1 *Introduction*

FROM POLYCENTRISM TO THE POLITY

Peter P. Houtzager

The new politics of inclusion is the progeny of disquiet. Two decades of marketizing reform have succeeded in disassembling developmental states—their bases of legitimacy, the political coalitions that sustained them, and of course many of their concrete manifestations (from parastatal companies to interventionist economic policies and universal social programs).[1] They have also fostered greater economic integration across national boundaries. The disquiet, in what is now a postdevelopment state period, grows out of the failure of marketizing reforms to significantly reduce absolute poverty (a quarter of the world's population exists on less than one dollar a day) and out of historically unprecedented levels of inequality between and within countries.[2] Antiglobalization protests and a new wave of international terrorism targeting the symbols of global capitalism are widely interpreted (not always accurately) as manifestations of the exclusionary nature of current marketizing development models. As a result, an array of national and international actors has recently become preoccupied with the inclusion of the poor in the gains from economic growth and the capacity of poor social groups to have their voices heard in national policy debates.[3] The shift in concern from "getting prices right" to pro-poor growth and empowerment of the poor is helping to create new opportunities for differentially situated poor groups to challenge their economic and political exclusion.

This volume explores the forms the new politics of inclusion can take in the postdevelopmental state period. In doing so, it casts a critical eye on the two dominant intellectual trends in international development—neoliberal and poststructuralist—that have converged on a set of beliefs that, if pursued in practice, may undermine the current opportunity to expand inclusion. These intellectual trends are rooted in the belief that the uncoordinated and decentralized actions of civil society, market, and state actors are likely to create a mutually reinforcing movement that can

produce all good things for all people—democracies in which citizens enjoy actual legal equality and rights, higher standards of living, greater socioeconomic equality, and (lately) "empowerment of the poor." A key feature of this radical polycentric zeitgeist is an indiscriminate hostility toward large *political* organizations, be they state entities, political parties, or groups organized across many localities such as labor movements and professional associations. At a time of unprecedented concentration of capital and power in the hands of a few private individuals and corporate conglomerates, the prescriptions for more equitable, affluent, and democratic societies all emphasize decentralization of action, association, and governance.

The construction and interpretation of a new politics of inclusion, this volume argues, must concern itself centrally with how societal and state actors democratically negotiate large-scale collective solutions across the public-private divide. There is little evidence for the belief that the uncoordinated action of a multiplicity of local actors in either civil society or the market alone can either solve problems such as market and state failure or challenge authoritarian political elites on a scale sufficient to lift large numbers of people out of poverty and political subordination.[4] One of the principal obstacles to greater inclusion is the dearth of reform-oriented political actors and coalitions that can aggregate and negotiate competing interests both within society and between society and agents of the state. Constructing reform-oriented coalitions requires refocusing our attention from the decentralized and autarkic engagements of civil society and market actors toward the political arena and the institutions of representative and deliberative democracy.

What analytic lens should we use to refocus? This chapter suggests a "polity approach" that draws on the insights of Skocpol (1992) and Tilly (1978, 1997) and different lineages of comparative institutionalism, including that proposed by Evans (1995, 1996).[5] The polity approach is also built on, and attempts to provide a broad theoretical core to, a sprawling body of work that shares many assumptions of historical institutionalism in sociology and comparative politics. Such work has focused to varying degrees on the agency of political leaders, institutional dynamics, and forms of state-society synergy.[6]

The polity approach focuses on how societal and state actors are constituted, how they develop a differential capacity to act and form alliances, and how they cooperate and compete across the public-private divide to produce purposeful change. The capacity and nature of both state and societal actors are understood as the outcome of a two-way exchange that is shaped in substantial ways by the institutional terrain in which it takes place. The ability of political actors to produce a politics of inclusion is in large measure contingent on their ability to engineer *fit*

with political institutions that grant some actors greater leverage in the policy process than others. The capacity to engineer fit, however, is severely constrained by a variety of factors, including institutional ones.

The volume's essays address three types of questions that the polity frame brings to fore. First, what reform-oriented collective actors, particularly from within subordinated social sectors, and broad political coalitions can be constructed to transcend the fragmentation and localism of much current organizing and activism? Second, and conversely, what forms of distributive and redistributive policies can gather sufficient support to be politically sustainable and can enhance the ability of subordinated groups to organize and acquire voice? And, third, how do particular features of the polity—national and subnational regime types, decentralization of state institutions, and various dimensions of governance—affect the ability of the poor to acquire voice and a greater share of material wealth? These questions are, in varying ways, tackled in a comparative manner. The essays compare either a small number of countries over time, a large number of countries at a particular point in time, or different regions within a single country across several periods.

The essays also make an important conceptual move. They draw on the growing literature on path dependence in economic history and comparative historical sociology to suggest that change can usefully be thought of as occurring in an incremental, bounded way *within* particular paths or as episodic large-scale shifts *between* paths. By explicitly addressing different patterns of change, the essays bring to the fore the varying degrees of agency actors enjoy at different points in time and the ways in which the causal importance of events (or policy interventions) is tied to their timing—that is, where they fall in a causal sequence or path. Similar events or actions that occur at different points in time, or in different contexts, can have markedly dissimilar consequences.

To make our task manageable, we have framed our analyses within a number of analytic boundaries. One of the most important is to limit our focus to political dynamics within territorially based, national political communities in which states have at least a minimum capacity to maintain physical borders, though not necessarily to maintain order within them. Our choice may mystify those who argue the birth of global civil society, the rise of global social movements and overlapping centers and levels of authority, or the withering of the territorially defined nation-state under these and other pressures of globalization and localization. Clearly, the constraints imposed by international capital mobility, the dictates of competition within international markets, and U.S. international hegemony have played a central role in undermining developmental states and social democratic models and in ushering in a period of marketized economic models and neoliberal states. The argument for an

internationalized perspective is well made by Held et al. (1999, 50), who note that

> although governments and states remain, of course, powerful actors, they now share the global arena with an array of other agencies and organizations. The state is confronted by an enormous number of intergovernmental organizations (IGOs), international agencies and regimes which operate across different spatial reaches, and by quasi-supranational institutions, like the European Union. Nonstate actors or transnational bodies, such as multinational corporations, transnational pressure groups, transnational professional associations, social movements and so on, also participate intensively in global politics.

This volume's concern, however, is the politics of inclusion, and three questions need to be answered to set the appropriate analytic boundaries. Where does authority reside in the policy areas of central concern to us? For the social groups with which we are concerned, what are the boundaries of the political community? And what are the institutional arrangements that appear to shape public policies, collective actors, and reform-oriented coalitions? On these criteria, political dynamics within the nation-state clearly deserve special attention, although a variety of international factors will impinge on them and should be taken into account. The territorially defined nation-state today remains the only actor able to extract the vast resources from society that make possible significant distributive and redistributive policies and the only actor capable of providing public goods on a significant scale. It is also the organizational form of authority with which most people have contact in their daily lives and that provides the most readily available route for poor social groups to influence the conditions of their own lives. More generally, the state is also the only actor with a legitimate monopoly over violence, with the potential to make war in the international arena and maintain order domestically. No supranational institution approximates the capacity of even weak nation-states in these areas.

RADICAL POLYCENTRISM

The principal positions in the debate on the politics of inclusion—neoliberal and poststructuralist—embody forms of radical polycentrism. The hegemonic view in international development is, broadly speaking, neoliberal, and places its faith in a market regulated by a minimalist (night watchman) state[7] and in a political democracy in which civil society limits (rather than builds) public authority.[8] The recently constructed international governance agenda reflects this set of beliefs. This agenda, or at least progressive versions that are moved by concerns with growing

inequality and persistent poverty, brings together decentralization (administrative, fiscal, and policy-making), the strengthening of civil society, and popular participation as a prescription for pro-poor growth and greater voice of the poor.[9] For the World Bank (2000, 15), and several other international development actors, poverty itself now includes "voicelessness and powerlessness" alongside material deprivation or ill-being. There is particular optimism about the role civil society has to play. The Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), which coordinates bilateral aid donors, argues that "active civil societies are central to the evolution of participatory and transparent systems of government, which are essential for economic development."[10] And in a concise statement of the dominant thinking, the United Nations Development Program (UNDP) (2000, 11–12) argues that poverty reduction requires "shifting decision-making power closer to poor communities by devolving authority to local government, . . . opening up local government to popular participation and building partnerships with civil society organizations."

These new elements (decentralization, civil society, and participation), however, are built on a suspicion of the state, and large political organizations in general, and leave the late-twentieth-century agenda of market-driven growth, deregulation, privatization, and trade liberalization firmly in place. Nor has the emergence of the new institutional economics (NIE) fundamentally challenged the market-based model. Its recognition of the degree to which markets depend on state institutions and actions has, however, considerably expanded views of where state regulation is required to ensure that the invisible hand does not lose its touch.[11]

The counterhegemonic view of the poststructuralists has been concerned with the new politics of inclusion since at least the early 1980s, but it also is radically polycentric. Rather than follow neoliberals back to the nineteenth century for its postdevelopmental state prescriptions, this group of scholars, policymakers, and activists has abandoned the modernist project of the old Left and, along with it, belief in the virtues of the state, the party, and working class movements as agents of transformation. Instead they propose a radical democratic politics and an "alternative to development" that, in Escobar's (1995, 215) words, emphasizes "a critical stance . . . [toward] established scientific knowledge; an interest in local autonomy, culture and knowledge; and the defense of localized, pluralistic grassroots movements."[12] Adopting a "decentered" view of power and politics, poststructuralists have deserted formal institutions to focus on the democratization of social relations—that is, on challenging authoritarianism in the life world. This challenge comes through the decentralized grassroots struggles of a wide assortment of actors such as new social movements across multiple social arenas. Contestation over

identities, knowledge creation, and discursive practices figure promi-
nently. The old Left's dream of seizing state power through a vanguard
party and/or guerrilla movement and directing transformation from
above is rejected.[13] Civil society is held to be the carrier of all public and
private good—a force against state and market and a space where
authoritarian social relations are challenged, individual empowerment is
possible, and identities are under constant negotiation.

These two variants of radical polycentrism suffer from various faults,
but three are particularly troubling in their implications for the new pol-
itics of inclusion. First, there is a disconnection between prescriptions
that emphasize fragmented localized action and the forces that shape
most peoples' lives. *Forbes* informs us that the world's 322 wealthiest
individuals had a combined net worth of $1.1 trillion in 2000, which is
greater than the entire gross national product (GNP) of China ($0.9 tril-
lion, population 1.25 billion) and almost triple that of India ($0.44 tril-
lion, population 1 billion). Furthermore, only six countries in the world
produce greater GNPs than those 300-odd individuals: France, Germany,
Italy, Japan, the United Kingdom, and the United States. According to
Fortune, General Motors (ranked at the top of the Fortune 500) had
annual revenues in 2000 that were three times greater than Mexico's tax
revenue and thirteen times that of Egypt.[14] If a basic tenet of political
economy holds true—that the concentration of economic power enables,
and sometimes necessitates, the concentration of political power (see
chap. 3, this volume)—then suggestions such as those made by UNDP
(2000, 12) that "the foundation of poverty reduction is *self-organization
of the poor at the community level*" seem at best hopelessly naive.

Second, the hegemonic (neoliberal) variant of radical polycentrism
contains strong echoes of the 1950s and 1960s debates on what were then
called modernizing countries, which were founded on the belief that eco-
nomic development, political order, and democracy went hand in hand
and were mutually reinforcing.[15] Lost is the lesson from Samuel Hunt-
ington's *Political Order in Changing Societies* (1968), which surveyed the
sharp increase in coups d'état, revolutionary revolts, and communal vio-
lence to conclude that this belief in the "unity of goodness" (1968, 5) was
ill-founded. Postwar modernization had produced political disorder, not
stable democracies, for modernization had triggered an expansion of
political participation that far outpaced the capacity of political institu-
tions to integrate newly mobilized groups.[16] Paradoxically, *Political
Order* was published at a time when developmental states—which had
succeeded in creating legitimate order through a combination of state-led
projects of socioeconomic transformation and political exclusion—were
helping to produce nearly double-digit economic growth in countries
such as Brazil, South Korea, and Taiwan.

Huntington's thesis excited considerable controversy, not least because of the conservative implications of its focus on political order, but this early "governance agenda" had two virtues. It offered a clear understanding of the importance of political integration and the creation of legitimate political order, lest polarization in society degenerate into violent revolt, revolution, and genocide, and it focused on political institutions as central to such integration. Agreement down the political spectrum, however conceived, on the value of democratic politics and political pluralism since the late 1970s represents a fundamental, and fundamentally desirable, shift on the part of both conservative and progressive groups; support for armed struggle of the Right and the Left, and for dictatorship in its many forms, has evaporated.

Radical polycentrism (of power, identity, etc.), however, is so preoccupied with limiting the action of large political organizations that it is blind to the need for collective actors that make it possible for people to aggregate and negotiate demands, coordinate action on a sufficient scale to produce large collective solutions, obtain representation, and indeed help governments to govern. In their keen focus on civil society, hegemonic and counterhegemonic ideations have colluded to hide a critical dimension of political life, that is, political conflict and cooperation structured, limited, and integrated by national institutions, including party systems and substantial collective actors. This trend is at the heart of polycentrism and is explored in more depth in the next section.

WHY CIVIL SOCIETY IS NOT ENOUGH

"Just as retailers, bankers, and commercial employees had organized into economic interest groups," Fritzsche (1990, 76, quoted in Berman 1997, 415) observes of interwar Germany, "so also did gymnasts, folklorists, singers and churchgoers gather into clubs, rally new members, schedule meetings, and plan a full assortment of conferences and tournaments." Indeed, associational life in both Wilhelmine and Weimar Germany, particularly of the middle classes, was so vigorous that "contemporaries spoke of the *Vereinsmeierei* (roughly, "association fetishism or mania") that beset German society and joked that whenever three or more Germans gathered they were likely to draw up by-laws and found an association" (Berman 1997, 407). Confirming Weber's fear that German civic associations, unlike those of the United States, did not promote active participation of their members in the polity, during the interwar period associations were marked by a profound distrust of mass political parties and the popular mobilization they engendered. They were characterized by a "militant localism" and came to be seen as a "sanctuary" from the divisiveness and baseness of institutionalized national politics.[17] This vigorous associational life in fact further fragmented an already deeply

divided society as people organized within and not across groups and associations, "hiving" members from each other (426).

Berman (1997) and a new generation of scholars argue that, with the onset of the Great Depression and the dissolution of established political parties, to which the apoliticism of civil society contributed in important ways, the explosive growth of the National Socialist German Workers' Party (NSDAP) was made possible by its ability to penetrate the dense local organizational fabric of German communities. Contrary to neo-Tocquevillians, Berman concludes (402) that "high levels of association-ism, absent strong and responsive national government and political par-ties, served to fragment rather than unite German society. It was weak political institutionalization rather than weak civil society" that pro-duced the rise of Nazism.

The city of Porto Alegre, in southern Brazil, has a very different but equally revealing civil society story. The municipal government's partici-patory budgeting process has become one of the most heralded instances of direct democracy and civil society activism. Since 1989, Porto Alegre has sought popular participation, through local budget forums, in decid-ing how to allocate capital investment expenditures—investment in paved streets, sewer systems, school buildings, and so forth.[18] Participa-tion has been remarkably high. In 1996, for example, 14,267 people par-ticipated in the two principal popular assemblies in which the principal budgetary decisions are made; according to the Mayor's Office, this num-ber would grow to approximately 100,000 people, about 8 percent of the city's population, if participants in the hundreds of preparatory meetings were included.[19] Abers (1998) shows that this instance of civil society activism was in large measure a product of the initiative of a strong left-wing party with an abiding commitment to popular government. Partici-patory budgeting was a *policy* the Workers Party (PT) adopted upon assuming the mayoralty in 1989. Its municipal government worked hard to foster participation, and the effort by its community organizers to "politicize the pothole" was particularly important. Organizers "acted as external agents, visiting unmobilized neighborhoods, seeking out new leaders, helping people organize, and disseminating information about what could be gained through collective action" (532).

The policy has worked very well. On the one hand, it has enabled the PT to keep control of the mayor's office and circumvent the municipal Chamber of Deputies (the local legislative body that approves municipal budgets), where the party has consistently been in the minority.[20] On the other hand, poor neighborhoods have received better municipal services and "innumerable new neighborhood organizations have appeared in response to the policy, often in areas that were previously dominated by closed, ineffective associations that served as little more than tools of

clientelist political parties" (Abers 1998, 511). In Porto Alegre, purposive state action has strengthened civil society.

The Weimar Republic and Porto Alegre experiences illustrate that the uncoordinated activity of large numbers of voluntary associations can have varied effects and the direction of causality between political dynamics and associationalism can run both ways. Academics, policy-makers, and activists often misinterpret what civil society can contribute to greater inclusion. They tend to conceive civil society as isolated from both the state and political society. This blinds them to the critical role that state and political society play in the constitution of civil society itself and to the limits of what can be achieved by the uncoordinated actions of a multiplicity of local actors.

To move our discussion forward, we first need to clear some conceptual ground. Two centuries ago civil society was understood to constitute an arena of social activity that was "market-regulated, privately controlled or voluntarily organized" (Keane 1988, 1). Today the most common definition employed is considerably more narrow. It retains the idea of an arena, or sphere, of organizations and activities that are (i) entered into voluntarily and that are (ii) autonomous from the state, but the term is increasingly used to denote organizations outside of the market, or the sphere of production and exchange. The overlapping categories of primordial, coerced, and primarily economic forms of organization and their activities are excluded (Kumar 1993, 375–95). In addition, as the civic engagement debate has gained steam there has been a trend toward excluding large political organizations—political parties, labor movements, and even some interest groups.[21] All concepts that acquire a certain popular currency—democracy, culture, and of course civil society—are recruited into a variety of scholarly and political programs and hence acquire a variety of competing meanings. Here we are speaking in general terms of the core elements that make up the dominant view of civil society today.

This view is built around civil society's perceived democratic duty. Because of this duty, voluntarism and polycentrism are seen as the core virtues of civil society. Hence Putnam (1993, 89–90) observes that "civil associations contribute to the effectiveness and stability of democratic government . . . both because of their 'internal' effects on individual members and because of their 'external' effects on the wider polity. Internally, associations instill in their members habits of cooperation, solidarity, and public spiritedness. . . . Externally . . . a dense network of secondary associations . . . contribute to effective social collaboration."[22] Pluralism, the lack of central coordination, ensures the distribution of power in society and political life (hence the emphasis on autonomy and multiplicity) that is central to checking the power of state and ensuring

that the interests of diverse groups are expressed. Civil society is also expected to produce democrats, as civic organizations are seen as the schools of democracy, which broaden citizens' interests and teach the requisite skills for democratic negotiation.

In both the neoliberal and poststructuralist imaginations, the distinction between civil society and the market has become important, but only poststructural analyses fully appreciate its significance. In the neoliberal view, civil society and market-based activity are mutually reinforcing and civil society can serve as a corrective to market failure. Poststructuralist views overlap significantly with that expressed by Young (1999, 145), when she writes:

> If a purpose of theorizing the functions of civil society is to describe the possibilities of free self-organization and their potential for limiting power and democratizing its exercise, however, then it is important to distinguish civil society from economy as well as state. Private firms, some of which are larger and more powerful than many states, dominate economic life in contemporary capitalist societies. Their internal organization is typically far less democratic than most governments, and persons whose lives are affected by the policies and actions of such economic institutions often lack the means to confront them. The structural consequences of market imperatives and profit-orientation as followed by these powerful economic actors, moreover, severely limit the options of individuals, groups, and sometimes states.

The current narrow reading of civil society, however, has lost the important distinction Tocqueville, Linz and Stepan (1996), Young (1999) and many others draw between civil and political associations within the larger set of organizations and practices labeled civil society. This distinction is at the heart of the current trend toward polycentrism. To neglect it provokes three types of errors. One is to deny the role of political organizations in the constitution of civil society. Tocqueville himself appears to have pointed the causal arrows from the political to the civic arena, arguing that politics spreads "the general habit and taste for association" so that "one may think of political associations as great free schools to which all citizens come to be taught the general theory of association."[23] The second is to ignore democracy's need for institutions such as parties to "aggregate and represent *differences between* democrats" (Linz and Stepan 1996, 10). Political society is the terrain where aggregation of interests and substantial coordinated action are negotiated and hence where the activities of large organizations feature prominently (such as those of political parties, labor movements, professional associations, and various kinds of non-production-based interest groups).

Finally, the current reading blinds one to the fact that political society is where collective actors and individuals "contest the legitimate right to exercise control over public power and the state apparatus" (Stepan 1988, 4). Because of the possibility of negotiated interests and large-scale coordination of action, Tocqueville and others argue that it is in political society that state accountability and responsiveness are obtained.[24]

Conceiving civil society separate from its relationship with the state is an understandable historical product of the collapse of the Communist bloc, the struggles against authoritarian rule in Latin America, and U.S. liberal hegemony in the international arena. Implicit in much of the work on civil society over the past two decades is the assumption that state and society are engaged in a zero-sum struggle. A "large" or vigorous state disrupts the bases for associational life and "crowds out" civil groups.[25] This view, however, is profoundly misleading and an analytic dead end. It mirrors the error of the early statist analyses which, in their efforts to isolate the state as a subject of inquiry, contributed to the mystification of its autonomy and transformative capacity (Migdal 1997, 211).

State actors have, in a variety of contexts, played a central role in the constitution of local associational life and collective actors.[26] This has taken place either by design or as an unintended consequence. In the former category, one can highlight, in addition to the Porto Alegre experience (Abers 1998; Baiocchi 2001; Heller 2001), the experience of Bhiwandi, a town bordering Bombay, where local police created neighborhood committees that kept communal peace even as other parts of India witnessed horrific Hindu-Muslim violence (Varshney 2001, chap. 12), state programs in Mexico that have contributed to the "scaling up" of local networks into organizations capable of pressuring subnational governments (Fox 1994, 1996), and recent work on social movements that develops the idea that states (as well as political parties and religious organizations) often support the emergence and reproduction of movements by acting as institutional hosts for them (Houtzager 2000, 2001a).[27] Among the unintended consequences, Herring (chap. 3, this volume) points out that state action and sometimes unfulfilled state promises can become nodes around which people organize to demand public action. Whitehead and Gray-Molina (chap. 2, this volume) suggest that targeted pro-poor policies create, over the long run, important opportunities for the development of political capabilities among subordinated social groups.[28]

A final conceptual point: focus on the *form* of organizational activity (i.e., civic) says little about the values and interests of the organizations and activities involved. Not only do social groups have differential abilities to organize and participate in associational life, but such activity can be a "source of political and antipolitical sentiment, democratic and anti-

democratic impulses" and of both conservative and progressive values (Pasha and Blaney 1998, 422–23).[29] Discussions of civil society that focus on associational life *writ large* often lose one of the most important lessons of the past forty years of scholarship on democracy: powerful labor-controlling landlords have historically been the most significant obstacles to democratization, while organized working-class movements, when these have been allied with other (particularly middle-class) sectors, have most consistently pressed for the enlargement of citizens' rights and for democratization (Moore 1966; Rueschemeyer, Stephens, and Stephens 1992). Organized labor has of course played a central role in countering market-based exploitation, including by pressuring for universal social rights. Labor's neglect in much work on civil society is problematic, but the manner in which civil society discussions are framed itself leads one away from looking at the content of specific actors.[30]

Moving beyond conceptual problems, polycentrist expectations of what can be accomplished by the types of organizations and activities identified with civil society are also problematic. One cannot create a politics of inclusion solely, or even primarily, around civil society. The very strength of civil society, its lack of coordination and pluralism, is also its weakness. It spreads power thin and wide relative to the concentration of power of market and state actors. The ability of civic associational life, no matter how well networked, to act as an effective restraint on the state and to counter market-based inequality and exploitation by large corporate actors is severely limited. The required coordination of action for such tasks is particularly difficult because civic life itself suffers profound inequality and division—it often reproduces forms of social stratification (around gender, class, ethnicity, language group, etc.) and power relations embedded in social and economic relations. Hence Keane, a staunch proponent of both the concept of civil society and its empirical referent, observes that the state plays a crucial role in offsetting the "poor coordination, disagreement, niggardliness and open conflict engendered by plural structures of civil society" (1988, 22–23). One can make such a claim for political society as well.

Similarly, the role of civic associations in economic and social undertakings is limited by the difficulty of coordination. Young (1999, 158–59) makes a compelling argument that "civil society alone cannot do the major work of directing investment toward meeting needs and developing skills and usefully employing its members. Ensuring investment in needs, infrastructure, and education and training enough to support self-development for everyone who is able to do meaningful work requires much society-wide decision making and coordinated action."

State and political society therefore have a fundamental role in the politics of inclusion. The state has a central role to play in achieving large

collective goals, facilitating coordination within civil society, countering market-based exploitation, and regulating civil society itself. Enforcing property rights and contracts, protecting individual civil and political liberties, and providing minimal public goods is not enough. Political society, as we have seen, has a central role in aggregating interests, negotiating compromise among contending groups, and balancing state power. Negotiating the boundaries of the politics of inclusion occurs in political society.

There is a growing body of work that critiques the way in which the concept of civil society has been used, but few coherent alternative perspectives have emerged that bring together an understanding of the dynamics of political society, local associational life, and various levels and sectors of the state. Developing such a perspective entails moving beyond both the idealization and essentialization of civil society that characterizes much of the writing in hegemonic and counterhegemonic work and simplistic statist notions that, as Migdal (1997) observes, have projected a myth of the state as a cohesive entity that is autonomous of social forces.[31] The rest of the chapter takes a step toward linking state and society and, for the reasons given earlier, moves away from the language of civil society, preferring instead to talk of collective actors, coalitions, and institutions. Such language highlights power dynamics and strategic interactions between political actors.

(RE)CONNECTING STATE AND SOCIETY: THE POLITY

The polity approach interprets the ways in which state and societal actors are constituted, become politically significant, and interact across the public-private divide to produce purposeful change. It is a close cousin of the framework Skocpol (1992) deploys in her interpretation of social policy in the United States, which links state capacity and public policy to the capabilities and goals of nonstate political actors.[32] Societal and state actors' capacities for action are constructed in iterative cycles (or episodes) of interaction. In the discussion that follows, it will become evident that the idea of path dependence—of change that occurs within and between institutionally defined paths—provides the causal structure of the polity approach. It provides a basis for distinguishing change in the direction of greater inclusion along two dimensions—by its speed (or time frame) and its scope. This allows us to speak of incremental change over extended periods of time that occurs within paths and of change between paths that produces dramatic breaks with past political patterns over relatively shorter time periods.[33]

The relationship between state and societal actors is at the center of the approach. Instead of assuming the autonomy and coherence of the state, as did some earlier statist approaches, the polity approach helps

problematize the state. It is seen to vary in presence and relations with social groups across geographic and social space—systems of social stratification—and policy areas (O'Donnell 1993; Migdal 1994; Whitehead and Gray-Molina, this volume; Moore, this volume; Houtzager, this volume). This variability is closely linked to the highly uneven capacity for public action of all states, an idea central to the approach.

The ability of societal and state actors to produce a politics of inclusion depends on the second component of the polity approach, what Skocpol (1992, 41) calls the *fit* between these actors and "the historically changing points of access and leverage allowed by a nation's political institutions." Political institutions give some political actors and alliances greater access and leverage over public decision-making centers than others (and hence greater influence over the policy process).[34] The features of political institutions that influence which actors will enjoy fit, or will succeed in engineering it, vary considerably across national political systems, and across subnational systems of countries with large national territories or populations. There are generic dimensions, however, that appear to be particularly important.

Skocpol highlights the degrees of centralization and bureaucratization of the state and party system. The extreme decentralization of U.S. political institutions in the early 1900s—a product of federalism, the separation of powers, and the central political role of legislatures—meant, for example, that reformers were successful in changing social policy "only when they were allied with popular constituencies associated across many localities and legislative districts" (1992, 46–47). Along with early male suffrage and patronage-based parties, this structure made class-based demand making by urban labor, which was concentrated in large urban centers, extremely difficult. "Maternalist forces" were more successful during this period—they were able to forge alliances between national reformers and locally rooted women's organizations to pressure government at the local, state, and federal levels across a broad swath of U.S. territory.

We should not become victims of our own metaphors, however. One of the most important insights of the polity approach, and its third component, is that political institutions severely constrain the ability of actors to engineer fit. Political institutions have significant organizing effects on society—they influence which social groups coalesce into collective actors, how these actors organize (around what types of demands and identities), and what types of alliances they construct. The organizing effects of political institutions are in many instances constitutive of what we call "society." The conflict and cooperation that constitute "normal" political life occur within institutionally defined boundaries and produce incremental patterns of change. Skocpol (1992, 49), for example, attrib-

utes the failure of the North American working class to form a labor-based party, and develop strong class consciousness, to the particular combination of early universal male suffrage (in the 1840s) and late state bureaucratization. Similar to what takes place in many contemporary political systems outside of the OECD, nineteenth-century mass-based parties in the United States "colonized all levels of public administration, and . . . relied heavily on distribution of public jobs and publicly funded divisible benefits to appeal to locally situated constituents." Together with the inclusion of men into the polity without the need to mobilize along class lines, this undermined efforts to construct a broad class consciousness and meant that workers' organizations could not form alliances with autonomous bureaucrats in their workplace-based struggles. In contrast, women prior to the 1930s were excluded from the polity and hence from parties and political spoils. This exclusion, Skocpol suggests, facilitated the construction of a maternalist collective consciousness and nonpartisan national federations around social policies for mothers and women workers.

There are also more localized institutional effects. The particular form state presence takes in communities has important ramifications for both societal and state actors.[35] Houtzager and Kurtz (2000) suggest that collective actors representing subordinated social groups tend to crystallize around *structural linkages* that bind state and society, that is, around institutional arrangements—legal frameworks and administrative organizations—and public policies through which the state exercises its diverse productive, social, and regulatory functions.[36] Authoritarian state elites in Brazil and Chile, they argue, pursued extensive agricultural modernization projects by constructing contrasting types of linkages with rural social groups. In Brazil, an interventionist state sought to reorganize labor relations, land tenure, and social provision and to dramatically expand its presence in rural communities; in Chile, a minimalist state relied heavily on market forces to produce a pluralist and highly decentralized system of labor relations, a privatized pension system, and a new land market. These two patterns of modernization "contributed decisively to distinct political outcomes [in the postauthoritarian countrysides]—the dramatic increase in popular mobilization in Brazil . . . and the virtual collapse of a formerly potent rural union movement in Chile" (395).

Why such different outcomes? Structural linkages are manifestations of public action and as such encourage the formation of collective actors. There are three broad reasons why. First, they draw issues into the public sphere and legitimize contestation around them. This reduces the risk of repression, which becomes more costly for state and societal actors alike, and facilitates coalition building across class and other cleavages as polit-

ical actors (state or societal) note the reduced risk and rightful or lawful nature of the claims being made. Second, structural linkages create new collective interests. Legislation that grants new rights to legally constituted categories of people, and public programs serving particular constituencies, creates interests that cut across previous cleavages, facilitating the formation of actors across otherwise heterogeneous social groups. In some contexts, such linkages will create new bases for alternative collective identities, particularly when state policies treat large and highly differentiated populations as a single category. This has been the case for the Rural Workers Union Movement in Brazil, which since the 1970s has constructed and reconstructed a political identity around the legal category of rural worker. The latter is an unlikely invention of the 1960s political elites that includes agricultural wage laborers, sharecroppers, and small farmers and has since become the basis for claiming a variety of social rights (Houtzager 2001a, 2001b). Part of structural linkages' organizing effects is explained by, and contingent on, the physical points of access to the state that they provide. The extent of a linkage's effect comes in part from its salience in a people's lived experience and in part from the facility they create for petitioning, protesting, and negotiating.

When actors crystallize around structural linkages, they help reproduce those linkages, becoming their natural constituencies and defenders. In this manner, an iterative cycle of state-society interactions is set in motion, creating a pattern of change within paths.

From the vantage point of state actors, structural linkages and ties to the "right" societal actors are vital to conceiving, finding support for, and implementing new types of inclusionary policies. We know from Evans (1995, 11) that states vary markedly in their internal structures and relationships with societal actors and that different combinations of these "create different capacities for state action." The nature of their ties to particular societal actors, the coherence of the civil service, the degree of centralization of authority, and the existence of a set of specialized public agencies all influence what kinds of policies state actors may adopt. Policymakers are more likely to pursue policies that can be implemented by the state agencies at their command or that require relatively low cost institutional adaptation. If state agents lack the bureaucratic capacity and linkages to societal groups required to implement particular policies, or cannot readily develop them, the policies are far less likely to be adopted (Skocpol 1992, 42).

The source of change that is internal to the polity approach, its fourth component, is the iterative nature of state-society interactions, that is, sequenced episodes of mutual adjustment through conflict and negotiation. The terrain on which current interactions unfold—which is populated by constituted actors with varying resources and capacities to engi-

neer fit—is to a substantial degree the product of previous episodes of state-society interaction. On the one hand, public policy, once enacted, alters the terrain on which future political activity takes place. "Policies transform or expand the capacities of the state," Skocpol observes (1992, 58), and "change the administrative possibilities for official initiatives in the future." Second, they alter relations to constitute societal actors, and, third, they create or reinforce structural linkages that "affect the social identities, goals, and capabilities of groups that subsequently struggle or ally in politics." The creation of entirely new institutions, or significant institutional reform such as some of the recent decentralization initiatives, can have a major impact on the capacities of both state and societal actors and hence on their patterns of interaction. On the other hand, the constitution of societal actors and their alliance-building work alters the policy-making terrain and on occasion the constitution of the actors that are bounded by a set of particular rules and draw on a particular type of authority that collectively we call the state.

Of course, there are also multiple sources of change exogenous to the polity, such as slow processes of socioeconomic change (e.g., urbanization) or sudden geopolitical or economic crises (e.g., war or foreign exchange or debt crises). These types of change are fundamental to understanding when change *between* institutionally defined paths occurs. Such change, Krasner observes (1984, 234–35), tends to be difficult, traumatic, and crisis driven, for "institutional structures do not respond in any rapid and fluid way to alterations in the domestic or international environment . . . [large scale] institutional change is episodic and dramatic rather than continuous and incremental." Paradoxically, such moments are marked by high contingency, for political actors acquire greater agency and the array of options before them broadens beyond that of "normal" politics, raising the possibility of changing developmental paths.[37] Hence Grindle (2000, 202) concludes that in Latin America major institutional crises that threatened the stability and legitimacy of the political system, and democratic institutions in particular, have played a central role in episodes of significant institutional innovation.

Finally, the ability of groups to engineer fit with political institutions and forge proreform alliances, as Nelson suggests in this volume, is also limited by a variety of nonpolitical factors. These include the "natural" size of the group (there are more women than workers, more users of roads than of airports, etc.), the physical distribution of group members, and the nature of the social networks and community institutions that bind them together and enhance the opportunity for sharing ideas, information, and values. These "nonpolitical factors," however, are at least in part the product of political dynamics themselves. Public policies, for example, that render labor markets more "flexible"—that is, that give

corporate actors greater leeway in hiring and firing employees—have important effects on the work-based networks that support working-class movements. As these networks are eroded, labor movements weaken vis-à-vis other actors and their ability to influence public policy declines, as does their attractiveness as a coalition member.

THE CHAPTERS: SEEING THE POLITY FROM BELOW, ABOVE, AND THE SIDE

The chapters explore the political processes that can, or are believed to, contribute to the emergence of a new politics of inclusion. The essays engage in dialogue with each other and do not all agree on either the direction change can take or on the scope and speed of the change that is possible today. They do all challenge important parts of the current conventional wisdom in international development. And they agree on the centrality of the polity and the new opportunities for coalition building that have emerged as the historic coalitions supporting the developmental state unravel. The chapters give a clear sense that many contemporary diagnoses of international development have read the opportunities for new distributive and redistributive policies, and new forms of political organization and participation of subordinated groups, too narrowly.

The chapters by Whitehead and Gray-Molina and by Herring open up the analytic lens by looking at long-term (cross-generational) processes of change that favor more equitable distribution of wealth and power. They explore how substantial asset redistribution—in the form of agrarian reform—has helped set in motion broadly inclusionary developmental paths in Bolivia and the Indian state of Kerala. Most of the poverty and political exclusion in the world remains rural and derives from the concentration of control over productive assets. Agrarian reform offers benefits over the long term that are more enduring and greater than many alternative antipoverty policies. The benefits, Herring argues, include restructuring "the field of power to which state functionaries respond, and therefore enables a more effective and responsive state, without which all other antipoverty options—including growth—are reduced in efficacy."

Whitehead and Gray-Molina show how high levels of participation by the rural poor in Bolivia's decentralization reform of the 1990s (Popular Participation Reform) can be explained in terms of a long path of political action by poor groups that was set in motion during the 1950s. The path's founding moment was the state-led agrarian reform of 1953, launched in the wake of the National Revolution, in which redistribution of hacienda lands was combined with "a continuous process of state-led rural mobilization" through new agrarian unions. Subsequent cycles of interaction between agrarian unions and state antipoverty initiatives led

to an iterative construction and diffusion of political capabilities, that is, of the "institutional and organizational means as well as collective ideas available for effective political action." The development of capabilities varied between regions and over time, they argue, as a result of the different ways in which the institutional features of the state, the organizational resources of the poor, and the content of policies targeting the poor combined. Herring, in turn, offers a remarkable comparison of the historical experience of the U.S. South after the Civil War and the Indian state of Kerala following the 1970s. To those who argue for the political impossibility of such asset redistribution in the current context, his essay points to an array of new possible coalitional bases that are emerging and suggests that political conditions are not nearly as limiting in the current period as is assumed.

Coalition building in national contexts characterized by weak party systems and highly variable levels of state authority is particularly difficult. Houtzager compares one episode in a cycle of state-society interactions in the Philippines and Peru, respectively, during which subordinated groups attempted to escape the fragmentation and localism of much current political action and succeeded, for a period, to acquire leverage over national decision-making centers. The chapter highlights the possibilities, and some of the limits, of "NGO brokered coalitions" as partial functional equivalents of political parties. It finds that the coalitions had the most leverage when they faced a relatively coherent state (with a professional bureaucracy) whose authority was broadly accepted. It suggests that the high degree of institutional flux, particularly in state authority, which is not uncommon in Third Wave democracies (where high levels of political conflict over basic parameters of the political system continue) made sustaining the coalitions and their access to state decision-making centers particularly difficult.

In their chapters, Nelson and Kurtz examine the political feasibility of different social policy packages in a generally neoliberal context. Nelson calls into question the political sustainability of the social policy models in place since the 1980s, in which antipoverty programs, in a variety of ways, narrowly target particular segments of the poor. Echoing earlier work on social democracy such as that of Esping-Andersen (1990), she argues that the chances of sustaining pro-poor policies are higher when they are backed by broad alliances. This entails constructing universal programs or targeted policies embedded in universal programs. Kurtz's analysis of social policy in Chile and Mexico shows that even in countries that have, or are, pursuing strong marketizing reforms, political leaders have the scope to make significant policy choices. Chile in the 1990s pursued a mix of productivist policies to correct market failure and quasi-universal consumption-support policies; in contrast, Mexico has com-

bined the former with programs that narrowly target the poor. Chile's shift toward the current mix has been incremental, but the effects are substantial.

What types of political coalitions can support the programs Nelson and Kurtz highlight? The answer, Nelson suggests, lies in the extent to which there is overlap in the interests of the poor and the lower middle strata. She suggests that the form and extent of overlapping interests are shaped by a range of factors, depending on national context: income gap and lifestyle; class position; geographic intermingling; income generation patterns; and ethnic, religious, or other group identities that cut across rather than coincide with income categories. Kurtz adds an important caveat. The boundaries of social policy in Chile and Mexico, he argues, are set by the neoliberal economic model and its accompanying ideology. The "development ideologies" that come with development models can place strict limits on state action, for ideologies frame the very definition of the problem of poverty and thus the political terrain within which solutions are debated. The policy differences observed between Chile and Mexico, he argues, can be explained by dynamics central to the polity.

One of the core premises of the debate on political inclusion is the positive relationship between democracy, the voice of subordinated social groups, and poverty reduction. This reasonable premise has two parts. One, democratic government will be responsive to pressure from below for poverty-reducing measures, and, two, under such regimes poor social groups are better able to organize and create such pressure from below. In fact, however, the relationship between democracy and the politics of inclusion appear to be far more complicated. The Moore, Harriss, and Crook chapters suggest that, at this historical moment, speaking of democracy writ large as a single, particular constellation of national institutions and dynamics is in fact unhelpful. Differences among formal democracies are so substantial that we need a much finer focus to distinguish the ways in which particular institutional arrangements and political processes associated with democracy, in given types of national contexts, can contribute to the articulation of voices of the poor and production of more equitable distribution of wealth.

Moore and his collaborators set the stage for such a shift in analytic focus. The chapter takes an entirely different approach from the previous one and enters the miasma of quantitative (national-level) governance and poverty measures. They emerge to produce a new and sharp indicator, relative income conversion efficiency (RICE), which captures "the relative efficiency of national political economies in converting national material resources into human development." Using RICE, the chapter finds that there is no statistically significant relationship between democracy and poverty reduction. In addition, it finds that the better govern-

ments score on the most widely used governance indicator, the international country risk guide (ICRG), the worse they score on RICE. This last finding, the chapter concludes, throws into doubt the assumption that good governance is essentially a linear, unidimensional variable and points to "a more 'traditional' conclusion: that there is an element of direct conflict between policies that favor (international) capital and policies that favor the poor." The ICRG measure is often used as a proxy for the general quality of governance. Unlike RICE, however, it focuses on the responsiveness of governments to the needs of international investors and lenders.

Harriss moves the analysis from democracy as a national and unitary regime to different subnational regime types in India, defined by the nature of the party system (based on the presence of leftist parties, relatively institutionalized populist parties, and others) and the balance of caste or class power. He identifies variations in the poverty reduction performance of thirteen major Indian states and explores the degree to which patterns of economic and social development can account for the different levels. He then looks at how differences in regime types influence policies, expenditure patterns, and poverty outcomes and the extent to which they break from their respective state trajectories. Within the constraints of long-run historical patterns of path dependence, regime type does have an impact on poverty reduction: regimes with well-organized, left of center parties and relatively well-institutionalized populist parties have been able to deliver pro-poor policies and reductions in poverty and have fared far better than other regimes.

The last substantive issue the volume tackles is one of the most debated in international development today. When does decentralization contribute to greater state responsiveness to the poor and better poverty reduction outcomes? Much has been bet on the potential for decentralization, which is often linked to local participation and democratization, and reforms have been undertaken by state elites under a diverse set of regimes. In their chapter, Crook and Sverrisson assess the record of such reforms in twelve countries and find that their contribution to greater political and economic inclusion are in fact rare.[38] Positive outcomes occurred when the central government had a strong commitment to promoting the interests of the poor at the local level. The disappointing results are rooted primarily in the political dynamics that decentralization reforms trigger. Such reforms seek to alter the distribution of power and resources within the state and among ruling elites and are inevitably entangled in the politics of central-local relations. Heller (2001, 133) observes that such reforms try to create a major break with the past and entail large political shifts that have occurred only under quite particular circumstances. The reform in West Bengal, for example, is the only case

that produces "unambiguously" positive results for the poor and was driven by a leftist coalition elected in 1978 "in order to challenge the power of the Congress Party and the landlord classes in the countryside, and to provide a strong popular power base."

The volume's concluding chapter, by Moore, takes up some of the core ideas developed in the essays and interprets their implications for the scope and pace of change possible under a new politics of inclusion. It reinforces the central message of the volume. The developmental state was the product of a particular historical moment that has passed. What should replace it, *Changing Paths* argues, is not a radical polycentric associative sphere and unregulated markets but a polity in which societal actors and state agents compete and cooperate to produce purposeful change through a combination of representative and deliberative institutions. In such a polity, constituted actors will compete for, and reach out to, excluded groups, while such groups will coalesce into political actors and negotiation coalitions from below and across the public-private divide. These are the dynamics that will produce a politics that has as one of its principal concerns the need to enhance the material wealth and political voice of historically subordinated peoples and groups.

<div align="center">NOTES</div>

1. The developmental state is part of a semantic field populated by the regulatory (night watchman) state associated most often with the United States, the welfare state identified with postwar Western Europe (continental), and the central-planning state of the former Communist bloc. In the vast literature on developmental states, three defining features are broadly agreed upon: (i) the state's central role and "pervasive discretion" in determining the allocation of resources and profits, (ii) its reliance on "market-conforming" methods of economic intervention, and (iii) legitimacy based on the state elite's commitment to a transformative, "developmentalist," project and on achievement of this goal (Johnson 1999, 52–53; Schneider 1999, 280). A corollary of the third feature is political exclusion; representative institutions were either nonexistent or had no real power over state behavior.

2. If we are more generous and look at how many people live on under two dollars a day, the figure shoots up to almost half of the world's population, 2.8 billion people (World Bank 2000, 3). The gap in average income of the richest and poorest twenty countries has more than doubled in the last forty years, with the former enjoying an average income that is thirty-seven times higher than that of the latter (World Bank 2000). Between 1987 and 2000, the share of the world's population living in absolute poverty in fact fell from 28 to 24 percent, yet due to

population growth the number of people in extreme poverty remains essentially unchanged (21–24). The region that accounts for most of the relative decline, East Asia, was led by developmental states that did not embrace marketizing prescriptions (see Amsden 1989; Wade 1990; and Deyo 1987).

3. A series of conferences sponsored by the United Nations (UN) during the 1990s have, for example, produced international development targets that center on poverty reduction. The targets are the following: the reduction of the share of people living in extreme income poverty (less than one dollar a day) by half, universal primary education, elimination of gender disparity in primary and secondary education, reduction of infant mortality by two-thirds, reduction of maternal mortality by three-quarters, universal access to reproductive health services, and implementation of national strategies for sustainable development that will reverse the loss of environmental resources. These are to be met by 2015, with the exception of the elimination of gender disparity in education, which is set for 2005. The term *missing link* comes from UNDP 2000.

4. Vigorous civil society activity in the context of democratic institutions in countries such as Brazil, Mexico, and South Africa has neither been able to counter a series of "antipoor" policies nor to slow down the dismantling of social safety nets, let alone reverse the trend toward growing social inequality.

5. See also Migdal, Kohli, and Shue 1994; Migdal 1997; and Tendler 1997.

6. For an earlier effort to provide such a core based on the concepts of social capital and state-society synergy, see the essays edited by Evans (1996). Other work might include Fox 1992, 1994, 1996; and Grindle 1996, 1997, 2000.

7. The term *neoliberal economic model* is used here to denote a bundle of policies associated with the Washington Consensus, including deregulation of the domestic markets, privatization of public enterprises, liberalization of trade and investment regimes, and strict fiscal discipline. See World Bank 1998 (1); and Gore 2000 (789–90).

8. Huntington (1968, 7) pointed out the U.S. bias toward limiting public authority "When an American thinks about the problem of government-building, he directs himself not to the creation of authority and the accumulation of power but rather to the limitation of authority and the division of power. Asked to design a government, he comes up with a written constitution, bill of rights, separation of powers, checks and balances, federalism, regular elections, competitive parties—all excellent devices for limiting government. The Lockean American is so fundamentally anti-government that he identifies government with the restrictions on government."

9. There are today various competing, and sometimes overlapping, "governance agendas." Among the most prominent is the one focused on corruption and strengthening the rule of law (often read as the enforcement of private contracts and property rights).

10. Quoted in Bonvin and Martinez 1998, 7.

11. The most stimulating work in NIE remains North 1990, while Harriss, Hunter, and Lewis (1995) offer a useful collection of theoretically oriented essays on NIE in the context of development.

12. See, for example, some of the essays in Crush 1995 and Grillo and Stirrat 1997. Much of the poststructuralist work on new social movements is influenced

by Laclau and Mouffe (1985). In Latin America, the work of, for example, Alvarez, Dagnino, and Escobar (1998) has become influential. Some of the post-structuralist tenets are now shared by advocates of "alternative development," which prescribes local participation, forms of direct democracy, and participatory development practices that focus on the poor as an alternative to state-led development projects. See, for example, Fals-Borda and Rahman 1991 and the discussion in Manzo 1991, 27–30.

13. For a useful critique of this position in the Latin American context, see Roberts 1998 (67–74).

14. General Motors' revenues in 2000 were $189 billion, while Mexico's tax revenue in 1998 was $55.7 billion and Egypt's was $14.5 billion (*Fortune* 2000; World Bank 2000).

15. See, for example, Almond and Powell 1978 (252).

16. Modernization for Huntington entailed several interrelated processes, including urbanization, industrialization, increases in literacy, and the rise of mass media.

17. Koshar 1987 (3–5, quotes on 276).

18. Municipal budgets in Brazil have three components: personnel, public services, and capital investment. Local government has the most discretion in allocating in the last category.

19. The majority of participants, a 1995 survey found, belonged to popular classes: 40 percent have household incomes below three minimum wages and only elementary education, and around 60 percent have incomes of up to five times the minimum wage (Santos 1998, 485–86). Baiocchi (2001, 49) finds slightly lower rates of participation but traces a steady increase from 1991 (3,694 people) to 1998 (13,687 people).

20. Santos (1998, 467) makes the interesting point that the participatory budget has no legal standing—the mayor's office, "in strict legal terms, limits itself to submitting to the [chamber] a budget proposal that the [chamber] is free to approve, change, or defeat. In political terms, however, because the executive's proposal is sanctioned by the participatory budgeting institutions and thus by the citizens and community organizations and associations that participate in them, the executive's proposal becomes a fait accompli for the legislative body." Not surprisingly the majority in the chamber claims that the executive, through the participatory budgeting process, has usurped its role in the budgeting process.

21. Originators of this debate include Coleman (1990) and Putnam (1993). An interesting repositioning of this debate can be found in Skocpol and Fiorina 1999.

22. Quoted in Berman 1997 (405).

23. Tocqueville (1990, 119) further notes that "in their political associations the Americans, of all conditions, minds, and ages daily acquire a general taste for association and grow accustomed to the use of it. There they meet together in large numbers, they converse, they listen to one another, and they are mutually stimulated to all sorts of undertakings. They afterwards transfer to civil life the notions they have thus acquired and make them subservient to a thousand purposes." His discussion of civil society is in volume 2 of *Democracy in America,* in a section entitled "Influence of Democracy on the Feelings of the Americans,"

while the causes of democracy are discussed in volume 1 in "Principal Causes Which Tend to Maintain the Democratic Republic in the United States." Much of the latter discussion focuses on the particularities of America's religious universe, which created "habits of restraint" that are "indispensable to the maintenance of republican institutions" because they counter the extreme equality and freedom granted in law (316).

24. Kumar (1993, 381) notes that, for Tocqueville, "political society supplies 'the independent eye of society' that exercises surveillance over its public life."

25. Tocqueville was an early critic of state presence in associational life. Later critics include pluralists like Dahl (1989) and Lipset (1994) and some social capital theorists like Putnam (1993) and Coleman (1990). In Latin America, the surge of social movement activity during the late 1970s and 1980s has been linked by some scholars to the crisis of the "developmental state"; the decline of the state is seen to open up new political space where autonomous social groups can organize (Escobar and Alvarez 1992).

26. See the essays in Evans 1996 and Nugent 1993.

27. Houtzager (2001a, 3) suggests that some elite actors intentionally stimulate group formation and play the role of institutional hosts for new actors. These elite actors "draw unorganized peoples into their organizational and ideological fields, help redefine them as social groups, and sponsor their constitution as new collective political actors. While allies support existing actors in various ways, institutional hosts attempt to create *new* actors and thereby remake political cleavages and re-orient political contestation. Unlike allies, hosts intentionally contribute in critical ways to the local social networks, organizational resources, and ideological material needed to overcome the obstacles to collective action. The degree of autonomy such actors are able to negotiate from their hosts varies over time according to broader political regime dynamics."

28. See also Fox 1996; and Joshi and Moore 2000.

29. See also Howell 2000 (14); and Kasfir 1998 (5).

30. See Collier 1999 for a nuanced account of the role of organized labor in early and late episodes of democratization.

31. For national leaders, claims of the state's coherence, autonomy, and capacity serve important political needs—that is, to project state power and legitimize its exercise in terms of the collective good (hence the emphasis on autonomy).

32. Skocpol (1992, 41) summarizes her polity-centered framework as focusing on four processes: "(1) the establishment and transformation of state and party organizations through which politicians pursue policy initiatives; (2) the effects of political institutions and procedures on the identities, goals, and capacities of social groups that become involved in the politics of social policymaking; (3) the 'fit'—or lack thereof—between the goals and capacities of various politically active groups, and the historically changing points of access and leverage allowed by a nation's political institutions; and (4) the ways in which previously established social policies effect subsequent politics." Largely neglected by students of comparative politics and sociology, as well as within development studies, Skocpol's work has perhaps gone furthest in formulating a relatively coherent

framework that makes the relationship between state and societal actors the centerpiece of analysis (Katznelson 1997, 106).

33. On path dependence, see Krasner 1984; Pierson 2000a, 2000b; and Mahoney 2000.

34. See also Thelen and Steinmo 1992 (8); Krasner 1984 (225); Kitschelt 1986 (61–62); Hall 1986; March and Olson 1984; and Pierson and Skocpol 2000.

35. Tilly (1978, 1997) has long argued that the centralization of state authority provokes basic changes in how people organize to make public claims. He offers a particularly compelling example of the parliamentarization of collective action in England between the late eighteenth and early nineteenth centuries (1997). See also Tarrow 1994.

36. These include the systems of labor relations, social welfare, and land tenure. These institutional arrangements stand in contrast to *political linkages*—that is, the political regime—which encompass the formal and informal institutions involved in the aggregation of interests, leadership selection, and regulation of political conflict, such as party systems and forms of clientelism. See also Houtzager 2000, 2001a.

37. Path dependence therefore has two temporal components. The first is marked by high contingency; hence political actors have a broad array of options open to them and the room for agency is causally significant. The second, subsequent component is marked by relative determinism in that the outcome of the first component carries over and shapes subsequent events (Mahoney 2000, 507–8). Change from then on is bounded and occurs within the path established previously (even when the original conditions that gave rise to the path are no longer present). See also Pierson 2000a, 2000b; and Levi 1997.

38. The cases are of either devolved local governments or mixed forms of devolution with deconcentrated administrations.

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