¶ 4.1



Lecture 4: Political Institutions

Constitutions, Branches, and the Rules of the Game

¶ 4.2



Constitutions



Legislatures & Executives

POLITICAL INSTITUTIONS



Courts



Federalism

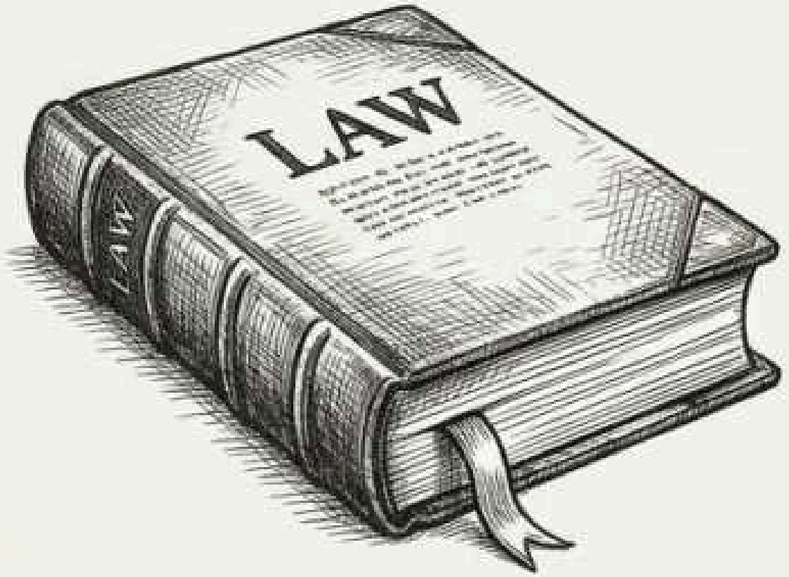
Institutional Design → Outcomes?

$I = R_f \cup R_i$

¶ 4.3

(Institutions = Formal Rules ∪ Informal Rules)

Laws & Constitutions



Norms & Habits



[Humans] + [Same Goals] + Different Rules = Different Behaviors.

Note: Rules are easier to reform than culture.

Constitutions: The Meta-Rules

¶ 4.4

Both set state organization, powers, rights, and change processes.

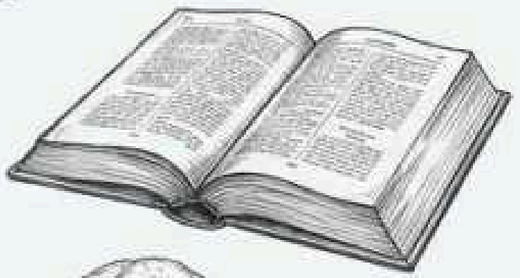
Codified

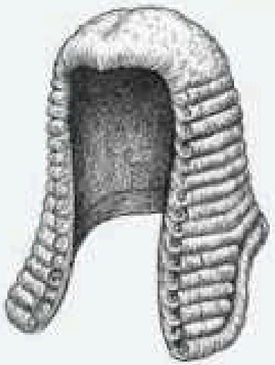


- Single written document
- Oldest active national constitution (USA)

Uncodified

- Spread across statutes, decisions, and conventions (UK)

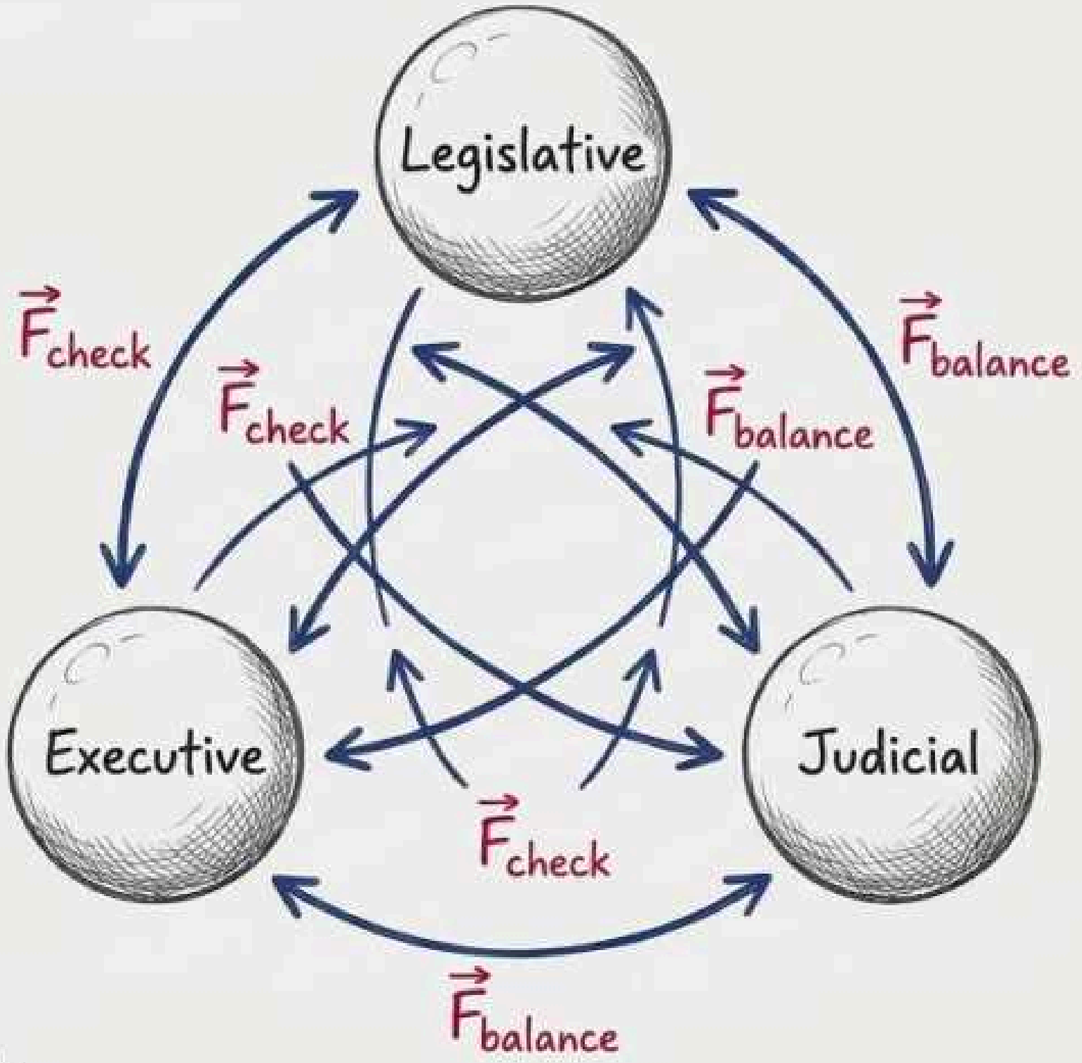






The Separation of Powers

¶ 4.5



Montesquieu (1748) conceptualized the split; Madison engineered the resistance.

Ambition ↔ Ambition

"Ambition must be made to counteract ambition."

– James Madison (Federalist No. 51)

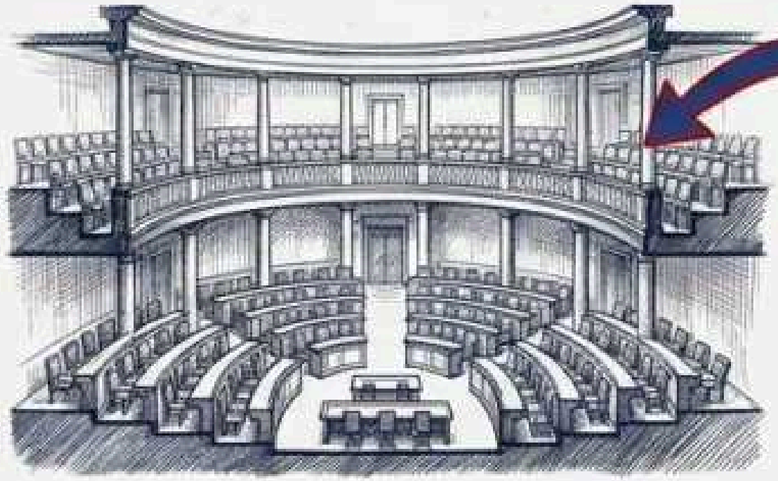
Legislatures: Law & Oversight

¶ 4.6

LEGISLATURE
(Make laws, approve budgets, represent, oversee)

Unicameral
(N=1 chamber)

Bicameral
(N=2 chambers)



Upper House:
Represents regions / creates friction to slow hasty legislation.

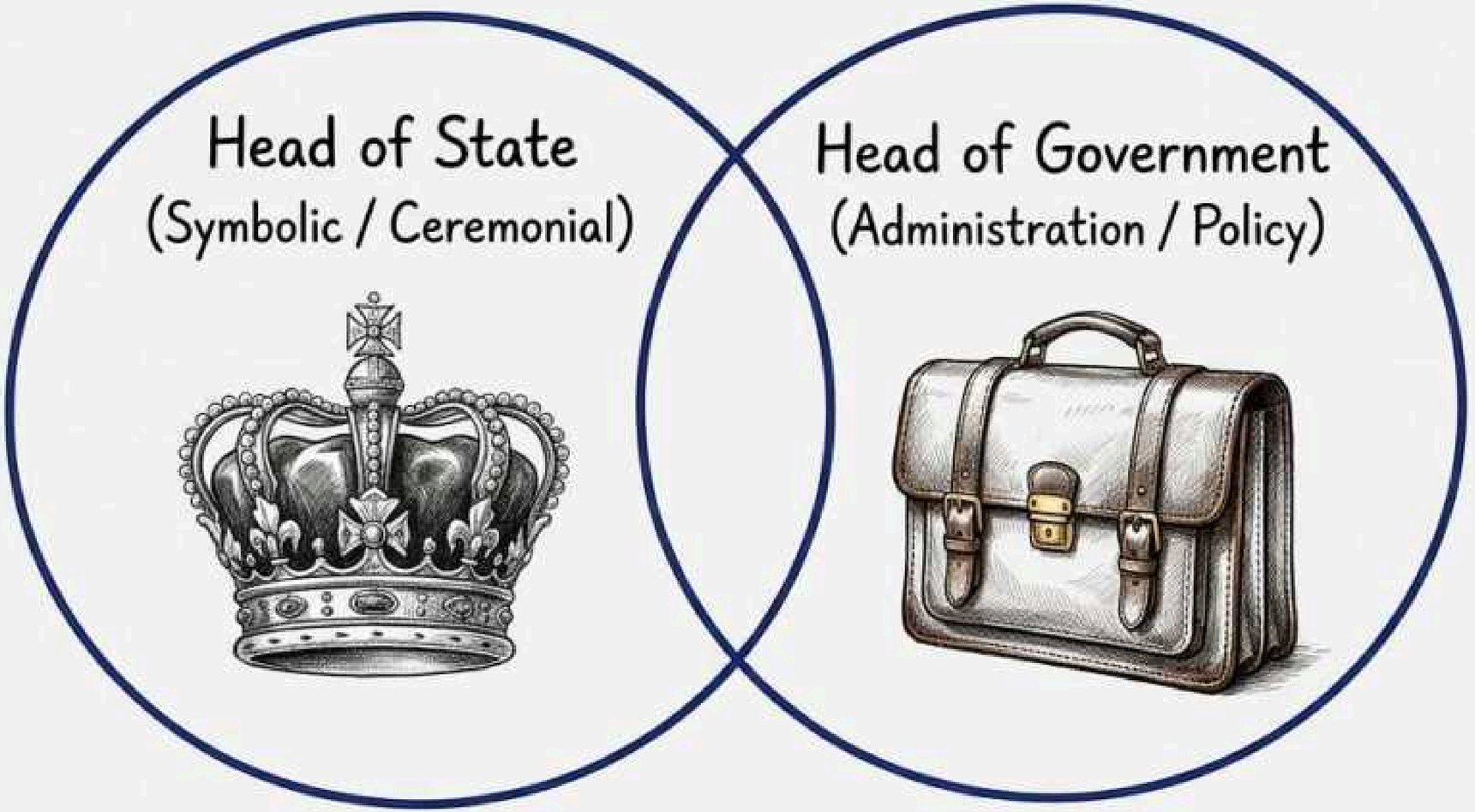
Debate & Approve (Rubber Stamp)

Spectrum of Real Power

Originate Policy

The Executive Branch

¶ 4.7

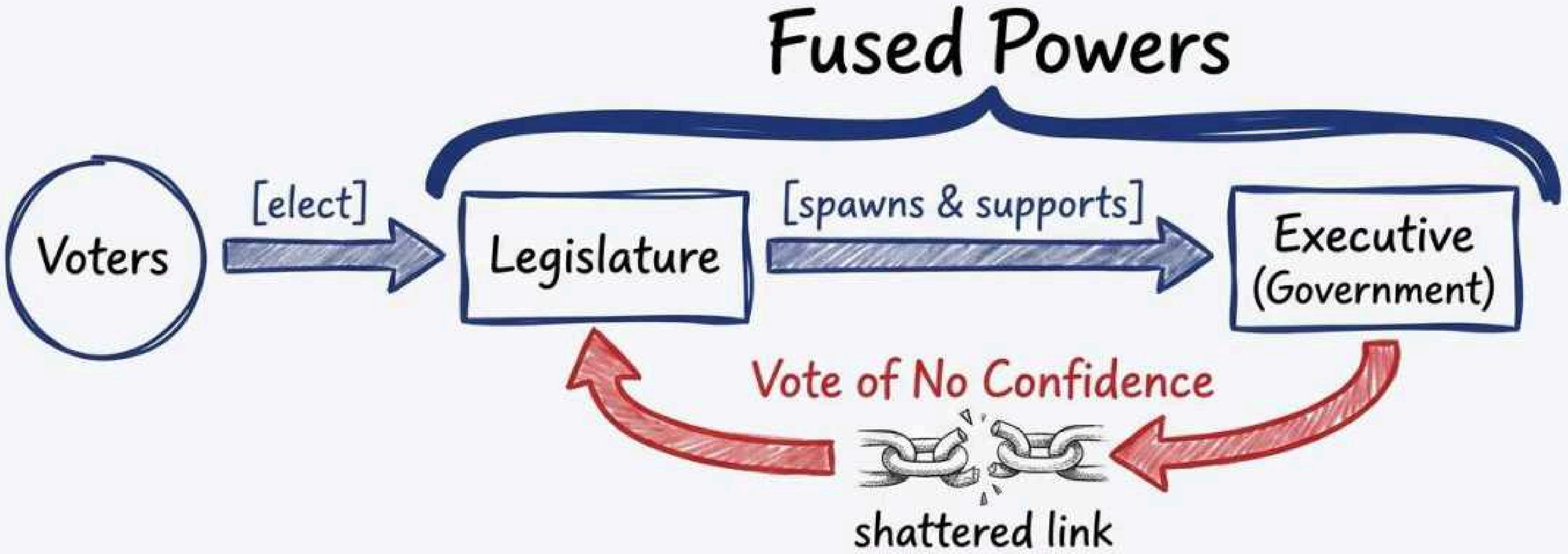


IF Parliamentary or Monarchy → $H_S \neq H_G$ (Two different people)

IF Presidential → $H_S = H_G$ (One person holds both roles)

The Parliamentary System (e.g., UK, Germany, India, Japan)

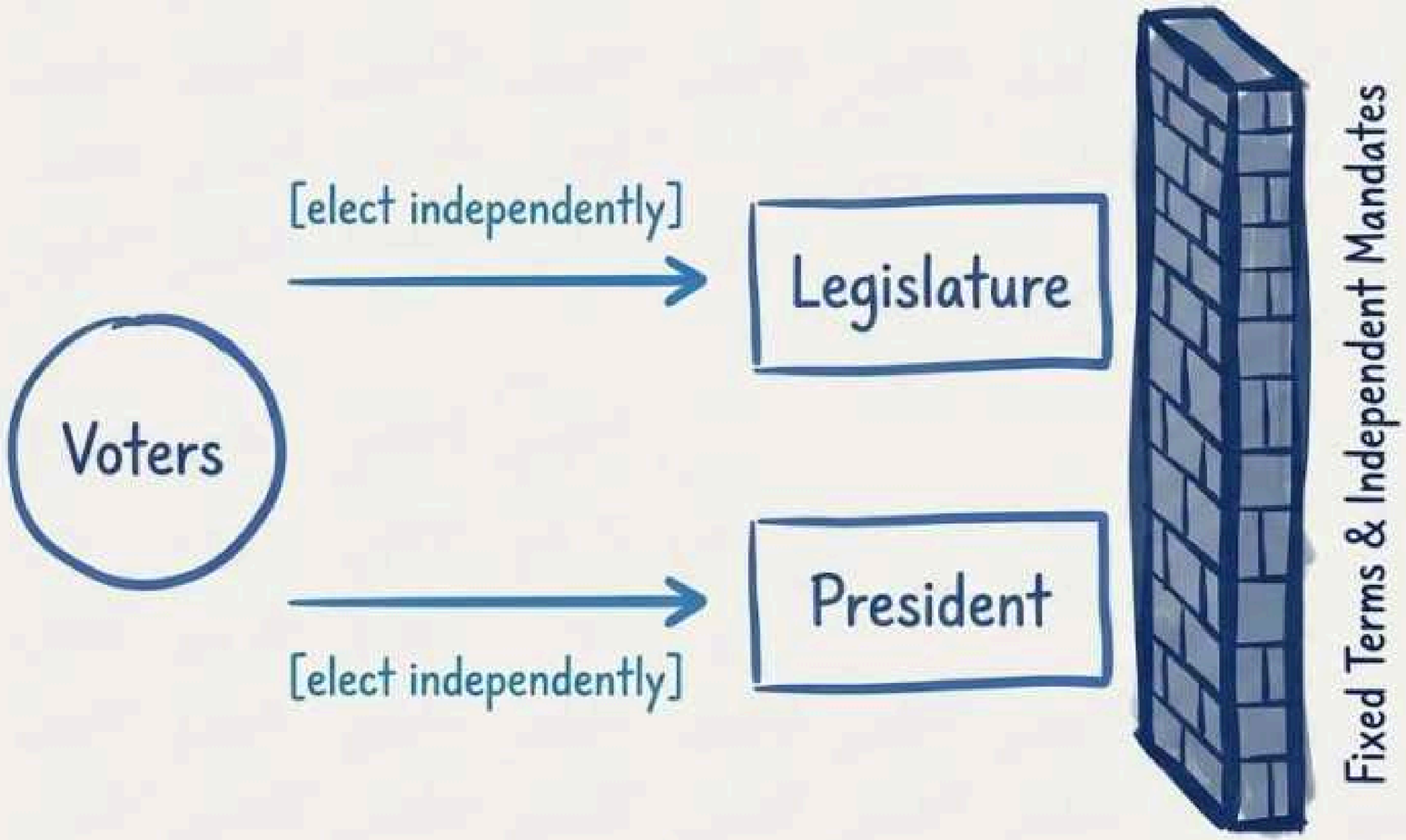
¶ 4.8



Pro:	Con:
Decisive Government.	Potentially Fragile Coalitions.

The Presidential System (e.g., US, Brazil, Mexico)

¶ 4.9



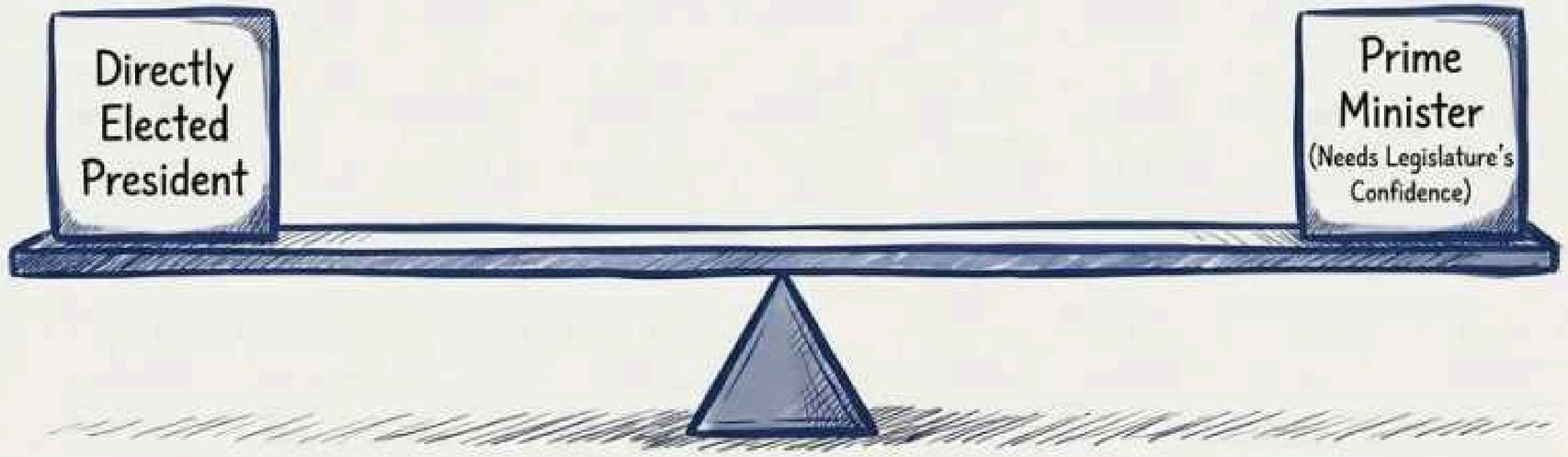
Juan Linz's Critique (1990):

Independent mandates +
Different parties =
Divided Government

A special peril for democracy?

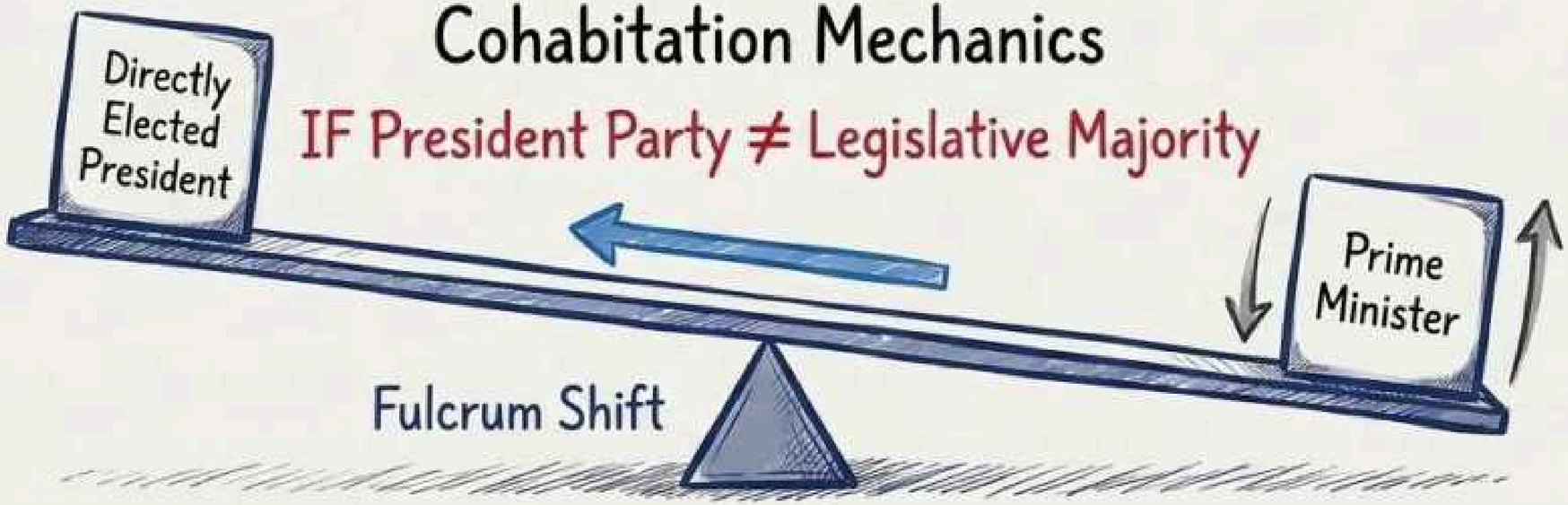
The Semi-Presidential System (e.g., France)

¶ 4.10



Cohabitation Mechanics

IF President Party ≠ Legislative Majority

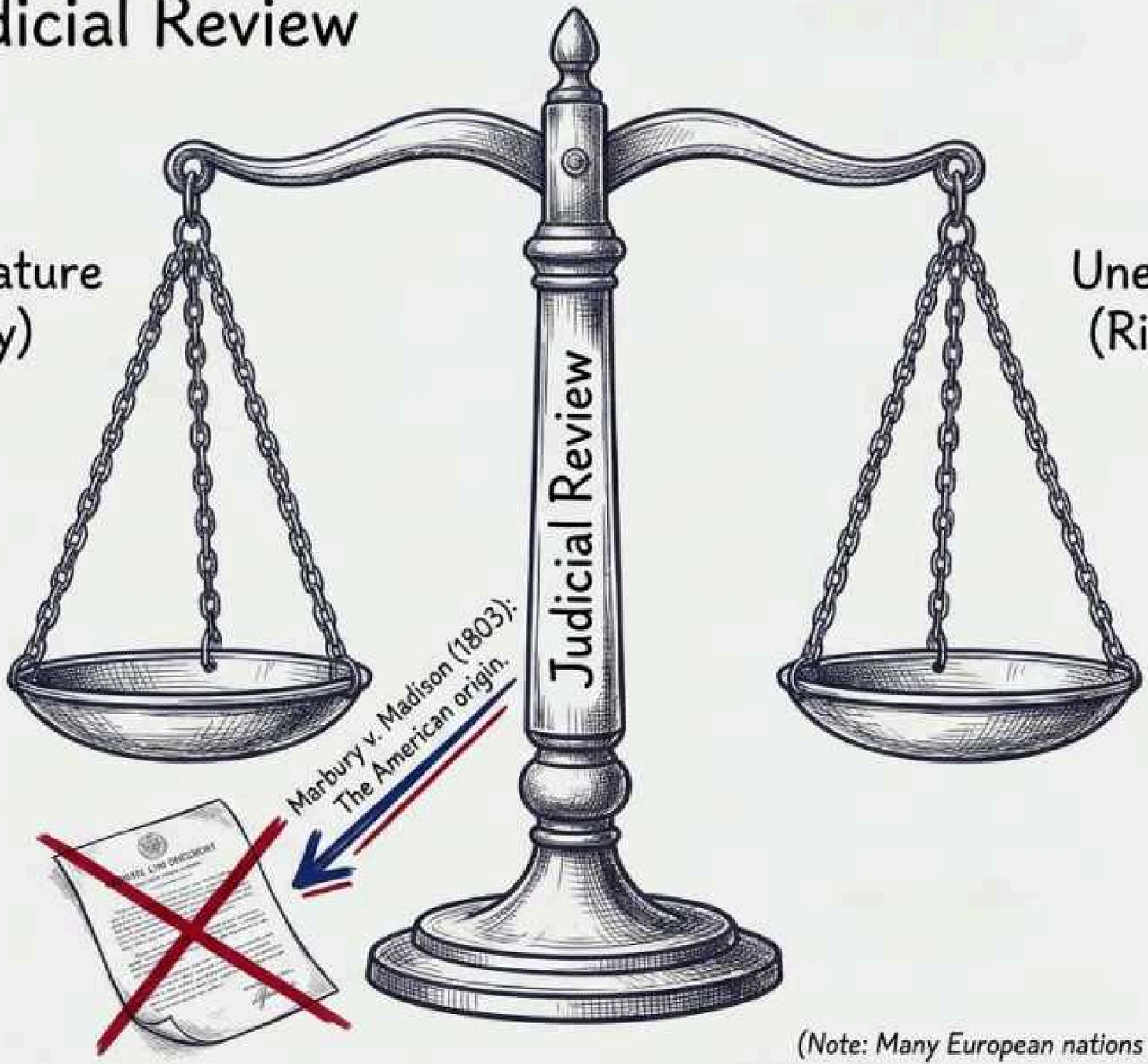


Courts & Judicial Review

¶ 4.11

Elected Legislature
(Democracy)

Unelected Judges
(Rights Protection)

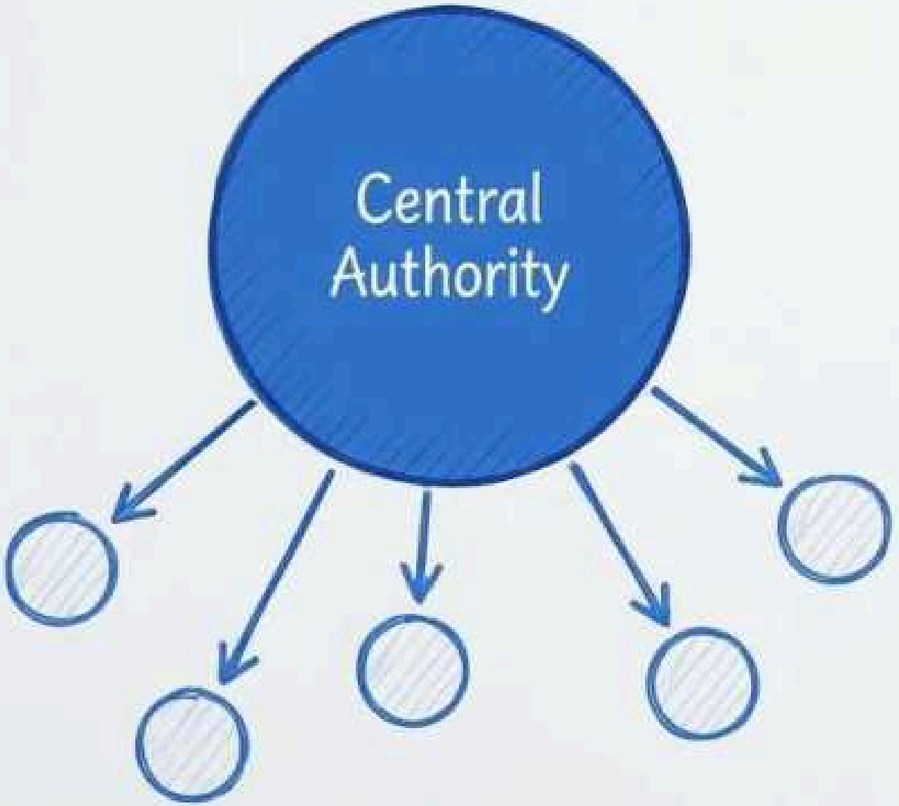


(Note: Many European nations use separate Constitutional Courts).

¶ 4.12

Dividing Power Across Territory

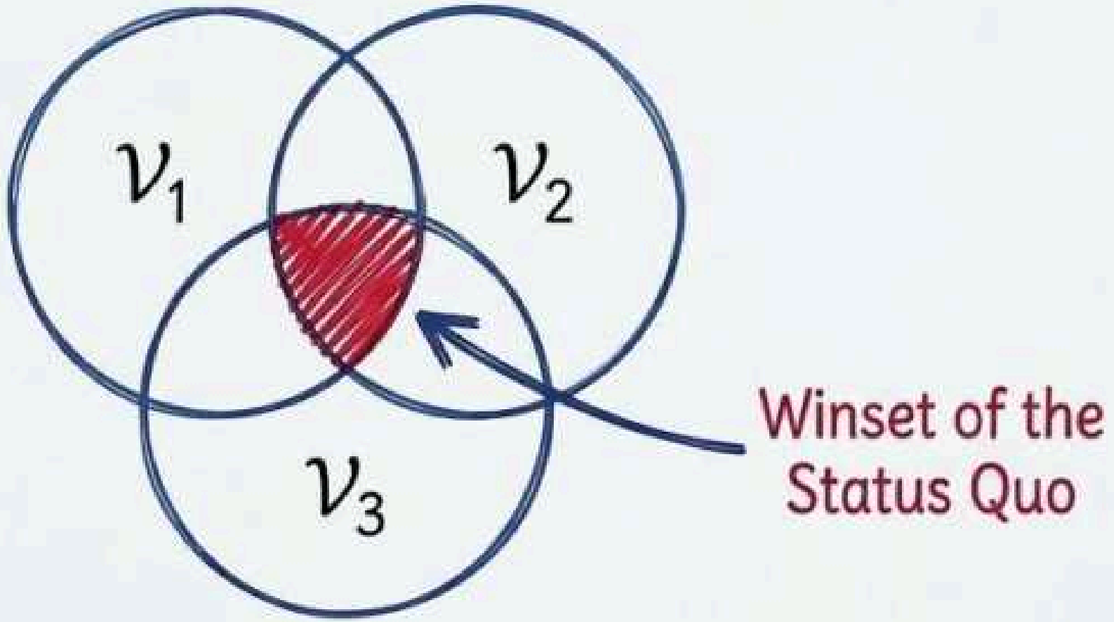
Unitary State
(e.g., France, Japan)



Federal State
(e.g., US, Germany, India, Canada, Brazil)



The Mathematics of Reform: Veto Players



As $\mathcal{N}$(Veto Players) increases OR Distance(V_1, V_2) increases → Win,op($\wedge\perp$) increases → Winset decreases → Status Quo stabilizes.

High stability protects minorities but frustrates rapid reform.

Patterns of Democracy (Arend Lijphart, 1999)

¶ 4.14

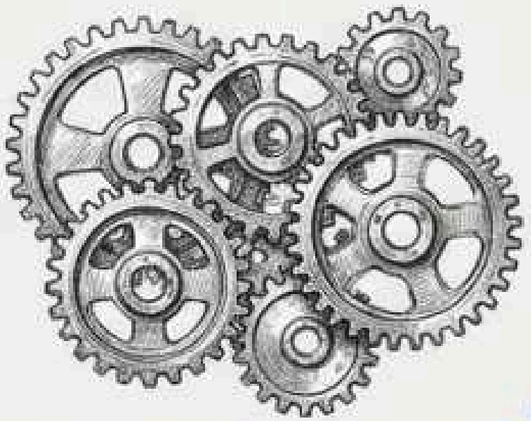
Majoritarian (Westminster Model)

Concentrated power, single majority.



Consensus (Swiss/Belgian Model)

Shared power, proportional representation, coalitions, federalism.

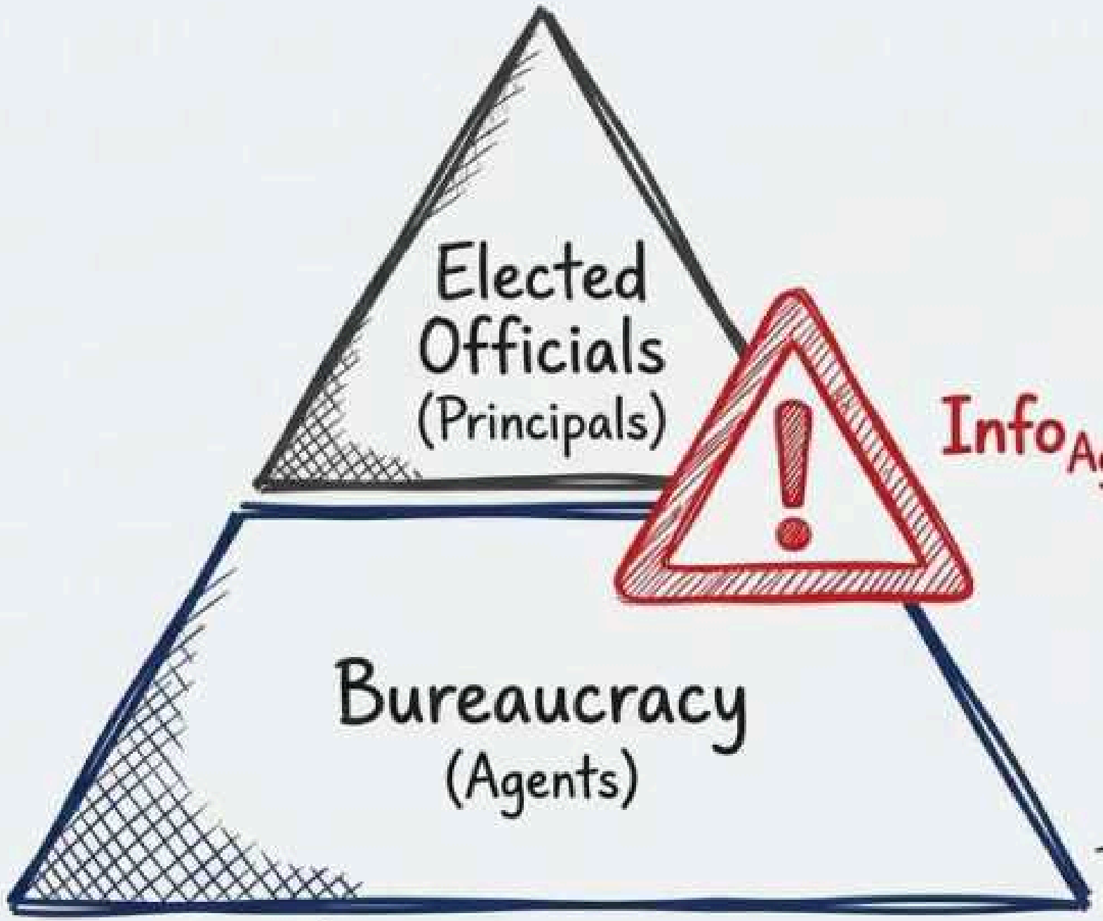


$$\text{Strength}(M) \approx \text{Strength}(C)$$

(Both have strengths; neither is objectively better).

The Bureaucracy & The Principal-Agent Problem

¶ 4.15



$Info_{Agent} > Info_{Principal} \rightarrow$ **Discretion → Drift.**

Max Weber's ideals:

- Hierarchy, Written Rules, Specialised Expertise, Merit Appointment

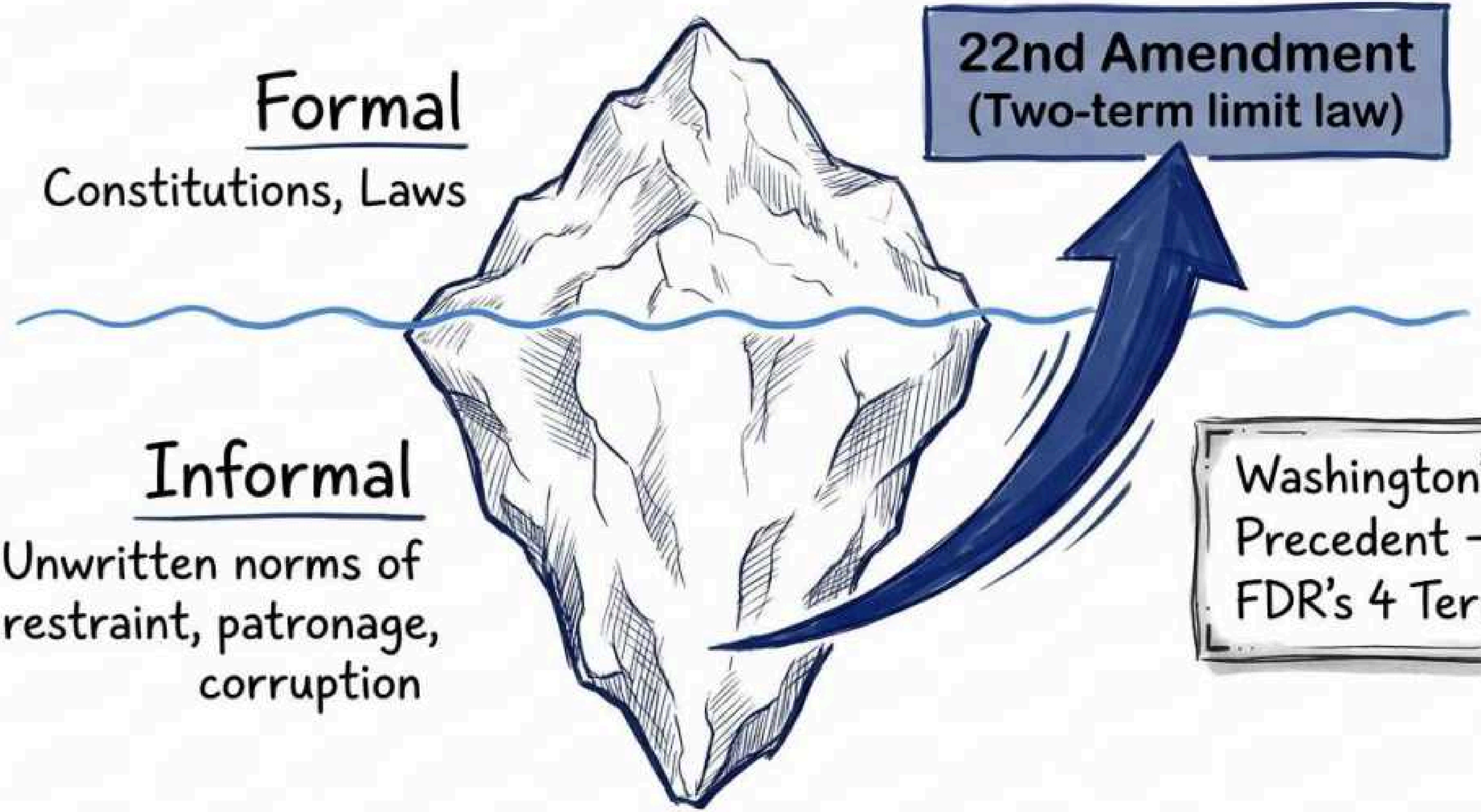
Bureaucrats don't just carry out policy; their information advantage allows them to shape it.

The Invisible Rules

¶ 4.16

Formal

Constitutions, Laws



Informal

Unwritten norms of restraint, patronage, corruption

Washington's Precedent → FDR's 4 Terms

The Architect's Challenge

¶ 4.17

COUNTRY DESIGN PROMPT

Deeply divided among regions and communities.

- ☐ Parliamentary — OR — ☐ Presidential
- ☐ Unitary — OR — ☐ Federal
- ☐ Majoritarian — OR — ☐ Consensus

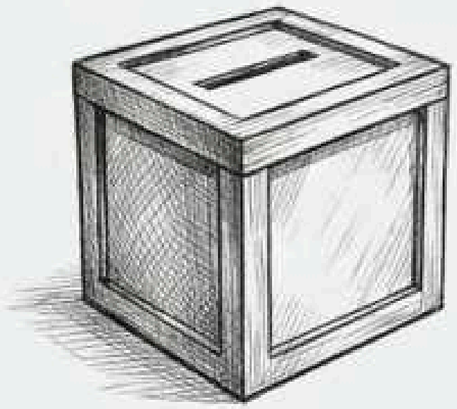
Task List

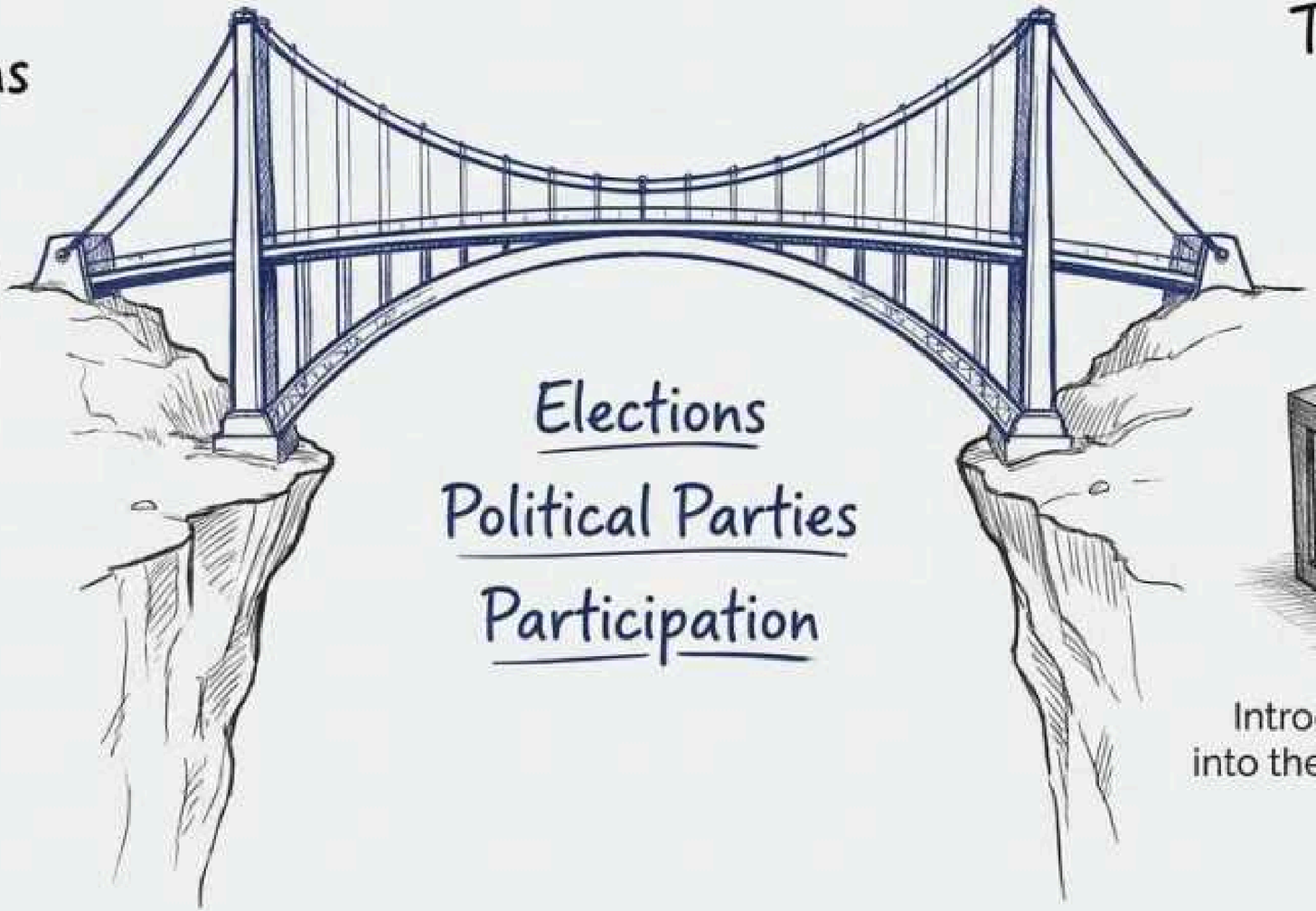
- ☐ Provide 1 Reason for each choice.
- ☐ **Identify 1 Risk** for each choice.

Looking Ahead: The Citizen's Connection

¶ 4.18

Lecture 4:
The Institutions



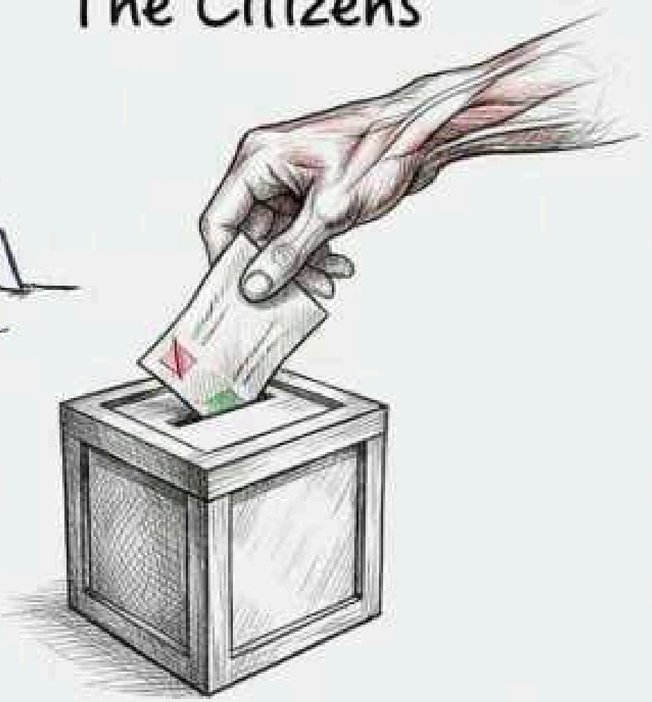


Elections

Political Parties

Participation

Lecture 5:
The Citizens



Introducing human agency
into the institutional framework.