# WORLD POLITICS

A Quarterly Journal of International Relations

Volume 62, Number 2 April 2010

UNDER THE EDITORIAL SPONSORSHIP OF

#### PRINCETON INSTITUTE FOR INTERNATIONAL AND REGIONAL STUDIES

PUBLISHED BY CAMBRIDGE UNIVERSITY PRESS

EDITORIAL BOARD

Atul Kohli, *Chair, on Leave* Lisa Anderson, Nancy Bermeo, Valerie J. Bunce, Mary E. Gallagher, Geoffrey Garrett, Jeffrey Herbst, Torben Iversen, Jonathan Kirshner, Lisa L. Martin, Michael Mastanduno, Kevin O'Rourke, Daniel N. Posner, Karen L. Remmer, James Robinson, Kenneth Scheve, Edward S. Steinfeld, Michael Tomz, Marc Trachtenberg, Robert C. Tucker

Editorial Committee: Thomas J. Christensen, Christina L. Davis, Joanne Gowa, G. John Ikenberry, Stephen Kotkin, Evan S. Lieberman, Jonas Pontusson, Edward Telles, Deborah J. Yashar (Acting Chair)

Associate Editors: Delia Baldassarri, Rafaela Dancygier, Amaney A. Jamal, David Leheny, Grigore Pop-Eleches, Kristopher W. Ramsay, Jacob N. Shapiro, Bradley Simpson, Andrea Vindigni, Lynn T. White III

Executive Editor: ILENE P. COHEN Assistant Editor: JOY M. SCHARFSTEIN Secretary: PATRICIA D. ZIMMER

The editors invite submission of articles, research notes, and review articles bearing upon problems in international relations and comparative politics. Manuscripts and notes should be double-spaced and submitted through the Web-based submission system, Manuscript Central, at http://mc.manuscriptcentral.com/wp. *World Politics* guidelines permit submissions of up to 12,500 words in length, including notes and references (excluding tables, figures, and appendixes); research notes may be up to 10,000 words in length, including notes. Word count should be indicated. Manuscripts that exceed the limit *will not be considered*. Guidelines for review articles, guidelines for special issues, tables of contents, and and other information can be found the *World Politics* home page, at http://www.princeton.edu/~pilits/publications/world\_politics.html.

Authors can expect to receive decisions on their submissions within four months. Procedures for reviewing manuscripts are based on the anonymity of the author and the confidentiality of readers' and editors' reports; author anonymity is preserved, as well, during the editorial decision-making process. Self-references should therefore be removed. Referees are drawn from Princeton and other institutions; published articles have usually been reviewed by at least one editor and two readers from other institutions. In the case of an article deemed to be inappropriate for *World Politics*, the editors strive to notify the author within three weeks of submission that the article has been withdrawn from consideration.

Referees for the previous calendar year are acknowledged annually in issue 4 of the journal. *World Politics* does not accept manuscripts that have already been published, are scheduled for publication elsewhere, or have been simultaneously submitted to another journal; this applies to both print and online formats. Statements of fact and opinion appearing in the journal are made on the responsibility of the authors alone and do not imply the endorsement of the editors or publisher. The journal does not publish communications to the editor or rejoinders to specific articles. Scholars who believe they have been challenged are encouraged to submit an article that will advance the scholarly debate.

# WORLD POLITICS

Vol. 62

•

April 2010

No. 2

•

# CONTENTS

| Legislative Malfeasance and<br>Political Accountability   | Eric C. C. Chang, Miriam A.<br>Golden, and Seth J. Hill | 177 |
|---|---|-----|
| Throwing Out the Bums: Protest  |   |     |
| Voting and Unorthodox Parties after Communism   | Grigore Pop–Eleches                                     | 221 |
| Defying the Resource Curse:   | had   |     |
| Explaining Successful State-Own<br>Enterprises in Rentier States                                  | Steffen Hertog  | 261 |
| A Rentier Theory of Subnational<br>Regimes: Fiscal Federalism,<br>Democracy, and Authoritarianisr | n   |     |
| in the Argentine Provinces  | Carlos Gervasoni  | 302 |
| Captured Commitments: An Analy<br>Narrative of Transitions with                                   | rtic  |     |
| Transitional Justice  | Monika Nalepa   | 341 |
| The Contributors  |   | ii  |
| Abstracts   |   | iii |

### THE CONTRIBUTORS

ERIC C. C. CHANG is an associate professor of political science at Michigan State University. He is a coauthor (with Mark Kayser, Drew Linzer, and Ronald Rogowski) of *Electoral Systems and the Balance of Consumer-Producer Power* (forthcoming), and he has published articles in numerous journals. He can be reached at echang@msu.edu.

MIRIAM A. GOLDEN is a professor of political science at the University of California at Los Angeles and serves as chair of the American Political Science Association's Organized Section in Political Economy. She is a coeditor (with David Austen-Smith, Jeffry Frieden, Karl Ove Moene, and Adam Przeworski) of *Selected Works of Michael Wallerstein: The Political Economy of Inequality, Unions, and Social Democracy* (2008) and the author of numerous recent journal articles. Her current research is on distributive politics, political corruption, and political capture, especially in less developed nations. She can be reached at golden@ucla.edu.

SETH J. HILL is a doctoral candidate in the department of political science, University of California, Los Angeles. He is completing a dissertation on the effects of changes in who turns out to vote on American election outcomes, and he has published his work in various journals. He can be reached at sjhill@ucla.edu.

GRIGORE POP-ELECHES is an assistant professor of politics and international affairs at the Woodrow Wilson School at Princeton University. He is the author of *From Economic Crisis to Reform: IMF Programs in Latin America and Eastern Europe* (2009). He is currently working on a book about the impact of communist legacies on postcommunist attitudes and political behavior, as well as on a project about the interaction between elections and structural conditions in driving political liberalization and deliberalization episodes since the end of the cold war. He can be reached at gpop@princeton.edu.

STEFFEN HERTOG is a professor at the Chaire Moyen-Orient Méditerranée at Sciences Po Paris and a lecturer in political economy at Durham University. He is the author of *Princes, Brokers and Bureaucrats: Oil and State in Saudi Arabia* (2010) and (with Diego Gambetta) of *Engineers of Jihad* (forthcoming). He can be reached at shertog@gmx.de.

CARLOS GERVASONI is an assistant professor of political science and international studies at Universidad Torcuato Di Tella in Buenos Aires and a doctoral candidate in political science at the University of Notre Dame. He is completing a dissertation on measuring and explaining variance in levels of subnational democracy in Argentina. Other recent and current research includes work on party discipline in Brazil (with Frances Hagopian and Juan Andrés Moraes), extra system electoral volatility (with Scott Mainwaring and Annabella España Nájera), and the dampening effects of democracy on economic crises (with Leslie Elliott Armijo). He can be reached at cgervasoni@utdt.edu.

MONIKA NALEPA is an assistant professor of political science at the University of Notre Dame. Her research interests include institutions of transitional justice and political transitions. She is the author of *Skeletons in the Closet: Transitional Justice in Post-Communist Europe* (2010) and is crurrently working on a project on postcommunist legislative institutions. She can be reached at mnalepa@nd.edu.

## ABSTRACTS

# $\label{eq:legislative} \ Malfeasance \ \text{and} \ Political \ Accountability$

By ERIC C. C. CHANG, MIRIAM A. GOLDEN, AND SETH J. HILL

Utilizing a unique data set from the Italian Ministry of Justice reporting the transmission to the Chamber of Deputies of more than the thousand requests for the removal of parliamentary immunity from deputies suspected of criminal wrongdoing, the authors analyze the political careers of members of the Chamber during the first eleven postwar legislatures (1948–94). They find that judicial investigation typically did not discourage deputies from standing for reelection in Italy's large multimember electoral districts. They also show that voters did not punish allegedly malfeasant legislators with loss of office until the last (Eleventh) legislature in the sample. To account for the dramatic change in voter behavior that occurred in the early 1990s, the investigation focuses on the roles of the judiciary and the press. The results are consistent with a theory that a vigilant and free press is a necessary condition for political accountability in democratic settings. An independent judiciary alone is ineffective in ensuring electoral accountability if the public is not informed of political malfeasance.

#### Throwing Out the Bums

PROTEST VOTING AND UNORTHODOX PARTIES AFTER COMMUNISM

#### By GRIGORE POP-ELECHES

The electoral rise of unorthodox parties (UOPs) in recent East European elections raises some puzzling questions about electoral dynamics in new democracies. Why did the power alternation of the mid-1990s not result in party-system consolidation, as suggested by some earlier studies, but instead give way to a much more chaotic environment in which established mainstream political parties lost considerable ground to new political formations based on personalist and populist appeals? Why did this reversal in Eastern Europe happen during a period of economic recovery, remarkable Western integration progress, and a broad acceptance of electoral democracy as the only game in town? This article suggests that these electoral dynamics can be explained by focusing on the interaction between protest voting and election sequence. While protest voting to punish unpopular incumbents has been a widespread but understudied practice since the collapse of communism, the beneficiaries of these protest votes have changed in recent elections. Whereas in the first two generations of postcommunist elections, disgruntled voters could opt for untried mainstream alternatives, in third-generation elections (defined as elections taking place after at least two different ideological camps have governed in the postcommunist period) voters had fewer untried mainstream alternatives, and therefore opted in greater number for unorthodox parties. This explanation receives strong empirical support from statistical tests using aggregate data from seventy-six parliamentary elections in fourteen East European countries from 1990 to 2006, survey evidence from twelve postcommunist elections from 1996 to 2004, and a survey experiment in Bulgaria in 2008.

#### Defying the Resource Curse

#### EXPLAINING SUCCESSFUL STATE-OWNED ENTERPRISES IN RENTIER STATES

#### By STEFFEN HERTOG

The article explains how several Gulf rentier monarchies have managed to create highly profitable and well-managed state-owned enterprises (SOEs), confounding expectations of both general SOE inefficiency and the particularly poor quality of rentier public sectors. It argues that a combination of two factors explains the outcome: the absence of a populist-mobilizational history and substantive regime autonomy in economic policy-making. The author concludes that it is necessary to rethink the commonly accepted generalizations both about rentier states and, arguably, about public sectors in the developing world.

#### A RENTIER THEORY OF SUBNATIONAL REGIMES

# FISCAL FEDERALISM, DEMOCRACY, AND AUTHORITARIANISM IN THE ARGENTINE PROVINCES

#### By CARLOS GERVASONI

Levels of subnational democracy vary significantly within countries around the world. Drawing on fiscal theories of the state, the author argues that this variance is often explained by a type of rentierism that is not geographically determined by natural resources but politically created by certain fiscal federalism arrangements. He posits that less democratic regimes are more likely in rentier provinces—those that receive disproportionately large central government transfers and practically forgo local taxation. Intergovernmental revenue-sharing rules that produce large vertical fiscal imbalances and favor the economically smaller districts provide their incumbents with generous "fiscal federalism rents" that allow them to restrict democratic contestation and weaken checks and balances. Statistical evidence from a panel data set of the Argentine provinces strongly confirms this expectation, even after controlling for standard alternative explanations such as level of development. Sensitivity analysis shows that this finding is extremely robust to alternative panel estimators. Qualitative and quantitative evidence suggests that the effect of heavy public spending on the economic autonomy of political actors is the main causal mechanism at work.

#### CAPTURED COMMITMENTS

# AN ANALYTIC NARRATIVE OF TRANSITIONS WITH TRANSITIONAL JUSTICE

#### By MONIKA NALEPA

How can outgoing autocrats enforce promises of amnesty once they have left power? Why would incoming opposition parties honor their prior promises of amnesty once they have assumed power and face no independent mechanisms of enforcement? In 1989 autocrats in a number of communist countries offered their respective oppositions free elections in exchange for promises of amnesty. The communist' decision appears irrational given the lack of institutions to enforce these promises of amnesty. What is further puzzling is that the former opposition parties that won elections in many countries actually refrained from implementing transitional justice measures. Their decision to honor their prior agreements to grant amnesty seems as irrational as the autocrats' decisions to place themselves at the mercy of their opponents. Using an analytic narrative approach, the author explains this paradox by modeling pacted transitions not as simple commitment problems but as games of incomplete information where the uninformed party has "skeletons in its closet"—that is, embarrassing information that provides insurance against the commitments being broken. The author identifies the conditions under which autocrats step down even though they can be punished with transitional justice and illustrates the results with case studies from Czechoslovakia, Poland, and Hungary.