

Multilevel Governance in Latin America: Challenges  
and Opportunities in Conceptualization and  
Measurement

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## Abstract

*Research on multilevel governance in Latin America has exploded in the past decade, but the conceptual challenges and data constraints are immense. Many of these are being tackled head on by determined researchers on a case-by-case basis, particularly in the area of subnational authoritarianism under democratic central rule. At the same time, many conceptual and measurement difficulties in the study of democratization at the national level carry over and are magnified at the subnational level. In addition, the frequency of vacillation between democratic and authoritarian central rule in recent times creates special challenges for the study of multilevel governance in Latin America. In this paper I offer a review of some of the efforts that have been made to tackle these problems in both the literature on subnational democracy and subnational authority, using brief case studies of Argentina, Chile, and Brazil for emphasis<sup>1</sup>.*

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<sup>1</sup>Portions of the country cases were written jointly with Sara Niedzwiecki. I would like to thank Liesbet Hooghe for her careful revision of this draft and contribution to the discussion of regional authority.

## Introduction

While the study of federalism in Latin America has deep roots, the current wave of interest in decentralization and multilevel governance<sup>2</sup> is tied to four related historical processes. First, the third wave of democratization in Latin America and Southern Europe came with important decentralizing thrusts in many countries. Centralized power was associated with authoritarianism, lack of accountability, and in many cases a lack of attention to social policy and social exclusion. In cases like Brazil the demand for decentralization was not limited to a push for democratic institutions at multiple levels, but extended concretely to specific policy areas like health care (Souza 2005). Much of the work on subnational democracy has emerged as observers have followed democratization processes unfolding across Latin America over the past three decades.

Second, the demise of ISI and the neoliberal reform period generated centrifugal forces in both the economic and political sphere as states shed enterprises and involvement in a variety of areas of provision and production. Third, the debt crises that began in the eighties and whose ripples continued through the nineties brought attention to questions about fiscal responsibility at the subnational level, particularly in countries like Argentina and Brazil (Haggard 2000, 42; Rodden 2006). After the initial optimism, questions began to surface about appropriate levels of fiscal decentralization and a light was shone on some of the problems of governance, capacity, and corruption at the subnational level. In more decentralized polities, central governments tightened the purse strings through constitutional and less formal methods of recentralization.

Finally, international financial institutions have continually advocated decentralization over the past two decades as a way of deepening democracy, making government more efficient, and improving accountability, particularly in developing countries. Often this has been a component of neoliberal reform but it has remained a central tenet of

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<sup>2</sup>(Hooghe and Marks 2001).

development policy into the 21st century (see for example IADB 1997; Shah, et al 1998; World Bank 2000; Burki, Perry and Dillinger 1999). The experience with decentralization, however, has been mixed. The relationship between decentralization and important social outcomes is clearly a contingent one and as the recent focus on subnational authoritarianism in democratic countries has shown, the implications for democracy itself are not at all clear.

Across both political science and development economics, scholars have grappled with tremendous problem of measurement and data. In comparative politics they have also put energy into challenges of conceptualization. These efforts have allowed important empirical insights to be gained and have set the stage for continued improvements in the quality of our concepts and our information. At the same time, focusing in at the subnational level in a substantive way often means letting go of a broader perspective that might allow for concepts that travel better cross-nationally. The study of multilevel governance in Latin America also faces some constraints that are less problematic in the case of Europe—greater importance of informal institutions, more frequent vacillation between authoritarian and democratic rule, greater reliance on *de facto* rather than *de jure* political power, and less institutionalized parties and party systems. In this paper I choose one of those arenas—the frequency of shifts between authoritarian and democratic rule at the center—both because of space limitations and because it engages the burgeoning body of scholarship on subnational authoritarianism under democratic central rule.

In the study of politics, the central realm for exploration of multilevel governance is the government unit at the subnational level. As Latin American countries have liberalized and democratized at the central level, democratic institutions have been put in place in many of the pre-existing tiers of territorial organization and in some cases new tiers have been created where none existed before. Increasingly, scholars have focused on the very real problem of low-quality or even absent democracy at the subnational level,

despite the presence of elections and apparently non-deconcentrated governments. But important variation exists between countries in terms of the formal rights and responsibilities of subnational units, their electoral systems and structural relationship to the central government, and their party systems—not to mention their institutional histories and informal intergovernmental arrangements. Discussions of representation and regime type at the subnational level should take this variation into account to the extent that it impacts the salience of certain indicators used to measure democracy and the appropriateness of concepts and measures.

Multilevel governance has been used to express a normative preference for a particular regime and to describe and analyze the distribution or allocation of authority across multiple levels of government. Multilevel governance as a desirable regime type gives us normative information about the legitimacy of subnational governance and the depth of democracy at the national level, as well as a focal point for the application of important theories that have been tested at the national level to the subnational level. Multilevel governance as a description of the structure of authority, on the other hand, gives us information about what subnational governments do or what they can do. Although there is empirical evidence that improvements in subnational democracy may be related to increases in subnational authority, there is no *ex ante* reason that this has to be true. In the sections that follow, I consider some of the major advances that have been made in these two arenas. I also highlight some areas where there are still important opportunities for development, using three brief cases for emphasis.<sup>3</sup>

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<sup>3</sup>Some of the most important work in these areas have been comparative case studies that inspired the growing perception of a need for more systematic conceptualization and measurement (for example Gibson 2005). I only mention a few of these in passing because I focus on formal measures and the effort to make cross-national comparisons, but this by no means diminished the importance of this work.

## Democracy and Contestation

Attempts to measure democracy at the subnational level have been relatively recent but are being tackled from multiple conceptual angles by scholars studying a variety of countries. In 1994 Kim Quaile Hill developed a measure of democracy in the US states for two time periods. She measured the right to vote, the degree of party competition, and the level of electoral participation (Hill 1994, 141). In 2000 Alfonso Hernández Valdez measured democracy in the Mexican states with a series of binary variables for competition (ENP in the electorate, in the legislature, and alternation in the governorship). He also includes a civil rights component based on reported abuses (Hernández Valdez 2000, 115). In his 2003 dissertation project on Mexico, Frederick Solt argues that procedural definitions *a la* Przeworski (2000) are inappropriate for most subnational units in democratic countries because electoral competition takes place in all of them (22). Solt uses creative policy input and output indicators to measure democracy in the Mexican states: budget allocations to legislative and judicial branches (indicating the extent of executive control over other political institutions that could check its power), municipal financing (willingness to relinquish resources downward), enrollment and primary completion rates (substantive democracy), violations of ballot secrecy, and political violence (Solt 2003).

For the case of India, Beer and Mitchell (2006) use state level legislative data to construct the political competition and participation dimensions of polyarchy following Vanhanens national measures (2000). For Brazil, André Borges (2007) constructs an index of electoral dominance composed of three indicators: governors party vote share in the first round, governors party legislative seat share, and index of political continuity (alternation). Borges presents the information as an average of the scores from 1982 to 1998 and compares them with the two most recent rounds of elections. More modestly but in a similar vein, Goldberg, Wibbels, and Mvukiyehe (2008) use the average margin of victory in gubernatorial elections in the United States as a measure of the level of

competition in electoral politics (487). Lankina (2010) is in the process of constructing democracy scores for Russia, China, and India, applying the Freedom House framework at the subnational level. Diverging from these other studies by utilizing an expert survey framework, McMann and Petrov (2000) construct democracy scores for Russian oblasts, krays, and federal cities.

In a recent edition of the *Journal of Politics in Latin America*, both Agustina Giraudy and Carlos Gervasoni develop new measures of subnational democracy (2010). Giraudy's measure is constructed for the provinces of Argentina and the states of Mexico and is based on a procedural minimum definition of democracy: elections take place, are clean and competitive, and produce alternation of rulers in power (Przeworski, et al 2000). The indicators used for her measure are turnover of executive and executive party (alternation); ENP at the level of the executive and in the legislature, as well as margin of victory at the executive level and the number of legislative seats held by the governing party (competition), and post electoral conflict as recorded by deaths and arrests over a given time period after the election (cleanliness) (Giraudy 2010, 56)<sup>4</sup>.

Gervasoni's measure is conceptually distinct, taking an approach similar to McMann and Petrov (2000) but with greater depth, and conscientiously relying on subjective, country specific measures (Gervasoni 2010, 20). He designs and implements the Survey of Experts on Provincial Politics, a 140-question survey administered to 155 provincial experts in all 24 provinces covering the period 2003-2007 (22). Questions elicit expert opinions on inclusiveness, contestation, effectiveness, institutional constraints, liberal rights, and independence of civil society (19).

Finally, Nicholas Charron, Lewis Dijkstra, and Victor Lapuente (2010) use questions from an EU survey of 34,000 people in 172 regions in 18 countries to generate a measure of quality of governance. The survey captures dimensions of polyarchy and uses questions

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<sup>4</sup>Giraudy's measure for post-electoral conflict shares some commonalities with Hernández Valdez's human rights indicator.

on the quality, impartiality, and level of corruption in education, health care, and law enforcement, as well as fairness of regional elections and the strength and effectiveness of the media in exposing corruption to create an index of quality of governance (Charron, et al 2010). The quantitative measure is accompanied by qualitative case studies at the subnational level in 10 regions.

Currently, the data constraints on subnational studies of political competition and democracy are so great that scholars sometimes do not engage the crucial discussion of the validity of their measures. In reviewing these works, a number of challenges present themselves. The traditional debates about national level measures of democracy reassert themselves at the subnational level and in some cases with increased complications. Alternation of political parties or individual leaders may not indicate underlying openness in the political arena—one party might behave in a highly democratic fashion and simply be much more popular (a critique that applies to the vote share measures as well), or alternation might mean very little if all parties are un-programmatic, catch-all parties where candidates change affiliation on a regular basis (a critique that also applies to use of the ENP). Using participation as an indicator gets us into the murky waters of access versus choice, injecting the implicit assumption of the researcher that if citizens are not voting it must be because something is preventing them. It is also not a measure that can be carried well to cases like Brazil that have mandatory voting.

Leaving aside the well-documented difficulties of data based on reporting for things like political violence or human rights abuses, there are also legitimate questions about whether post-election conflict is actually a valid measure of the cleanliness of an election. As with the discouraged worker who falls out of unemployment numbers because she is so sure of failure that she stops looking for work, there will be discouraged populations who do not protest precisely because politics have been so dirty for so long that this is perceived as business as usual. We might even argue that the relationship should be in

the opposite direction—that at times we would expect higher levels of conflict to indicate a stronger civil society where people are willing to take to the streets in protest. Social indicators like educational enrollment and attainment are even more contested, since they are so clearly related to a multitude of factors such as economic development, inequality, etc.

All of these are debates take place about national level measures as well, but have come closer to resolution as more sophisticated measures have been generated in response to these concerns over time. There is an additional challenge when applying these measures at the subnational level, however. As Edward Gibson astutely points out in his introduction to the JPLA issue on subnational democracy, when studying the subnational level we also have to take into account the national context (2010, 7). How can we be sure that it is not the decisions or behavior of national level politicians that determine the quality of subnational political competition (this is where an analysis of subnational party system structure becomes important)? Or that it is not the national politicians and NGOs that generate post-electoral conflict (the state by state bussing activities of the Americans For Prosperity activists protesting health reform in the US come to mind)? What if it is national budget decisions that determine how much money states have to spend on schools? All of these complications magnify the existing challenges faced by scholars looking for generalizable measures for which there are data available to study democratic electoral competition at the subnational level.

In addition, the narrower focus that is often required by studying a large number of subnational units in a given country lends itself to the inclusion of measures that may not carry well to other country or region settings<sup>5</sup>. An indicator like financing of municipal governments is only meaningful where municipal governments fall under the jurisdiction

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<sup>5</sup>While there are clearly many scholars who believe this is either inevitable if high quality subnational data is to be created or who think it is not a problem, for many comparativists the ability to utilize measures cross-nationally is still important. Particularly as the field of subnational politics grows, use of measures that other scholars can apply to their own cases may be one of the best ways to “grow” the knowledge being produced in the discipline.

of the states, which they do not in countries like Brazil. Some of these studies focus on alternation in power of the regional executive but have no measure for the legislature, which might be appropriate in some contexts but would miss important dimensions of contestation as in cases like Argentina, where provincial assemblies appointed national Senators until 1994, or Chile where regional Intendants are appointed but legislatures are elected.

Finally, large survey projects like that of the EU regions have costs and benefits. Indeed, they are literally costly and this in itself is a major restraint. As with expert surveys, such projects cannot produce time series data except moving forward. There are questions about whether subjective assessments are reasonable proxies for objective measures (which might or might not be acceptable). Then, how do we cope with citizens who do not prefer democratic governance (though recent World Values Data analyzed in a forthcoming book by Pippa Norris may demonstrate that this is not nearly as prevalent as has often been suggested, particularly for Latin America). Finally, if the subnational regime is authoritarian or hybrid, can we trust citizens to be honest in their assessment of the quality of democratic governance?<sup>6</sup>

## **Regional Authority**

Conceptualization of regional authority has also progressed in recent years, but faces some similar measurement challenges to subnational democracy. Much of this work has been done in the field of development economics, which I will review quickly. Political scientists have been more thoughtful in their concern with developing concepts and valid measures. In particular, the Regional Authority data developed by Liesbet Hooghe and Gary Marks for 42 countries of the OECD, a time series from 1950 through 2006, is the most comprehensive work on subnational authority to date (Hooghe, Marks, and Schakel

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<sup>6</sup>Thanks to Liesbet Hooghe for contributing the substance of this paragraph.

2008, 2010)<sup>7</sup>. Some of the challenges and limitations of these measures are discussed here.

Regional authority and regional democracy are quite distinct concepts<sup>8</sup>. Regional authority seeks to capture the amount of authority (legitimate power) that subnational governments possess and utilize. Fully democratic elections may take place at the municipal level, but the authority of that municipal government will determine how much the presence or absence of democracy impacts the lives of residents. Increased political and social engagement with politics at the subnational level through democratic representative processes might increase demands for devolution, but citizens might also be happy with the distribution of responsibilities and increased local democracy may actually increase engagement with central government. As Eaton discusses in his article on the authoritarian roots of subnational power in several Latin American cases (2006), it is also possible to have subnational units with quite a bit of regional authority under authoritarian central rule, a topic I will discuss more below.

Studying decentralization, Tulia Falleti argues that there are three types: fiscal, administrative, and political (2005, 2010). Fiscal decentralization increases the level of revenues in the hands of subnational units. Administrative decentralization refers to increases in social policy provision at the subnational level and includes the expenditure side of these responsibilities. Political decentralization is defined as reforms designed to increase the political authority or spaces for representation of subnational units (2010, 35-38). While the first two could go either way in terms of increasing the authority of subnational units, the third almost always will increase authority, which seems natural given the definition. In her 2005 article Falleti operationalizes them quantitatively and more narrowly: the percent of revenue collected by subnational governments, subnational share of expenditures, policy authority (policy specific, using a series of measures for education), whether

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<sup>7</sup>I am currently working with Sara Niedzwiecki, Hooghe, and Marks to extend this dataset to 27 Latin American cases.

<sup>8</sup>Hooghe, et al set out to measure formal authority, which they distinguish from authority (legitimate power) and power (the ability of A to get B to do something that B would not otherwise do) (Hooghe, Marks, and Schakel 2010, 5).

subnational executives are elected or appointed, and average degree of overrepresentation of subnational units in Congress. All of these should increase if subnational power is increasing (333).

In the development economics literature, decentralization is also the concept being measured in most cases. Often political decentralization is measured as a binary variable for federalism or as the number of tiers of subnational government (see Rodden 2004 for examples). Administrative decentralization is often operationalized crudely with population variables and fiscal decentralization is almost always measured using subnational portion of public spending (von Braun and Grote 2000 is an example; Rodden 2004; Hooghe, Marks, and Schakel 2010).

There are difficulties with using these measures, whose weaknesses have been discussed in previous literature. Indicators such as average degree of overrepresentation in national legislatures or number of tiers of government are central rather than subnational level variables. Country size is completely inappropriate as a measure of administrative decentralization and both spending and revenue shares offer no information about who has the power over where funds come from or what they have to be spent on. Falleti's operationalizations capture both authority and decentralization, which are often concepts we would want to consider separately. They serve her purpose well, since unpacking the timing and content of these processes to determine actual increases in power is her primary goal, but the level of aggregation in the concepts themselves is too high to serve as the basis for creating comparable cross-national data on levels of authority. Increased revenue can take place in a region that gets unconditional transfers from the central government and in one that has the control of base and rate of major taxes in its own territory and uses those to increase revenue. Administrative responsibilities can become more decentralized in regions that have political control over education policy as well as in those that are responsible for providing education services that are politically determined at the center<sup>9</sup>.

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<sup>9</sup>Although in her 2005 article, Falleti disaggregates binary education policy variables in a way that

The Regional Authority dimensions developed by Liesbet Hooghe and Gary Marks (2008, 2010) facilitate disaggregating regional authority by focusing on eight dimensions. They applied this coding to 42 OECD countries and we are in the process of extending the coding to include the Latin American cases. The dependent variable is the authority exercised within a country by regional governments. Authority is conceived as legitimate power recognized as binding because it is derived from accepted principles of governance (Dahl 1968). A subnational government may exercise authority in its own jurisdiction or co-exercise authority over a larger jurisdiction of which it is part. This is the classic distinction between *self rule* and *shared rule* (Elazar 1987), which informs the study of regionalism, decentralization and federalism (Keating 1998; Lane and Ersson 1999; Riker 1964). Authority in self rule is fundamentally different from that in shared rule, yet together they encompass authority.

There are four dimensions of self-rule (institutional depth, policy scope, fiscal autonomy, and representation) and four of shared rule (law-making, fiscal control, executive control, and constitutional reform)<sup>10</sup>. The self-rule dimensions include indicators of the extent to which subnational governments are deconcentrated or autonomous, over which policy areas they have authoritative competencies, the extent to which they are free to tax their own population, and their independence in choosing their own political leaders. The shared rule dimensions include indicators of how subnational governments participate in national legislation, how they participate in national decisions about the distribution and collection of revenues, the role of intergovernmental bargaining in national policy-making, and how they participate in the process of constitutional reform.

These dimensions are detailed in Hooghe, Marks, Schakel (2010). The book engages the following questions in depth: a) What is authority and how might it be disaggregated into discrete dimensions? b) How can these dimensions be operationalized unambigu-

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does tell a story about policy control.

<sup>10</sup>See Figure I

ously? c) What rules can be specified to code subnational governments on these dimensions? d) What ambiguities arise and how might one sensitively adjudicate them? e) How robust are the resulting estimates to the assumptions that generate them? f) How might one evaluate systematic and random error in the estimates? In our exercise of coding regional authority in 27 Latin American countries we will explicitly engage these same measurement issues.

These measures are designed so that scholars can choose a particular dimension of interest as well as aggregate scores to give a general measure of the level of regional authority. They strike a balance between specificity and generalizability, painting with a fairly broad brush in order to make cross-national subnational comparisons possible. What these indicators cannot do, for example, is tell us the story of a particular policy arena. There is a strong argument to be made for combining the use of these broad measures with the careful process tracing work done by scholars like Falleti, which provide information not only about the levels of decentralization and authority in a particular policy area over time, but also about how decentralization and authority in those particular arenas impact the power of subnational units vis-à-vis the central government.

## **Authoritarian Rule at the Center**

There are several areas that present unique challenges in formalizing measures of democracy or authority at the subnational level in the Latin American cases—greater importance of informal institutions, more frequent vacillation between authoritarian and democratic rule, greater reliance on de facto rather than de jure political power, and less institutionalized parties and party systems. As outlined in the introduction, I will discuss the case of authoritarian central rule here and then explore three cases that illustrate some of these challenges: Argentina, Chile, and Brazil.

A major gap exists in the conceptual work on subnational political institutions and

poses a special challenge for scholars of Latin American politics: how to conceptualize subnational politics under authoritarian rule at the center. Because most Latin American countries today are formally democracies, it makes sense that most of the interest in this question has so far focused on subnational regimes under democratic central rule. But for any scholar interested in doing time series work it is imperative that systems of measurement be developed that can be applied under authoritarian rule at the center, whether or not elections take place at the subnational level. As the Regional Authority Index (RAI) clearly shows, independent subnational political representation is only one facet of subnational authority. The original dataset for the OECD only coded democratic periods post-WWII, but the challenge is unavoidable in the cases of Latin America, since it would involve excluding crucial and recent periods in most countries.

While it may be simple to say that democracy scores would obviously be zero in these cases, the nuances are important and the implications for regional authority need to be addressed head-on. Borges include periods of democratic and authoritarian national rule in the same pooled measure, arguing that the subnational elections were comparable because beginning in 1982 in Brazil had somewhat competitive direct subnational elections (2000, 113). The primary logic for assuming that you cannot have subnational democracy in an authoritarian country is two-pronged. First, the assumption is that the central government is the final arbiter in matters of protection of individual rights and liberties and that if these are violated at the central level they will necessarily also be violated at the subnational level (Stepan 2004). Second, authoritarian central governments are assumed to have the power to intervene indiscriminately in the affairs of subnational units, since they have unilaterally rewritten the rules of the nation, which means there can be no true subnational autonomy when facing the constant threat of central government veto.

On civil rights and liberties, I agree in principle, but in the application to particular cases there could be a significant gray area. While there are distinctions across formal

democracies and other regimes, they are not nearly as large as we would like them to be (although obviously the extremes are clear). Political violence, economic and political control of the media, economic and political limitations to individual liberty, etc all exist in both kinds of polities to differing degrees. In some democratic countries, patently undemocratic subnational regimes exist, which clearly voids many centrally guaranteed rights and liberties and likely also makes it impossible for citizens to engage democratically in politics at the national level. This complicates the assumptions about a relationship between a democratic center and less democratic region, perhaps even calling into question the assumption that you can have a national level democracy if you have major pockets of subnational authoritarianism.

At the same time, in an authoritarian country like China there may be some latitude for citizen political choice at the municipal level. Albeit based on unilateral criteria, the center sanctions subnational leaders based on many substantive quality of life indicators and political protests often result in getting local demands met (Chen 2005). This is not democracy, but it is local contestation, perhaps with some similarities to a case like authoritarian Brazil in the early eighties. If democracy is to be a thick concept these questions should continue to be grappled with.

The second assumption, that authoritarian central government intervention makes subnational democracy impossible, is even less clearly warranted. Undemocratic behavior is not necessarily less undemocratic just because those engaging in it were elected freely, fairly, and competitively (as the Germans know well). Central government intervention in states for reasons not protected by the constitution may compromise subnational democracy just as much as authoritarian interventions, depending on the context<sup>11</sup>. Such behavior compromises subnational authority, without question. As we will see in the case of Argentina, federal intervention in the provinces under democracy has been

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<sup>11</sup>Whether a democratic constitution can contain undemocratic provisions is also a legitimate question, but wades into the terrain of substantive definitions of democracy in a way that is beyond the scope of this paper.

common. And conversely, as Eaton points out, in Brazil certain elements of subnational fiscal authority were expanded under authoritarian rule (2006). Central power may be democratic or undemocratic and it may be used or unused. The implications for regional authority and regional democracy are complex, but important.

Although the problems raised above should be engaged both by scholars constructing time series datasets extending back into the authoritarian period *and* by anyone studying the causes, meaning, and impact of democracy at either central or subnational levels, the problem is unavoidable for the first group. How, then, to measure dimensions of subnational authority under authoritarian central rule? The disaggregation of authority in the Regional Authority framework makes it possible to be more nuanced about the effect of authoritarianism on regional authority. Authoritarianism does not simply work as an on/off light switch, but rather as a dimmer which can be manipulated to vary between brightness and darkness<sup>12</sup>. The implicit veto of authoritarian rulers limits the possible level of institutional depth, which could range from no functioning general purpose administration at the regional level (0) to non-deconcentrated, general purpose administration not subject to a central government veto (4) (See Figure I from Hooghe, Marks, and Schakel 2010). It also constrains the representation dimension if subnational executives or legislatures cease to be directly elected. But as we will see below, authoritarian rulers do not always suspend subnational elections, or not necessarily for both legislative and executive posts. Policy scope and fiscal autonomy in particular can continue to vary because these are less directly tied to the nature of the central regime. We believe that even under authoritarianism there is clear evidence that subnational governments vary in their policy scope and, especially, in their levels of fiscal autonomy. For shared rule, if the legislature is closed or no longer has much power, this will be reflected in the law-making dimension. Fiscal control and constitutional reform will also be impacted if the central government is authoritarian and has changed the rules (which is the case in

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<sup>12</sup>Thanks to Liesbet Hooghe for offering this illustration.

most of Latin America, where authoritarian regimes have formally codified their control over legislation, constitutional reform, etc). The executive control dimension might not reflect authoritarian central rule if formal intergovernmental bargaining processes remain in place though their nature might have changed.

While the Regional Authority dimensions will show differences between democratic and authoritarian rule for the reasons mentioned above, they are not intended to be a measure of subnational democracy. Along certain dimensions using this kind of framework gives scholars of multilevel governance in Latin America a way to measure the range of subnational authority across democratic and authoritarian periods<sup>13</sup>. Adjusted scores on the RAI will not provide direct answers on basic questions for scholars of subnational democracy, but hopefully it will make it easier to explore the issue of subnational regime type under a central authoritarian government in a systematic and comparative framework.

## Argentina

The original Argentine Constitution of 1853 was modeled on the US Constitution and formally left residual powers to the provinces. Article 6 allowed federal intervention only in a handful of cases (civil war, violation of the National Constitution, etc) and this article has remained unchanged in all subsequent reforms except under the Statute of the Argentine Revolution from 1966-1972 and the Instruments of National Reorganization from 1976-1983, which explicitly gave the national executive blanket authority. Despite the formal rules, however, federal intervention has been quite common for a variety of reasons not protected by the constitution, which raises the question of whether it is

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<sup>13</sup>In depth discussion of each dimension for each country allows for transparency, as well as for readers to make use of important information not reflected in the coding. For example, as we will see in Chile and Argentina, the restriction of political competition to certain parties will not show up as part of a dimension of regional authority.

possible for democracy to be violated at the subnational level by a democratic central government.

Provinces are institutionally heterogeneous, with independent authority to write their constitutions, make their electoral laws, set their election dates, and design their municipal regimes. In terms of subnational representative institutions, Argentina has 11 unicameral Assemblies, 8 bi-Cameral Assemblies and 6 unicameral Assemblies with mixed representation (Malamud and Constanzo 2003). Governors are elected independently of Assemblies, have 4-year terms in all states, but in some may be re-elected indefinitely and in others not. Elected provincial leaders were thrown out by the military beginning in 1962 and during the first authoritarian period, the Statute of the Argentine Revolution placed provincial legislative authority in the hands of the provincial executive (named by the national executive). Again from 1976-1982 subnational elections were repressed and military officers took control of the provinces (Eaton 2006; Gibson 1996). Provincial legislatures named national senators until 1994 when the posts became directly elected.

Argentina has a unique system in which the first 2 senators are chosen by the party that wins the most votes (each party runs two candidates and chooses the ordering on the ballot) and the second place party names the candidate at the top of its ballot. This means that in Argentina, the provincial party system structure is particularly important. According to new coding by Julieta Suarez-Cao and Ed Gibson (2010), Argentine provinces have shown an increasing incongruence in the structure of party competition at the subnational level and national levels since the eighties. Traditional political parties, however, continue to dominate the executive posts at both levels.

All taxes are decided in Congress, where the Senate has a veto, including coparticipation. Coparticipation law mandates automatic transfers to the provinces and originates in the Senate, requiring an absolute majority in both houses. In 1994 a provincial veto was created, requiring consensus on changes to the existing scheme. In practice, this has

prevented any changes in coparticipation from taking place.

The case of Argentina illustrates a number of the challenges discussed above. First, Argentina has a long history of federal intervention in the provinces under both democratic and authoritarian rule, clearly challenging the institutional autonomy of subnational units. Our coding of institutional depth is sensitive to this in two ways: a) to account for the fact that institutional autonomy in this formally federal country is chronically compromised by the credible threat of federal intervention we allocate Argentine provinces a score below the maximal score of 3, which is usually preserved for federations; b) to account for the additional threat to institutional autonomy under authoritarianism we further reduce institutional depth. Second, the institutional heterogeneity of subnational units creates interesting variation in the context for subnational democracy. The fact that the basic structures of governance are different (organization of subnational legislatures), electoral systems are organized subnationally, and municipal regimes can be distinct means that various exogenous shocks and other inputs will be filtered differently in different subnational units.

Third, Argentina's systems of choosing Senators, both historically and since 1994, are captured by the RAI shared rule dimensions, while they would not be reflected in most measures of decentralization. Fourth, for scholars of subnational democracy, it is important to capture the fact that subnational elections were repressed or overturned before the formal onset of authoritarianism with the coup of 1966, which can be achieved in the annual time series on the dimension of representation. Finally, coparticipation illustrates the way that giving more power to the provinces, in theory, can actually make policy changes impossible.

## Brazil

Historically, Brazilian states have been powerful political entities that vied with the central government for control over resources and authority. The 1946 Constitution did not make major changes to the existing territorial organization of the state or the distribution of authority between levels of government. The states are represented in the Senate and are the districts for election to the Chamber of Deputies. States have residual powers (C1946 Article 18 Section 1) and may pass “supplementary and complementary” legislation even in several spheres of central government control<sup>14</sup>. Each state and the DF had 3 Senators. States were allowed to change their borders, combine, or create new states with the support of directly elected Legislative Assemblies (*Assembléias Legislativas* or ALs), the people in the affected states by referendum, and the National Congress (Article 2). They could also propose amendments independent of Congress with the support of a majority of states.

In 1964 a bureaucratic authoritarian government came to power through a military coup. While the 1946 Constitution was only suspended for 6 months, a series of Institutional and Complementary Acts (*Atos Institucionais e Complementares*) were passed between 1964 and 1968 that superseded the constitution and granted the military increasingly centralized control over the country. In 1967, these legal changes were codified when a new constitution was passed by a Congress controlled by the military leadership and purged of opposition members. In 1969 the National Security Law (*Lei de Segurança Nacional*) was passed, which represented the height of institutionalized authoritarian rule.

Despite the fact that the states remained decentralized in some important fiscal and policy arenas (Eaton 2006), the combination of total military control of the government,

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<sup>14</sup>These include finance, welfare and social security, health care, penal law, basic educational norms, regulation of military police and its use in times of war, interstate trade, mining and natural resources, emigration and immigration, among others (C1946 Articles 5 and 6).

the decree powers regularly used by the central government, the removal of self-governing authority for states and municipalities under the 1967 constitution, and the introduction of indirect elections make it necessary to consider the states fundamentally deconcentrated during this period. In 1965 when several municipalities elected opposition politicians to office, the military forced them to give their support to the regime or be ousted. *Ato Institucional 2* allowed direct intervention in states and municipalities without warning and *Ato Institucional 3* instituted indirect elections for subnational executives.

On January 1st, 1979 the *Atos* were overturned by decree of President Ernesto Geisel in his attempt at gradual reform of the military regime. In 1982 direct elections were held in an atmosphere of political opening (*abertura*) for all seats except the national executive. In 1988 a new constitution was passed and in 1989 the first democratic election for president took place. The 1988 Constitution was deeply decentralizing. State governors were the first to get direct elections reinstated in 1982, which gave them leverage for demanding increasingly decentralized control over revenues and responsibilities (Montero 2001, 59).

Brazilian states from 1946 until the coup had fairly extensive fiscal autonomy. Many of these provisions remain on the books in 1967, but because the constitution was not actually operating and was subordinate to the *Atos*, the states do lose their formal fiscal autonomy. However, in practice not only was the fiscal regime not dismantled, but there were even increases in state authority in particular areas, for example as owners and operators of state enterprises and banks (Eaton 2006).

All legislatures in the Brazilian states and DF are unicameral and elected directly, as are the Governors. Neither the 1946 nor the 1988 Constitutions lay out the rules for the election or composition of the ALs, as the internal organization of the state is decentralized. However clear rules for the conducting of the direct elections for the ALs and governors, separately, are laid out in the transitory dispositions of C1946 (Article

11). Under the military regime, the central government appointed governors and mayors of state capitals, as well as those of several hundred municipalities deemed important for national security reasons beginning in 1966. In 1982 direct election of governors resumed.

The *Atos Institucionais* during the military period gave the President decree powers, allowing him to legislate without Congress and ultimately gave him the power to close Congress altogether at his own discretion (AI 5). The *Atos* were a supra-constitutional law that could only be modified by the military leadership, so while these were in effect they superceded formal processes for constitutional reform.

One unique aspect of Brazilian constitutions (although more common in Latin America than in some other parts of the world) is that specific rules about the distribution of several major taxes are written into the body of the constitutions themselves, which means that they require an amendment process to be modified rather than a simple majority for normal legislation. At the same time, this means that decisions about the distribution of those resources cannot be decreed by the Executive or pushed through without substantial support from the Senate. In addition, states and municipalities control several important taxes, about which the central government—legislative or executive—can have no say without modifying the Constitution.

The case of Brazil raises particularly interesting questions regarding subnational democracy and authority. First, unlike many other Latin American cases, municipalities have the same constitutionally protected status as states and are not governed by the states in which they reside. Second, three different authoritarian legal frameworks were in place across this period—the *Atos*, the National Security Law of 1969, and the actual 1967 Constitution—and in some cases overlapped. Moreover, there was considerable variation in the implementation of authoritarian rules across the territory, which can be captured by an index that codes authority at the regional rather than the national level. For example, the authoritarian government did not have a uniform policy towards

elections and allowed some municipal leaders to be elected while others were appointed. Several important elections were held under authoritarian constitutions, with restrictions on political parties in place but with universal suffrage and with real competition. But party restrictions, which existed in Argentina and many other cases, pose a special challenge for using indicators like the ENP or vote shares to measure competition.

Finally, on policy scope, Arenas like health policy highlight the difficulties of categorizing levels of authority—devolution of health competencies was negotiated between states, municipalities, and the federal government and these entities were allowed to choose the level of responsibility they wanted to take on (Souza 1997). So, although formal rights were the same for all units, the actual distribution of policy competencies has been asymmetric.

## Chile

There are currently 15 regions and 54 provinces and neither tier has significant political authority beyond the representation of the regions in the Senate. The 1925 Constitution was in effect until 1980, with a number of reforms over the years. On September 11, 1973 General Augusto Pinochet and the Chilean Armed Forces removed the democratically elected government of Salvador Allende in a bloody coup d'état. While the Junta declared the Constitution of 1925 still in effect, Congress was closed and all governing power was concentrated in the hands of the national executive. In 1980 a plebiscite conducted by the military regime approved a new constitution that was to go into effect in 1988. In the interim, the transitory dispositions retained all authority in the hands of the President and the Governing Junta.

The subnational units are clearly designed to be administrative rather than political (C1925 Article 107; Delgado 1997, 322-323). The provincial executive (and later the regional) had an ultimate veto over all decision-making and was subordinate to the na-

tional executive. Lower level executives were authoritative in their subnational units and were subordinate to the provincial (and later regional) executive. Subnational units were clearly subordinate to the national executive and not to the legislative branch.

The Pinochet Constitution of 1980, the bulk of which went into effect in 1989, created regional councils to support the appointed regional executive, the Intendant. These were presided over by the Intendant and were made up of the Governors of the Provinces and representatives of all the military institutions that existed in that region (Article 101). The method of designation and the precise composition of the councils were set out in 1987 (a mix adding labor, business, and other officials to the original group, DL 18605). The reform of 1991 makes the regional council an elected body (Law 19097 Article 12). Under the 1980 Constitution Governors were chosen by the Intendant (Article 102). Law 20390 of 2009 modified the responsibilities of the regional council (Article 113). The council's responsibilities now include approving the annual budget, so this change clearly shifts some power from the regional executive to the council.

The Congress was suspended from 1973 to 1990, even though a new Constitution that changed the rules for Congress and for the choosing of Senators was introduced in 1980. Beginning in 1990 the Pinochet Constitution was in effect and each of the regions had 2 Senators, plus the 9 appointed Senators. Beginning in 1990 the bans on political parties were lifted and some elements of executive dominance were weakened. The Senate had a veto on fiscal policy for the period through 1972 and after 1990. Regional governments and their representatives were not consulted over policy at all formally from 1973 to 1990 and certainly did not have a veto during that period.

As a unitary state, Chile presents some unique challenges for thinking about subnational democracy, subnational authority and authoritarianism. Subnational democracy is mixed, since even under democracy the regional executives are still appointed by the president while the regional councils are elected. Traditionally, levels of subnational authority

have been very low, but this is beginning to change. Unlike the Argentine Constitution, many competencies were not accounted for at all in the constitution itself but were left to the discretion of legislators who would pass enabling legislation—as is common in unitary states. This makes the task of ascertaining precisely which competencies belonged to which level of government at a particular moment in time quite challenging. In terms of subnational shared rule through the legislature, we have to ask whether the 9 appointed Senators had enough power to eliminate the threat of a territorial veto. It certainly would have been, combined with the other restrictions on the legislative branch under the 1980 Constitution, if the Senate had operated under those rules. But since the Senate does not begin to exercise legislative authority until the democratic period, the 9 appointed seats are probably not enough to say that the Senate was not a chamber of territorial representation. As with the other two cases, the RAI dimensions reflect the lack of subnational institutional depth and policy scope while the shared rule and representation dimensions show the shifts from democracy to authoritarian rule and back again (or not in the case of the Intendant).

## **Conclusion: Moving the Research Agenda Forward**

The bulk of this paper has been dedicated to considering the conceptual and empirical challenges and opportunities presented by the engagement of Latin Americanists with multilevel governance. This is a field of study in its infancy and the data constraints have been immense. But the efforts made in individual country cases, in surveys and the collection of quantitative indicators give us a jumping off point for comparative study. Our effort to conceptualize and code formal subnational authority through an annual time-series that disaggregates authority into eight distinct dimensions hopes to contribute to this enterprise.

In recent years scholars in various arenas of comparative politics have put great time

and effort into developing measures to gain leverage on the concept of subnational regime type, particularly level of democracy and subnational authority. In Europe, multilevel governance in the context of the European Union project has made the study of subnational units a major enterprise to which substantial resources have been allocated. This has not been the case for Latin America. The majority of the development literature focuses on Asian and African cases rather than Latin American.

The expansion of the Regional Authority framework to Latin America will add an important tool to the resources available to scholars of multilevel governance. The framework paints with a broad brush and will hopefully inspire, and be improved by, the kind of careful policy, region, and country specific work that is already being undertaken. Cross-national survey and expert-based information production by ECLAC, the IADB, or other organizations makes a major contribution as well. Finally, as electronic access to data becomes more and more the norm, scholars should be encouraged to both make their data available publicly and to create single site locations for hosting datasets on indicators of multilevel governance in Latin America.

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