforms on the basis of their worldview and culture. The analysis of processes of change should not construct theories that assume processes of change generated exogenously as an effect of structure over agencies such as legacies, or, as is common among conceptions that use critical junctures, of prevalence of agency over structure. Rather, it

should have a more elaborate understanding of how agents interpret culture, with their cognitive elements as the starting point.

Analytical categories directly linked to culture, values and mental models should therefore play a crucial role in explaining change based on contexts and configurations of conditions present in specific reform processes. Agents possess incomplete internal versions about the new equilibrium position, faced with the choice of new institutions. The interaction between agents' representation of change and the change proposed is what generates conditions for the implementation of reforms in certain contexts.

The basic mechanism of the theory is directly linked to agents' reflexivity about the alternatives of change. Limited rationality makes clear that agents tend to observe a truncated, simplified version, i.e., a "representation" of the processes involved in the change. The uncertainty typical of reform processes has an incidence on the particular way in which agents reflect internally about processes of change. Agents' internal elaborations about these truncated processes should play a fundamental role in the analysis.

As for the analytical challenge of recursive interaction between institutions and agents, the model proposed suggests that institutions be understood by analysts as mechanisms that create cognitive resources for rational agents in the face of change. Institutional arrangements operate in the structuring of shared representation spaces that articulate the complex interdependent strategic behaviours of the multiple agents involved in reform processes.

In this sense, the model responds well to the problem of how to incorporate the elements of agency and cognition. Analyses of reforms should substantially plunge into understanding how agents' mental models get altered owing to changes relating to institutional parameters. Agents react reflexively and learn from change, constantly reviewing their mental models and beliefs about equilibrium positions.

The endogeneity of institutional models would be directly linked to the way in which agents work through their mental models based on elements associated to reflexivity. Analytical attention to the construction of cognitive orders can be decisive to overcome the classic problems of rational choice theories and of institutionalist models that usually neglect the important element of beliefs and representations as a variable or decisive analytical category. By neglecting such an important element, these models lack consistency in effectively accounting for endogenous processes of change.

Final Remarks and Implications for the Research Agenda in Brazil

This article systematically discusses the main critiques generated within neoinstitutionalist debates in comparative political science about the limits and potential

for building models and theories of change. Traditional models within the various new institutionalisms continue failing to generate plausible alternatives to account for change. They are more useful when one is dealing with order and stability. The criticism is structured around four themes: the limits of approaches that focus on institutions as equilibria produced by rational agents; the difficulties inherent to the problems of conceptual separability to define institutional variables with more precision; the premises of stability contained in traditional theories; and, lastly, the question of how to deal with the problem of ideas in institutionalist models.

These critiques converge to introduce a high exogenous bias, present in traditional theories of change. The models tend to confer excessive causal powers to parameters external to institutions, i.e., social structures or agents' strategic choices. The explanations end up resorting to a high level of determinism, since they centre their attention on causal factors related to legacies, trajectories, external shocks and diffusions, or even functional adaptation, which end up being insufficient for one to gain a more refined understanding of how and why change occurs with institutions as the starting point.

The argument developed here is that these critiques generate a series of analytical challenges that must be confronted creatively by future generations. The advancement and survival of the neoinstitutionalist tradition in political science (and more broadly in the social sciences) are associated with the relative success of the theorization about the always relevant problem of the transformation of institutions. How and why institutional reforms occur remains one of the fields of theoretical reflection leaving much to be desired within the neoinstitutionalist tradition.

A considerable number of the political scientists who work within this research tradition continue to affirm persuasively that traditional theories fail in interpreting the complex problem of change. Why they fail and how to overcome this problem in the construction of new theories has been the basic point of this article.

The reflection on analytical challenges for neoinstitutionalism in political science retains its relevance since the study of change also retains its relevance as one of the major challenges of the contemporary political science research agenda. The analyses developed in this brief study reveal that despite significant advance in the theorization of institutional change, one finds the emergence of a set of critiques relating to the potential of institutional explanations. Political scientists continue to ask themselves: do institutions actually matter when explaining change? If so, how? This work has tried to understand the principal arguments and themes around which this debate takes place and at the same time offer possible paths to refine these theories.

The advance in knowledge generated by this article lies in the signalling of the relation between the critiques and the five specific analytical challenges for the "case"

of new institutionalism. These signals reveal spaces of attention on which political scientists must focus in their new formulations, to construct new theories. It shows that these analytical challenges are related to the following questions: better specification of institutional variables that matter to explain causally; the problem of the inclusion of agency and cognition; contextual sensitivity; refinement and better specification of the concepts of institution and institutional change; and, lastly, the discussion relating to the treatment of the crucial problem of recursive interaction between agents and institutions in generating change. Successful theories must find creative ways of “dealing” satisfactorily with these problems. Therefore, research designs represent fundamental elements for political scientists to formulate possible ways of dealing with change, while avoiding the pitfalls of suggesting a single model, concept or variable to account for such a complex question.

It is important to stress here that those striving to develop more refined theories must be on the alert as far as possible to questions of how to combine traditional elements with new problems put forward by the analytical challenges. A theory of institutional change must not, for instance, distance itself completely from the social structures or penetrate without limits in questions of agency to understand changes. The degree of theoretical success depends essentially on models’ ability to promote fruitful “integrations” between traditional models and, fundamentally, to know in which cases and under what conditions these combinations may be undertaken. Greater attention to actually institutional elements requires a gradual reduction in elements exogenous to institutions, but it is not possible to attribute change completely to such factors.

As the theoretical cases put forward by North and Aoki demonstrate, it is fundamental to ensure the refinement of traditional models, whilst not losing sight of the usefulness of some elements. It is important to understand that the agents, rationality and new institutional choices are rather dependent on contexts and, fundamentally, the historical configurations in which they are inserted.

The notion of institutional individualism utilized by these theories, especially by North, shows that a more refined understanding of change cannot remain completely on the agency analytical level. Changes do not occur based just on rational choices about specific institutional designs. More satisfactory explanations must go into the specific way in which institutions matter. Rationality would therefore be institutionally constructed by the agents.

Broadly speaking, the enhancement of causal powers for agency is necessary in contemporary theories. Agents do not operate changes solely under conditions of external shocks, as suggested by theories associated with critical junctures. In order to understand under what conditions reforms occur, it is important to introduce elements linked to contextual sensitivity. These tend to make analysts take due care in carrying out the trade-offs considered essential to calibrate the specific ways in which agency and context matter

in each case studied. In this sense, research design becomes an element of fundamental importance in the conception of more refined models to deal with these always complex questions. How can agency be incorporated, introducing elements linked to values, beliefs and cognitive elements? This is a fruitful path, as Aoki suggests.

In this effort of synthesis, it is also necessary to point out that more satisfactory theories ought to work creatively to develop attention to the essential mechanisms involved in processes of change in various contexts. Reforms represent a fruitful field for theoretical innovations based on a set of methodological paths suggested by the new generation of comparativists working with qualitative research in political science, with an emphasis on process-tracing, the analysis of causal mechanisms and intensive use of case studies and small-n research designs.

The implications of these debates on the analytical challenges are essential for the development of the theoretical-methodological reflection, as well as of applied research in Brazilian political science. The first considerable impact is to show the clear absence of a more sophisticated reflection by political science about the problems of institutional change. In Brazil, a considerable part of political scientists still delves more into the study of the political order than into issues of institutional change in tune with the new methodological debates generated within comparative political science.

Studies about institutional change remain timid or restricted to the area of public policies, a field considered secondary and highly problematic in Brazilian political science. In contrast with the international experience, in which the reflection on changes in the patterns of public policies — after all, public policies are political institutions — introduced substantial gains to the effort to theorize about the question of change, Brazilian institutionalists still concentrate on formal political institutions.

This is curious, for despite Brazilian political institutions being fertile ground for analysing processes of change, national political science contributes little to understanding and reflecting more systematically upon such processes based on a more fruitful dialogue with research issues generated within the comparative tradition. Brazil appears to be a rather opportune case to contribute heuristically to the generation of theories of change on the international plane. Yet, curiously, recent research agendas shrink from dealing more solidly with institutional transformations brought about in a series of political institutions.

One of the central challenges for the development of national political science — from the perspective of institutional change theory — would be to create incentives for the new generation of political scientists to cease “passively consuming” models and theories created abroad and to vigorously embrace forms of development and construction of theories on the basis of the Brazilian case. Substantial investments in reflections on theory and methodology for new generations of political scientists can make the Brazilian case contribute fruitfully

in future to the refinement and critique of existing models and theories within the new institutionalism of comparative political science.

Submitted in December, 2008

Accepted in December, 2009

Notes

- 1 The “new political science” that emerged in the 1990s has sought to redefine its epistemological, theoretical and methodological orientations. These redefinitions are taking shape in the direction of a growing commitment to theory-building, with causal explanations (Van Evera 1997; King, Keohane and Verba 1994; Brady and Collier 2004), and with a more rigorous connection between empirical data, formal methods and theory (Morton 1999; Bates et al. 1998). More than at any other time in the history of political science, there is a need to shift the traditional focus from the historical, contextual, descriptive approaches of traditional political science to commitments considered more “rigorous” and tied to explanation. Despite the strong tensions and fragmentation that characterize the programmatic universe of the discipline, such commitments have substantially affected the way knowledge is produced, with decisive impacts on typical modes of “explanation” in political science. (See Laitin 2002; Shapiro 2002; Shapiro, Smith and Masoud 2004; Marsh and Stoker 2002).
- 2 A considerable part of these critiques derives from new models of interpretation and explanation of social phenomena generated on the basis of new institutionalism (North 1990; Hall and Taylor 1996; Immergut 1998; March and Olsen 1989; Putnam 1993; Weaver and Rockman 1993; Rodrik and Subramanian 2003) and of rational choice (Coleman 1990; Elster 1989; Green and Shapiro 1994; Satz and Ferejohn 1994; Friedman 1996; Lichbach 2003; Morris et al. 2004; Mac Donald 2003). These paradigms introduced substantial redefinitions of the production and explanation of social and political phenomena.
- 3 In comparative political science research, there took place an explosion of studies containing institutionalist analyses of institutional change with several configurations of empirical research: democratization (Alexander 2001), constitutional change, transformation of electoral regimes, administrative reforms (Capano 2003; Cheung, 2005), alteration of governance patterns (Putnam, 1993; Easton, 2004), Welfare State reforms (Torfing 2001; Beyeler 2003; Cox 2001; Korpi 2001; Pierson 1994), sectoral reforms, fiscal reforms (Steinmo 2003), mechanisms of diffusion of reform paradigms (Béland 2005; Béland and Hacker 2004; Campbell 1998) and other traditional research domains.
- 4 Elman (2005) considers explanatory typologies to be crucial resources for the comparative qualitative analysis of theories. Such typologies are constructed based on the logical implications of a theory, with a focus on differentiating the patterns and types of causal relations it contains. Explanatory typologies differ from inductive typologies, which are quite common in the social sciences, given that the latter are constructed on the basis of empirical evidence, while the former are constructed on the basis of theories and their elements: concepts, variables, hypotheses and mechanisms.
- 5 Explanations centred on causal mechanisms (Elster 1989; Hedström and Swedberg 1996; Mayntz 2004; Hedström 2008) are gaining more ground in social science and political science.

Gerring (2007) takes the view that explanations through mechanisms are more and more frequent in the social sciences. However, it is concept laden with tensions and ambiguities. He argues that there exist nine typical meanings for this concept, but there is a core conception according to which a mechanism represents “the pathway or process by which an effect is produced”.

- 6 Lindblom (1959) argues in favour of the method of successive limited comparisons. He conceives of change based on the pluralist assumption that institutions (understood as public policies) change over time incrementally rather than discontinuously. This is so because change results from a complex process of “muddling through”, i.e., a gradual adjustment of new institutions (policies) to the values of agents in the decision-making process of institutional choices. Changes must be understood on the basis of mechanisms of small adjustment at the margins. These processes take shape as agents direct their attention at values that vary very marginally in the new institutions in relation to the pre-existing institutional arrangements. Institutions change based on a set of small gradual changes, through mechanisms of gradual acceptance of new values. In the incremental model, it is fundamental to consider that patterns of radical, discontinuous or non-incremental change are typically thought of as politically irrelevant and containing unforeseen, undesirable consequences for reformers.
- 7 Helmke and Levitsky (2006) argue that variations in the stability of informal institutions depend essentially on the type of institution one analyses. Three basic factors explain change in such institutions: a) changes in formal institutions; b) changes in the structures of distribution of power and resources between agents; and, c) changes in shared social beliefs and collective experiences.

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