Ambition, personalist regimes, and control of authoritarian leaders

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Abstract
Why do elites in some authoritarian regimes but not others remove from power the leaders who harm their interests? We develop a formal theory explaining this. The theory shows how elites’ ambition prevents them from controlling authoritarian leaders. Because ambitious elites are willing to stage coups to acquire power even when the leader is good, ambition renders elites’ claims that the leader’s actions harm them less credible, making the other elites less likely to support coups. We show that the impact of the proportion of competent politicians on personalist regimes is non-monotonic: personalist regimes are most likely to emerge not only when there are few competent politicians but also when there are lots of them. We also provide insight into which elites become coup-plotters. The theory explains the emergence of personalist regimes, the frequency of coups, and why some authoritarian countries enjoy a more competent leadership than others.

Keywords
authoritarian regimes; political control; coups

1. Introduction
Why do some authoritarian leaders remain in power in spite of not providing the benefits of the authoritarian rule to their followers? There is considerable variation in whether leaders who appear to pursue ill-advised policies out of incompetence are removed through coups or continue to stay in power despite harming the interests of authoritarian elites. Consider an example of the Presidium removing Khrushchev, the leader of the Soviet Union, for incompetent policies. As Taubman (2006: 290) writes,

... his [Khrushchev’s] Presidium colleagues took turns indicting him for destructive policies both foreign and domestic, ranging from agriculture to Berlin and Cuba. Most of all they emphasized his personal shortcomings: his impulsiveness and explosiveness, his unilateral, arbitrary...
leadership, his megalomania. . . . The next day the Presidium granted Khrushchev’s ‘request’ to retire ‘in connection with his advanced age and deterioration of his health’.

This is an example of authoritarian control, where authoritarian elites, recognizing that the leader’s incompetence threatens their interests, remove the leader from power. In contrast, consider an example of a leader pursuing incompetent policies and yet not being removed from power. Describing the policies of Robert Mugabe, the leader of Zimbabwe, Meredith (2002: 131) writes:

By the mid-1990s Mugabe had become an irascible and petulant dictator, brooking no opposition, contemptuous of the law and human rights . . . His record of economic management was lamentable. He had failed to satisfy popular expectations in education, health, land reform and employment. . . . Whatever difficulties occurred he attributed to old enemies Britain, the West, the old Rhodesian network all bent, he believed, on destroying his revolution.

In spite of being widely perceived as incompetent, Mugabe was not removed from power by the elites, and remains in power today. We are then faced with a puzzle: why do authoritarian elites remove from power some incompetent leaders but not others?

Scholars have called ‘personalist’1 the regimes where authoritarian elites seem to be unable to control the leader and the leader survives in power in spite of pursuing policies that harm the interests of the elites. Personalist regimes have been shown to have a higher propensity to initiate conflicts (Colgan and Weeks, 2015; Weeks, 2012) and to seek to acquire nuclear weapons (Way and Weeks, 2014).

In spite of the important consequences of authoritarian leaders acquiring absolute power, we know little about why personalist regimes survive. Indeed, the very existence of personalist regimes is puzzling. One would expect that leaders whom no members of the elite have an interest in supporting would not survive in power when there is no one to defend them, yet this is precisely what happens in personalist regimes. This paper provides an explanation for this puzzling fact.

We argue that because some members of the elite are ambitious and want to stage a coup against the leader regardless of whether the leader is competent or not, their claims that the leader is incompetent and did not provide them with benefits are less credible. Seeing a member of the elite propose a coup makes other elites more pessimistic about the leader’s competence, but because there are ambitious elites, other elites do not become pessimistic enough to be willing to replace the leader. This explains the empirically common pattern of leaders pursuing policies that harm the elites’ interests and the elites who have the ability to replace the leader failing to do so.

The paper makes several contributions. First, it explains the puzzling empirical regularity of personalist leaders surviving in power in spite of all the authoritarian elites having an interest in replacing them. Second, it endogenizes the power of authoritarian leaders, explaining under what conditions the leader, in spite of being incompetent, is able to induce the elites to defend him in the case of a coup attempt. Third, the paper draws a novel theoretical distinction between coups of control and coups of ambition. Fourth, because ambition can plausibly be motivating elites staging a coup but not citizens replacing a leader through an election, the paper identifies a difficulty in controlling the leaders unique to control by authoritarian elites. Fifth, the paper shows that, counter-intuitively, the impact of the proportion of competent politicians on the likelihood of a
personalist regime is non-monotonic: personalist regimes are most likely not only when there are very few competent politicians, but also when there are a lot of competent politicians. Sixth, the paper provides insight into the characteristics of the elites who become coup-plotters.

The rest of the paper proceeds as follows. Section 2 reviews the related literature. Section 3 draws on historical records of Khrushchev’s removal from power to illustrate the features of authoritarian politics that the model builds on. Section 4 introduces the model. Section 5 discusses a benchmark model where no elites are ambitious. Section 6 presents the two equilibria emerging from the model: a personalist equilibrium and an authoritarian control equilibrium. Section 7 explores the incentives to become coup-plotters. Section 8 discusses the results. Section 9 concludes.

2. Related literature

The literature concerned with explaining why some authoritarian leaders can act against the elites’ interests with impunity emphasizes incomplete information (Boix and Svolik, 2013; Debs, 2007; Myerson, 2008; Svolik, 2009, 2012), coordination problems (Casper and Tyson, 2014; Little, 2014; Myerson, 2008), commitment problems (Acemoglu et al., 2009, 2010), and the creation of institutions that make it more difficult to stage a coup (Barkey, 1994; Belkin and Schofer, 2003; Debs, 2007; Frantz and Ezrow, 2011; Powell, 2012; Quinlivan, 1999). This paper is most closely related to Myerson (2008) and Debs (2007), so we first discuss the relationship of the present paper to these papers. We then briefly discuss the literature that focuses on incomplete information about the leaders’ strength and the literature on the creation of coup-proofing institutions.

Myerson’s (2008) explanation for the control of the leader by the elites features both incomplete information and coordination problems among the elites. Myerson (2008) considers a situation where, to become a ruler, a candidate must defeat the previous ruler in a battle and, to stay in power, the ruler must defeat any challengers that come forward. In order to defeat a rival, a leader needs supporters but cannot commit to pay them for the support. To induce the leader not to renege on the promises of payment, the supporters can withdraw their support in future battles. Myerson (2008) argues that institutions allow the supporters to communicate to each other whether the leader reneged on the promise to them and thus allow them to coordinate on not supporting the leader who reneges. In this way, institutions allow the leader to credibly commit to reward supporters and thus recruit supporters for the battles with the challengers.

While the present paper builds on Myerson (2008), there are important differences between the papers. First, like Myerson (2008), the present paper features incomplete information about the leader’s actions. Unlike in Myerson (2008), the decision of the leader to provide benefits to the elites or not is not strategic but is instead determined by the leader’s type. Moreover, in the present paper, there is additional incomplete information about the ambition of the elites. Second, this paper follows Myerson (2008) in explicitly considering the communication among the elites deciding to stage a coup. The paper shows that, remarkably, even when there are no coordination problems, since elites can communicate freely, there is still an equilibrium where elites do not remove incompetent leaders from power. Third, Myerson (2008) is concerned with explaining the
situations where, in equilibrium, there are power-sharing institutions, coups do not happen and leaders act in the interests of the elites. In contrast, the present paper is concerned with explaining the cases where a leader does not respect the interests of the elites, and yet elites do not stage a coup against the leader. Fourth, in Myerson (2008), it is costless for a member of the elite to withdraw support from a leader who reneges on a promise to a different member of the elite. If the withdrawal of support in Myerson (2008) was costly, there would not be an equilibrium where the elites are able to control the leader by credibly threatening to withdraw support. We depart from Myerson (2008) in assuming that withdrawing support, that is, staging a coup, is costly. Because elites are unlikely to support a costly coup if the leader’s actions do not harm their interests, this paper focuses on the leader’s incompetence as a reason for coups. When one elite not receiving a benefit is a signal that a leader is incompetent, other elites have an incentive to support a coup for fear of not being given benefits by an incompetent leader in the future.

Debs (2007) considers a game where a dictator may be replaced by a delegate, and the delegate needs the support of the population to replace the dictator. Political leaders vary in their competence, and can be good or bad. Good leaders produce greater levels of output than bad leaders. It is known that the dictator is bad, while the type of the delegate is the delegate’s private information. Because it is assumed that both leaders and delegates value greater levels of output, a bad delegate has less incentive to call for an insurrection against the dictator, since, were the bad delegate to replace the leader, he would produce relatively low levels of output. If only good delegates want to replace the leader, then a call for an insurrection signals that the delegate is competent, which makes the population more likely to support the insurrection. If, however, the delegates’ outside option is unattractive enough, then even a bad delegate wants to replace the leader, which means that a call for an insurrection no longer signals the delegate’s competence and the population is less likely to support the insurrection.

The present paper differs from Debs (2007) in several ways. First, we do not assume that, should the leader be removed from power, one of the members of the elite participating in a coup must assume power. The members of the elite always have an option of choosing a new leader from an outside pool of candidates instead of becoming the leaders themselves. If the model in Debs (2007) was modified in this way, then there would always be a successful insurrection (provided the costs of an insurrection are low enough), since the current leader is known to be bad with probability one, while a leader drawn from an outside pool of candidates is competent with some prior probability greater than zero. In contrast, the result in the present paper that sometimes elites are unwilling to support coups against the leaders likely to be incompetent is robust to allowing for drawing a new leader from the outside pool. This is because, in the present paper, the lack of credibility of the elites is with respect to their private information about the leader’s competence, and not their own competence.

Second, for the argument in Debs (2007) it is important that delegates value economic output highly enough relative to political power: if all delegates were to place a high enough value on being in power, then both good and bad delegates would attempt to gain power, and a call for an insurrection would not signal competence. In contrast, the explanation in the present paper hinges on the authoritarian elites varying in their ambition and on the ambition being private information. The present paper assumes that,
upon becoming a leader, an elite does not receive any competence-related benefits. Instead, an ambitious elite receives only the benefits of being in power, and a non-ambitious elite receives nothing. This is a stylized representation that shows that the results in the present paper do not depend on leaders receiving competence-related benefits, which is a key element of the argument in Debs (2007).

Much of the literature on why coups sometimes do not happen emphasizes incomplete information about the leader’s strength (Boix and Svolik, 2013; Svolik, 2009). This literature tends to conceptualize the leader’s strength as an exogenous parameter. A common assumption is that, even if all the elites in the ruling coalition were to join efforts to unseat the leader, there exist types of leaders that would still survive this attempt. The nature of the leader’s strength in this case is not clear: if there is no one to defend the leader, then, regardless of how much military power the ruling coalition might have, one would expect that a forceful removal of the leader from power would succeed. This paper, in contrast, endogenizes the leader’s ability to survive coups: a coup will always succeed if all the elites unite in the attempt to remove the leader, the elites know whether other elites are willing to participate in the proposed coup, and yet there are still equilibria where both elites will be better off removing the leader but find themselves unable to do it.

Turning to the literature on the creation of coup-proofing institutions, the strategies reducing the likelihood of coups have been said to include reliance on groups with special loyalties (Quinlivan, 1999; Weeks, 2008), the creation of parallel military organizations (Belkin and Schofer, 2003; Powell, 2012; Quinlivan, 1999), ensuring that elites are not members of coordination-facilitating unifying institutions, such as dominant parties (Frantz and Ezrow, 2011), increasing the size of the military (Jenkins and Kposowa, 1992; Powell, 2012) and shuffling the elites (Barkey, 1994; Debs, 2007; Migdal, 1988). The ability of these institutions to prevent coups has been called into question. While some posit that a more factionalized military is less likely to coordinate on coups (Belkin and Schofer, 2003; Powell, 2012; Quinlivan, 1999), others argue that it is precisely the internal rivalries within a factionalized military that make coups more likely (Huntington, 1968; Johnson et al., 1984; Nordlinger, 1977). Moreover, this strand of literature does not explain why some leaders but not others are able to prevent coups by engaging in coup-proofing. Additionally, if these coup-proofing strategies are harmful to the elites’ ability to control the leader, then as Myerson’s (2008) argument suggests, the leader should have great difficulty attracting supporters unless he refrains from creating the institutions giving himself absolute power.

3. An illustration of the model’s assumptions

The model developed in this paper relies on three stylized facts of authoritarian politics: (1) authoritarian elites care about the leader’s competence; (2) authoritarian elites are imperfectly informed about the leader’s competence, with some elites having better information than others; (3) ambitious elites try to conceal their ambitions when plotting a coup in order to convince others to go along with the coup. In this section we use historical records detailing how the 1964 coup against Khrushchev, the leader of the Soviet Union, was organized to provide evidence that these features are indeed present in authoritarian politics.
Khrushchev’s perceived incompetence loomed large among the reasons he was removed from power, which lends credence to the assumption that authoritarian elites care about how competent their leader is. At the Presidium meeting on 13 October 1964 a number of the Presidium members accused Khrushchev of incompetence. Leonid Yefremov, Khrushchev’s first deputy for the Russian Republic, claimed that Khrushchev made foreign policy ‘in ad hoc fashion’ (Taubman, 2003: 12). Mikhail Suslov, a Central Committee secretary, accused Khrushchev of mishandling the agricultural policy, saying to him, ‘You say party officials have hindered agricultural development – when it’s you who’s messed up everything . . . ’ (Taubman, 2003: 12–13).

On the other hand, there is also evidence that authoritarian elites are uncertain about the competence of their leader, with some elites having better information about the leader’s competence than others. Chairman of the Committee for Party-State Control Aleksandr Shelepin, when organizing a conspiracy against Khrushchev, had to convince the Politburo that Khrushchev was indeed so incompetent as to warrant removing him through a coup. As Zemtsov (1989: 67) writes,

Shelepin is understood to have won over such guardians of orthodoxy as Suslov and Boris Ponomarev by pointing to the opportunistic and dilettantish manner in which Khrushchev handled ideology . . . In regard to technocrats like Kosygin, Kirill Mazurov, and Polyansky, he is supposed to have aroused their resistance to the importunate efforts of Khrushchev to force reforms on them by playing on their predispositions to bureaucratic order.

Additional evidence that authoritarian elites possess imperfect information about the leader’s competence is provided by the discussion at the Presidium meeting where Khrushchev was removed from power. While most members of the Presidium concurred that Khrushchev acted incompetently, not everyone agreed (Fursenko and Naftali, 2006; Taubman, 2003). Anastas Mikoyan ‘directed criticism as well as praise toward Khrushchev’ remarking that ‘he [Khrushchev] quickly became proficient in it [foreign policy]’ and ‘refused to blame Khrushchev for all these [foreign policy] mistakes’ (Fursenko and Naftali, 2006: 538).

Shelepin’s role in the coup plot also provides evidence for the third feature of authoritarian politics underpinning the model in this paper. Scholars believe that Shelepin had political ambitions and wanted to replace Khrushchev as a leader, but had to pretend not to be ambitious in order to gain support for the coup. According to Zemtsov (1989: 67),

In order not to jeopardize the chances of the coup, Shelepin is supposed to have agreed, under pressure from Suslov and Kirilenko, that during the transitional period after the coup Brezhnev would serve as first secretary. Such a decision could be described as farsighted on Shelepin’s part; it was supposed to give him a chance to establish a base in the Politburo, to become a Politburo member himself, and then, with the help of the KGB, to advance his claim to power over the country.

This behavior by Shelepin is consistent with him understanding that revealing his ambition would make his claims that it was Khrushchev’s incompetence that necessitated the coup less credible.
4. The model

The actors are an authoritarian leader \( l \) and two members of the elite – \( e_1 \) and \( e_2 \). The leader has a type \( \theta \in \{0, 1\} \), with \( \theta = 1 \) indicating that the leader is competent, and \( \theta = 0 \) indicating that the leader is incompetent. The leader is competent with probability \( \pi \), and her type is her private information. The leader is a non-strategic actor in the model: she cannot choose how many benefits to provide to the elite. It is assumed that the leader’s type determines how many benefits she provides: competent leaders give more benefits to the elite than incompetent leaders.¹

A member of elite \( e_i \) has a type \( \gamma_i \in \{0, 1\} \), with \( \gamma_i = 1 \) indicating that the elite member is ambitious and \( \gamma_i = 0 \) indicating that the elite member is not ambitious. An ambitious member of the elite values being in power, and, if they become leaders, they derive benefits \( \psi \) from being in power. Non-ambitious members of the elite do not derive any benefits from being in power if they become leaders.²

While in office, a leader pursues a policy. Members of the elite are given benefits \((r_i \in \{0, b\})\) as a result of good policy. If the leader is competent (\( \theta = 1 \)), then both members of the elite are given a benefit \( b \), so that \( r_i = b \). If the leader is incompetent (\( \theta = 0 \)), then only one member of the elite is given a benefit \( b \), so that \( r_i = b \), and the other member is given 0, so that \( r_{-i} = 0 \). Which of the members of the elite is given the benefit in the case where the leader is incompetent is determined randomly, so that with probability \( \frac{1}{2} \) the benefit is given to \( e_1 \) and with probability \( \frac{1}{2} \) the benefit is given to \( e_2 \).

If a member of the elite is given the benefit, she receives it with probability \( \mu \). Denote the elite member \( i \) receiving the benefit by \( \omega_i = 1 \), and not receiving the benefit by \( \omega_i = 0 \), so that \( P(\omega_i = 1 | r_i = b) = \mu \). Whether a member of the elite \( e_i \) is given a benefit (\( r_i \)) is her private information, while whether the benefit is received (\( \omega_i \)) is public information.

This captures the fact that while policy results are at least in part public information, some elites have a better knowledge of a policy area and can more accurately assess whether bad policy outcomes are due to bad luck or due to the leader’s incompetence. For example, when Gennady Voronov criticized Khrushchev’s agricultural policy at the Presidium meeting which removed Khrushchev from power (Taubman, 2003), other Presidium members would have been likely to defer to Voronov on agricultural matters, since he served as a deputy minister of agriculture from 1955 to 1957 (Hough and Fainsod, 1979).

A member of the elite \( e_1 \) can propose a coup (\( \xi_1 \in \{0, 1\} \)). The other member of the elite can also propose a coup (\( \xi_2 = 1 \)) or not (\( \xi_2 = 0 \)). If the first member of the elite did not propose a coup when she moved first (\( \xi_1 = 0 \)), and the second member of the elite proposed a coup (\( \xi_2 = 1 \)), then the first member of the elite can agree to a coup (\( a = 1 \)) or not (\( a = 0 \)). A coup happens (\( s = 1 \)) if and only if both elites agree to it, so that \( s = \xi_1 \xi_2 + \xi_2a \).

A strategy for the first elite member at a history \( h_1 = \emptyset \) is a mapping from her type, whether she was given a benefit, whether she received a benefit and whether the second elite received a benefit, to the decision to propose a coup or not. A strategy for the first elite member at a history \( h_2 = (\xi_1 = 0, \xi_2 = 1) \) is a mapping with the same range as the strategy at a history \( h_1 = \emptyset \), and with the domain a Cartesian product of the domain of the strategy at a history \( h_1 = \emptyset \) and the action of the second elite (whether the second elite
supported a coup or not). A strategy for the second elite member at a history \( h_3 = (\xi_1) \) is a mapping from her type, whether she was given a benefit, whether she received the benefit, whether the first elite received a benefit, and whether the first elite proposed a coup, to a decision to agree to a coup or not. Formally, \( \xi_1(\gamma_1, \omega_1, \omega_2, r_1|h_1) : \{0, 1\}^3 \times \{0, b\} \to \{0, 1\}, \xi_2(\gamma_2, \omega_1, \omega_2, \xi_1, r_2) : \{0, 1\}^4 \times \{0, b\} \to \{0, 1\}, a(\gamma_2, \omega_1, \omega_2, \xi_2, r_2|h_2) : \{0, 1\}^4 \times \{0, b\} \to \{0, 1\}. \)

After the coup, the members of the elite who participated in a coup choose whether to attempt to become the new leader. The new leader is chosen randomly from those elites who had chosen to attempt to become the new leader. If none of the coup-plotters attempt to become a leader, the new leader is drawn from an outside pool of candidates.

Each member of the elite pays a cost \( c \) for participating in a coup. We use \( \theta^1 \) to denote the type of the leader who is in power initially and \( \theta^2 \) to denote the type of the leader who comes into office after the previous leader is removed through a coup.

For an elite of type \( \gamma_i = 0 \), the expected payoff is \( u(\gamma_i = 0|\theta^1, \theta^2, s) = \frac{1}{2} \mu_b(\theta^1 + 1) + (1 - s)\frac{1}{2} \mu_b(\theta^1 + 1) + s[\frac{1}{2} \mu_b(\theta^1 + 1) - c] \). For an elite of type \( \gamma_i = 1 \), the expected payoff is \( u(\gamma_i = 1|\theta^1, \theta^2, s, \gamma_{-i}) = \frac{1}{2} \mu_b(\theta^1 + 1) + (1 - s)\frac{1}{2} \mu_b(\theta^1 + 1) + s[(1 - \frac{1}{2} \gamma_{-i})\psi + \frac{1}{2} \gamma_{-i}\frac{1}{2} \mu_b(\theta^2 + 1) - c] \).

The timeline is as follows.

1. The leader learns her type \( \theta \in \{0, 1\} \), which is her private information.
2. Each elite member \( e_i \) learns her type \( \gamma_i \in \{0, 1\} \), which is her private information.
3. Each elite member is either given benefits or not \( (r_i^1 \in \{0, 1\}) \), with \( r_i^1 \) being \( e_i \)'s private information. If \( r_i^1 = b \), the elite receives the benefit \( (\omega_i^1 = 1) \) with probability \( \mu \) and does not receive the benefit \( (\omega_i^1 = 0) \) with probability \( 1 - \mu \). If \( r_i^1 = 0 \), then \( \omega_i^1 = 0 \), \( r_i^1 \) is public information.
4. The first elite proposes a coup \( (\xi_1 = 1) \) or not \( (\xi_1 = 0) \). The second elite proposes a coup \( (\xi_2 = 1) \) or not \( (\xi_2 = 0) \). A coup happens if \( \xi_1 = 1 \) and \( \xi_2 = 1 \).
5. If a coup does not happen in step 4 and \( \xi_2 = 1 \), then the first elite can agree to a coup \( (a = 1) \) or not \( (a = 0) \). A coup happens if \( \xi_2 = 1 \) and \( a = 1 \).
6. If a coup happens, the new leader is chosen randomly from those elites who participated in the coup and chose to attempt to become a leader. If the leader is competent, an elite member gets \( b \) with probability \( \mu \). If the leader is incompetent, an elite member gets \( b \) with probability \( \frac{1}{2} \mu \). The leader gets a payoff of \( \psi \) if he is ambitious.

We make several assumptions in order to focus on the equilibria that best reflect the variation in authoritarian regime types.

**Assumption 1.** The following inequalities hold: \( \psi - c \geq \mu b, \frac{1}{2} \mu b \pi \geq c \).

The first inequality says that ambitious types are always willing to participate in a coup, regardless of whether they believe the leader to be competent or not. The second inequality says that the cost of participating in a coup is low enough that unambitious types are willing to participate in a coup when they receive \( r_i = 0 \) and thus believe the leader to be incompetent with probability one.

**Assumption 2.** \( \gamma_1 + \gamma_2 < 2 \).
Assumption 2 says that at least one of the elites is non-ambitious. If both elites are ambitious, then, given Assumption 1, coups happen regardless of the leader’s competence. Because this paper focuses on the use of coups as a means of selecting good leaders, we use Assumption 2 to rule out this case.

Our solution concept is a perfect Bayesian equilibrium in pure strategies where players do not play weakly dominated strategies.

5. Benchmark model

We only highlight the important properties of the equilibria in the propositions in the text, and relegate a more complete characterization of the equilibria mentioned in the propositions in the text to Appendix 1.

We first consider a benchmark model where all elites are non-ambitious, that is, were they to become leaders, they would derive no benefits from holding that office.

Proposition 1. If there are no ambitious elites ($\gamma_i \in \{0\}$), then there is a unique equilibrium where an elite $i$ proposes a coup if and only if she was not given a benefit by the leader ($r_i^1 = 0$), and supports a coup whenever it is proposed ($\xi_{-i} = 1$) if $\omega_{-i} = 0$.

In this equilibrium, incompetent leaders are removed from office through coups with probability one, while competent leaders are never removed. Thus authoritarian control obtains in this equilibrium. If a coup is proposed by one elite, then the other elite knows that this must be because the leader is incompetent, and supports the coup. The fact that elites possess private information about whether they were given benefits by the leader does not impede authoritarian control when elites are non-ambitious, since non-ambitious elites do not have incentives to launch costly coups for reasons other than the leader’s incompetence.

6. Personalist regimes and control of authoritarian leaders

We now consider the full model where there are elites of both ambitious and non-ambitious types. Given Assumptions 1 and 2, ambitious elites are always willing to carry out a coup and attempt to become a leader if a coup happens, while non-ambitious elites are only willing to carry out a coup if the leader does not give them benefits and they can infer that the leader is incompetent with probability one.

Proposition 2 shows that there exists an equilibrium where the elites do not stage a coup against the leader when the leader is incompetent.

Proposition 2 (Personalist equilibrium). When $c \geq \frac{\mu b}{2} \left[ \pi - \frac{\tau (1-\mu) \pi}{\tau (1-\mu) \pi + \mu (1-\pi)} \right]$, there exists an equilibrium where a non-ambitious member of the elite ($e_1$) proposes a coup or supports a coup proposed by the other member of the elite ($e_2$) if and only if this non-ambitious member of the elite ($e_1$) has not been given benefits by the leader.

Proposition 2 says that, whenever the equilibrium condition holds, a non-ambitious elite who receives benefits never supports a coup proposed by the other elite. This is not because she believes the leader to be competent: the other elite’s proposing a costly coup makes her more pessimistic about the leader’s competence. Nor is this because she is...
unaffected by the leader’s competence and has no incentives to help the other elite: if the leader is incompetent, she is less likely to receive a benefit in the future. Instead, this is because the other elite’s coup proposal also makes her believe that the other elite is likely to be ambitious, which makes the other elite’s claim of being wronged by the leader less credible. This leads to the first elite not becoming pessimistic enough about the leader’s competence and not finding it worthwhile to join a costly coup.

The expression for the equilibrium condition is intuitive: the leader is not replaced when the cost of replacing the leader is greater than the expected benefit, where the expected benefit is the added benefit of having a competent leader \( \mu b \) multiplied by the difference in beliefs about the leaders’ competence, that is, the difference between the prior belief \( \pi \) and the posterior belief

\[
\frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}
\]

In this equilibrium, coups never happen. The logic of this equilibrium thus explains the seemingly puzzling empirical pattern of authoritarian leaders being able to harm the interests of authoritarian elites and not be replaced.

When the equilibrium condition for the personalist equilibrium does not hold, the authoritarian control equilibrium holds.

**Proposition 3 (Authoritarian control equilibrium).** When

\[
c \leq \frac{\mu b}{2} \left[ \pi - \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)} \right]
\]

there exists an equilibrium where a non-ambitious member of the elite \( (e_1) \) always supports a coup proposed by the other member of the elite \( (e_2) \), provided the other member of the elite \( (e_2) \) did not receive benefits from leader.

Proposition 3 says that when the appropriate equilibrium condition holds, a non-ambitious elite who receives benefits always supports a coup proposed by the other elite. Since an elite who does not receive a benefit always proposes a coup, this means that in this equilibrium incompetent leaders are ousted through coups with probability one. This is why we call this an authoritarian control equilibrium.

Interestingly, competent leaders are sometimes removed through coups in equilibrium. This happens because ambitious elites propose to carry out a coup regardless of whether the leader is competent, and non-ambitious elites value competence enough that they are willing to join a coup even though they are not certain that the leader is incompetent.

Let \( c_{\text{min}} \) be the minimum \( c \) such that the equilibrium condition in Proposition 2 holds. Proposition 4 presents comparative statics for \( c_{\text{min}} \).

**Proposition 4.** If \( \tau > \frac{1}{2(1 - \mu)} \), the equilibrium condition holds for all values of \( b, \pi \) and \( c \).

If \( \tau < \frac{1}{2(1 - \mu)} \), the following is true.

1. \( c_{\text{min}} \) is strictly decreasing in \( \pi \) if \( \pi > 1 - \sqrt{2(1 - \mu)\tau} \) and strictly increasing in \( \pi \) if \( \pi < 1 - \sqrt{2(1 - \mu)\tau} \).
2. $c_{\text{min}}$ is strictly increasing in $b$.
3. $c_{\text{min}}$ is strictly decreasing in $\tau$.
4. $c_{\text{min}}$ is strictly increasing in $\mu$.

The impact of $\pi$, the prior probability that the leader is competent, on the likelihood of the personalist equilibrium holding is non-monotonic. The impact is positive if the prior probability that the leader is competent is high enough and negative if the prior probability that the leader is competent is low enough.

The intuition for the result is as follows. The higher the prior belief about the leader’s competence is, the more likely the current leader and the new leader are to be competent. Moreover, the higher the prior belief about the leader’s competence is, the less likely a non-ambitious elite is to believe the claim of the other elite that she had not been given a benefit by the leader. Thus when the prior belief is high, the elites put more weight on it when forming a belief about the competence of the current leader. On the other hand, the weight given to the prior belief when forming a belief about the expected competence of the replacement leader does not depend on the prior belief. This leads to the belief about the expected competence of the new leader dominating in decision-making when the prior belief is low, and to the belief about the competence of the current leader dominating when the prior belief is high. When a new leader is believed to be more competent, the elites are more willing to stage a coup, and when the current leader is believed to be more competent, the elites are less willing to stage a coup.

The insight is counter-intuitive. Naively, we might think that the less competent the leaders are, the more likely an incompetent leader is to hold power. The analysis above shows that a personalist regime, where an incompetent leader is retained in power by the elites, is most likely to hold not only when the expected leaders’ competence is very low, but also when it is very high, and is least likely to hold when it is intermediate.

The higher $b$, the value of the benefits to the elites, is, the less likely the personalist equilibrium is to hold. This is because the more the elites value the greater competence a new leader is likely to have, the more they are willing to pay for the cost of the coup to replace the current leader.

The greater the prior probability that a member of the elite is ambitious, the more likely the personalist equilibrium is to hold. This is because the more a non-ambitious member of the elite believes the other member of the elite to be ambitious, the less likely she is to trust them that they indeed did not receive a benefit from the leader. This means that, upon seeing a member of the elite propose a coup, the other member of the elite is less likely to become pessimistic about the leader’s competence and thus has less incentive to join in a costly coup against the leader.

A higher $\mu$, the probability that a member of the elite receives the benefit given to them by the leader, makes the personalist equilibrium less likely to hold. $\mu$ is conveniently interpreted as a degree to which the leader’s competence affects the elites’ welfare, as well as a degree of transparency in authoritarian politics. If $\mu = 1$, then an elite always receives the benefit given to her by the leader, and, upon observing that a benefit is not received, an outside observer can infer that, with probability one, this is because the leader is incompetent. If $\mu = 0$, then an elite never receives the benefit given to her by the leader, which means that the leader’s competence does not affect the elite’s welfare and an outside observer learns nothing about the leader’s competence when observing
that a benefit is not received. Thus the higher $\mu$ is, the more incentive there is to remove the leaders perceived to be incompetent. Moreover, the higher $\mu$ is, the more likely it is that the leader is incompetent if an elite does not receive a benefit. This makes the elites’ claims to have been wronged by the leader more credible, and makes it more likely that other elites join them in a coup.

The more costly a coup is, the more likely the personalist equilibrium is to hold, since the elites are less likely to find staging a coup worthwhile.

7. Incentives to become coup-plotters

In this section we extend the model by adding a second time period. By introducing a possibility of variation in the number of time periods the new leader remains in power, this allows us study the impact of the elites’ competence on their incentives to become coup-plotters.

Now we assume that elites vary not only in how ambitious they are but also in how competent they would be if they become leaders, so that an elite $i$’s type is a pair $(\gamma_i, \theta_i) \in \{0, 1\} \times \{0, 1\}$. We add a second period to the model by repeating steps 3 to 6 in the timeline in Section 4. We modify the assumptions made in this paper to account for the addition of the second period to the model.

**Assumption 3.** The following inequalities hold: $c \leq \frac{1}{2} \mu b \pi$, $c \leq 2(\psi - \mu b)$.

As in the one-period model, Assumption 3 says that the benefits of the leader’s competence are large enough that elites are willing to carry out a costly coup if they know that the leader is incompetent with probability one. Moreover, the assumption says that ambitious elites are willing to carry out a coup and attempt to become a leader if they subsequently stay in power for two periods.

**Proposition 5.** When

$$c \geq 2\mu b \pi \left[ \frac{1}{4}(3 + b)\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi) \right] - \tau(1 - \mu)$$

$$c \geq \frac{1}{2} \mu b \pi \left[ (1 - \pi)\left[ \frac{1}{4} - \tau^2(1 - \mu)^2 \right] \right]$$

and $c \leq \psi - 2\mu b$, there exists an equilibrium in which an ambitious $(\gamma_i = 1)$ elite always proposes a coup, supports a coup proposed by the other elite, and attempts to become a leader if a coup happens, while a non-ambitious $(\gamma_i = 0)$ elite proposes a coup and supports a coup proposed by the other elite in period $t$ only if $r_t^i = 0$ or $r_t^{-1} = 0$ and a coup did not happen in period $t - 1$. A non-ambitious elite does not attempt to become a leader if a coup happens.

The equilibrium conditions say that an ambitious elite is always willing to carry out a coup, regardless of how many periods she expects to stay in power. Given this strategy of the ambitious elite, a non-ambitious elite does not find it worthwhile to support the proposal of the other elite to carry out a coup unless she believes that the government is incompetent with probability one. This equilibrium thus has the same properties as the personalist equilibrium in the one-period model. In particular, coups never happen in this equilibrium.
Proposition 6. When
\[ c \leq \mu b \pi \frac{\pi \tau (1 - \mu) (\frac{1}{2} \pi - 1) + [\tau (1 - \mu) \pi^2 + \frac{1}{2} (1 - \pi)] (1 + \tau + \frac{1}{2} \pi (\tau (\pi - 3) - 1))}{\tau (1 - \mu) \pi^2 (1 - \tau \pi) + [\tau (1 - \mu) \pi^2 + \frac{1}{2} (1 - \pi)] (1 + \pi (\tau (\pi - 1) - 1))} \]

and \( c \geq \psi - \mu b \), there exists an equilibrium where an ambitious (\( y_i = 1 \)) and competent (\( \theta_i = 1 \)) elite always proposes a coup, supports a coup proposed by the other elite and attempts to become a leader if a coup happens, and all other types of elites propose a coup only if \( r^t_i = 0 \) or \( r^{t-1}_i = 0 \) and a coup did not happen in period \( t - 1 \). All other types of elites support a coup proposed by the other elite unless \( r^t_i = b \) and \( \omega^t_{i-1} = 1 \) or \( r^{t-1}_i = b \), \( \omega^{t-1}_{i-1} = 1 \) and a coup did not happen in period \( t - 1 \). They do not attempt to become a leader if a coup happens.

The equilibrium conditions say that, when an ambitious elite believes that the current leader is sufficiently competent, an ambitious elite is willing to carry out a coup only if she expects to stay in power as a leader for two periods. Since, in this equilibrium, incompetent leaders are always replaced, upon becoming a leader, competent elites can expect to stay in power for two periods, while incompetent elites can expect to stay in power for one period. This means that only competent elites are willing to propose coups even when they believe the leader to be sufficiently competent and attempt to become leaders if a coup happens.

The fact that only competent elites attempt to become leaders through coups raises the expected payoff for elites of other types, should they agree to participate in a coup. They have no incentive to stage a costly coup if they know the current leader is competent with probability one, even if the replacement leader is also competent with probability one. If the probability that the current leader is competent is low enough, however, elites become willing to carry out a coup to replace the leader with someone who is competent with probability one.

Coups happen in this equilibrium. If the leader is incompetent, she is removed with probability one. As in the authoritarian control equilibrium in a one-period model, competent leaders are sometimes removed. Because only competent elites become leaders, the expected competence of the leader, and thus the welfare of the elites, is higher in this equilibrium than in the equilibrium where the cost of the coup is low enough or the value of power is high enough that both competent and incompetent ambitious elites try to become a leader.

We see that in this equilibrium the adverse impact of the existence of ambitious types on authoritarian control is partially mitigated. The very desire to acquire power that renders the elites’ claims of being wronged by the leader less credible also prevents incompetent elites, who expect to be unable to stay in power for a long time, from attempting coups when the leader is competent.

A higher \( \psi \), an ambitious leader’s payoff from holding power, makes the equilibrium with authoritarian control less likely, since an incompetent but ambitious elite is more likely to propose a coup in an attempt to become a leader. A higher \( b \), the benefit to the elites from the leader’s competence, makes the equilibrium with authoritarian control more likely, since it both reduces the incentives of ambitious elites to attempt to become leaders, and increases the benefit to non-ambitious elites from selecting more competent leaders through coups.
The impact of \( c \), the costs of a coup, on the likelihood that an authoritarian control equilibrium holds is ambiguous. Higher coup costs can make authoritarian control less likely because elites are more likely to find it too costly to remove incompetent leaders. Higher coup costs can also make authoritarian control more likely because they reduce the incentives of incompetent but ambitious elites to initiate coups against competent leaders, thereby raising the expected competence of the elites who do initiate coups and attempt to become leaders.

8. Discussion

The possibility of communication between the elites plotting a coup is central to the results in this paper. We have assumed that claiming that the leader is incompetent and proposing a coup is not costly for an elite, that it is only carrying out a coup that is costly. In the setting explored in this paper, where elites care about the leader’s competence and some elites have more information about the leader’s competence than others, this assumption is plausible.

This is because, if meting out punishment to coup-plotters is costly, elites have no incentives to do it in this model: they can only benefit from the other elites’ revealing their private information about the leader’s competence. Nor do they have incentives to renge on their promise after having agreed to participate in a coup, since they do not benefit from other elites attempting to carry out a coup alone and failing. Moreover, in the absence of a coup attempt, accusations of coup-plotting are unlikely to be credible and thus proposing a coup is unlikely to result in a punishment for the proposer.

Furthermore, the main results we derive would be robust to dropping the assumption that proposing coups is costless as long as the cost of proposing a coup is sufficiently small. We maintain the assumption to simplify the exposition.

The analysis in this paper has implications for understanding the role of the institutions that are thought prevent coordination among the elites. Scholars have argued that it is because of these institutions that coups do not happen. Should these institutions be preventing communication between the elites, they would indeed impede coups in the setting explored in this paper. Yet, given that communication is in the interest of the elites and that they can induce the leader to do their bidding should they act together, we would expect the elites to be able to force the leader to create the institutions facilitating authoritarian control. If such institutions are not created, then something else must be preventing the elites from controlling the leader.

This paper shows how elite ambition can prevent authoritarian control. If elites know that ambition is going to render them unable to control the leader, they will have little incentive to press for the creation of institutions facilitating communication among the elites. In this way, certain institutions can be correlated with personalist regimes, but have no causal effect on them. Instead, ambition can facilitate the emergence of both personalist regimes and institutions that have been called coup-proofing. To the extent that ambition has not been measured and included in cross-national empirical studies of the impact of coup-proofing institutions on coups, the models of the relationship between such institutions and coups could be mis-specified, and our understanding of the impact of such institutions on coups may need to be revised.
9. Conclusion

This paper provides an explanation for the puzzling empirical pattern of incompetent leaders being able to establish and maintain personalist regimes in spite of the fact that none of the authoritarian elites have an interest in supporting them. The explanation endogenizes the power the leader wields, has an intuitively appealing property that leaders are only as strong as their supporters are loyal and no leader has an exogenous source of power that would enable him to survive in power should all the elites unite in a coup against the leader. The existence of ambitious elites is central to the explanation: when some elites are motivated by the desire to acquire power and are willing to stage coups against both competent and incompetent leaders, an elite’s claim that a leader is incompetent is less likely to be believed, even when elites have private information about the leader’s competence. This leads to coups against incompetent leaders being less likely to happen. Thus personalist regimes emerge in equilibrium.

The paper draws a theoretical distinction between coups of control and coups of ambition. Showing how the possibility of coups of ambition can change whether a personalist authoritarian regime survives in power, the paper draws attention to the importance of exploring the reasons why elites want to stage coups and of distinguishing between different motivations for coups.

We identify the obstacle to controlling the leaders that is unique to control by authoritarian elites. Citizens voting in an election do not have the aspirations to assume political office should the incumbent lose, while elites calling for a coup against a leader that they allege to be incompetent face suspicions that they want to launch a coup not because the leader is incompetent but because they want to become a leader themselves. This renders the elites’ claims that the leader is incompetent less credible, by making them less able to reveal their private information about the leader’s competence, makes coups against incompetent leaders less likely and thus makes personalist regimes more likely to survive.

The paper shows that the impact of the proportion of competent politicians on the likelihood of a personalist regime existing is non-monotonic: conditional on the leader being incompetent, personalist regimes are most likely both when there lots of competent politicians and when there are few competent politicians. This is counter-intuitive, since, naively, one would expect that regimes where leaders pursue bad policies are most likely to be encountered in a world where there are few competent politicians. The non-monotonic relationship is driven by the way in which prior beliefs about politicians’ competence influence both the credibility of the elites’ claims about the current leader’s competence and the expected competence of the replacement leader. The result suggests that raising the competence of the politicians may not lead to better policies, since a personalist equilibrium is more likely to hold when there are lots of competent politicians.

The model provides insight into which elites are most likely to become coup-plotters. When coups are costly enough and ambitious elites do not value office too highly, only the competent elites, who expect to stay in power for a longer time, are willing to participate in a coup of ambition. This raises the expected competence of the replacement leader and makes non-ambitious elites more likely to support coups. This shows how the adverse impact of ambition on authoritarian control can be mitigated when the cost of coups is high enough and the value of office for ambitious elites is low enough.
Appendix 1

Proofs

Proof of Proposition 1. Let \( P(\theta = 1|\cdot) \) be the belief of a member of the elite \( i \) that the leader is competent given the information available to the elite when it is her turn to choose to support a coup or not. Given the equilibrium strategy of the other elite, we have \( P(\theta = 1|\cdot) = 0 \) if \( r_i^1 = 0 \) or \( r_i^1 = b, \xi_{-i} = 1 \) and \( \omega_{-i} = 0 \). \( P(\theta = 1|\cdot) = 1 \) if \( r_i^1 = b \) and \( \xi_{-i} = 0 \).

The event where everyone observes that an elite received the benefit and the elite proposes a coup (\( \omega_{-i} = 1 \) and \( \xi_{-i} = 1 \)) is off the equilibrium path. Because whether the benefits are received is determined by Nature, standard refinements do not apply directly. A natural refinement here is to treat Nature as an automaton and allow strategic players to make mistakes with probability \( \epsilon \) sufficiently small. Then an elite observing the off-the-equilibrium-path event (\( \xi_{-i} = 1 \) and \( \omega_{-i} = 1 \)) has to infer that this event must have occurred because the other strategic player had made a mistake. Therefore, off the equilibrium path, \( P(\theta = 1|\cdot) = 1 \) if \( r_i^1 = b, \xi_{-i} = 1 \) and \( \omega_{-i} = 1 \).

If \( P(\theta = 1|\cdot) = 0 \), then elite \( i \)'s payoff from a coup is \( \frac{1}{2} \mu b(\pi + 1) - c \), while the payoff from no coup is \( \frac{1}{2} \mu b \). The condition for supporting a coup then is \( \frac{1}{2} \mu b \pi \geq c \), which holds by Assumption 1.

If \( P(\theta = 1|\cdot) = 1 \), then elite \( i \)'s payoff from a coup is \( \frac{1}{2} \mu b(\pi + 1) - c \), while the payoff from no coup is \( b \). The condition for not supporting a coup then is \( c \geq \frac{1}{2} \mu b(\pi - 1) \), which always holds.

Since the beliefs are uniquely pinned down by Bayesian updating and the refinement we have applied, and the above strategies are the only sequentially rational strategies given the beliefs, the equilibrium is unique. \( \Box \)

We characterize the equilibria in Propositions 2 and 3 by presenting the equilibrium path, have occurred because the other strategic player had made a mistake. Therefore, off the equilibrium path, \( P(\theta = 1|\cdot) = 1 \) if \( r_i^1 = b, \xi_{-i} = 1 \) and \( \omega_{-i} = 1 \).

\[ \]
ξ_1 = 1. If ω_{1-i} = 1, she chooses a = 0 if she moves first and the other member of the elite chose ξ_2 = 1, and chooses ξ_2 = 0 if she moves second and the other member of the elite chose ξ_1 = 1. This strategy is optimal for all values of ω_i.

Proof of Lemmata 1 and 2. The strategy for the elite of type γ_i = 1 follows from Assumption 1.

Suppose s = 1. If a member of the elite chooses to attempt to assume power, then, given Assumption 2, she succeeds with probability one. Her expected utility in this case is ψ - c. If she chooses not to attempt to assume power, her expected utility is \( \pi \mu b + \frac{1}{2}(1 - \pi)\mu b - c \). Then a member of the elite chooses to attempt to assume power when \( \psi \geq \frac{1}{2}\mu b(\pi + 1) \), which holds by Assumption 1.

The elite conditions her decision to propose a coup or not on the case when she is pivotal in determining whether a coup happens. Given this and Assumption 2, if she chooses to propose a coup, her expected payoff is ψ - c. If she chooses not to propose a coup, her expected payoff is given by \( \mu b[P(\theta = 1|\cdot) + \frac{1}{2}(1 - P(\theta = 1|\cdot))] \), where \( P(\theta = 1|\cdot) \) is the elite’s belief about the leader’s type given the information available to the elite. The maximum possible value of this payoff is attained when \( P(\theta = 1|\cdot) = 1 \), in which case the expected payoff is \( \mu b \). We have \( P(\theta = 1|\cdot) = 1 \) when \( r_i = b \) and \( \omega_{1-i} = 1 \). Choosing to propose a coup is optimal in this case if \( \psi - c \geq \mu b \), which holds by Assumption 1. Since proposing a coup is optimal when the incentive compatibility constraint is most difficult to satisfy, it is also optimal in all other cases.

The strategy for the elite of type γ_i = 0 when \( r_i = 0 \) follows from Assumption 1. When \( r_i = 0 \), elite i believes that \( \theta = 0 \) with probability one. Then her expected payoff from \( s = 0 \) is \( \frac{1}{2}\mu b \), while the expected payoff from \( s = 1 \) is \( \pi \mu b + \frac{1}{2}(1 - \pi)\mu b - c \). Then it is optimal to propose a coup when \( \frac{1}{2}\mu b(\pi + 1) \geq c \), which holds by Assumption 1.

The proof of Propositions 2 and 3 shows that the strategies for the elite of type γ_i = 0 when \( r_i = b, \xi_{-i} = 1, \) and \( \omega_{1-i} = 0 \) are optimal when the relevant equilibrium conditions hold. It is optimal for the elite of type γ_i = 0 to choose not to support a coup when \( c \geq -\frac{1}{2}\mu b[P(\theta = 1|\cdot) - \pi] \). Given \( r_i = b, \omega_{1-i} = 1 \) implies \( P(\theta = 1|\cdot) = 1 \), and \( \omega_{1-i} = 0 \) and \( \xi_{-i} = 0 \) implies \( P(\theta = 1|\cdot) = 1 \), so \( c \geq -\frac{1}{2}\mu b[P(\theta = 1|\cdot) - \pi] \) simplifies to \( c \geq \frac{1}{2}\mu b(\pi - 1) \). The right-hand side is strictly negative and the left-hand side is strictly positive, so the condition always holds.

Proof of Propositions 2 and 3. The expected utility for the elite of type γ_i = 0 from choosing to support a coup is \( \frac{1}{2}\mu b(\pi + 1) - c \). The expected utility for choosing not to support a coup is \( \mu b[P(\theta = 1|\cdot) + \frac{1}{2}(1 - P(\theta = 1|\cdot))] \), where \( P(\theta = 1|\cdot) \) is the elite’s belief about the leader’s type given the information available to the elite. Given the equilibrium strategies in Lemma 1, we have

\[
P(\theta = 1|\xi_{1-i} = 1, \omega_{1-i} = 0, r_i = b) = \frac{P(\xi_{1-i} = 1|\omega_{1-i} = 0, r_i = b, \theta = 1)P(\omega_{1-i} = 0|r_i = b, \theta = 1)P(r_i = b)P(\theta = 1)}{h(\xi_{1-i}, \omega_{1-i}, r_i, \theta)}
= \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}
\]
where \( h(\xi_i, \omega_{-i}, r_i, \theta) = P(\xi_i = 1|\omega_{-i} = 0, r_i = b, \theta = 1)P(\omega_{-i} = 0|r_i = b, \theta = 1)P(r_i = b|\theta = 1) + P(\xi_i = 1|\omega_{-i} = 0, r_i = b, \theta = 0) \).

Substituting \( P(\theta = 1|\xi_i = 1, \omega_{-i} = 0, r_i = b) \) into \( \mu b[P(\theta = 1|\cdot) + \frac{1}{2}(1 - P(\theta = 1|\cdot))] \), we obtain

\[
\mu b \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)}
\]

Then it is optimal not to support a coup when

\[
c \geq \mu b \left[ \frac{1}{2}(\pi + 1) - \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)} \right]
\]

as required.

\[\square\]

**Proof of Proposition 4.**

\[
\frac{\partial c_{\min}}{\partial b} = \mu \left[ \frac{1}{2}(\pi + 1) - \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)} \right]
\]

and

\[
\mu \left[ \frac{1}{2}(\pi + 1) - \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)} \right] > 0
\]

simplifies to \( \tau < \frac{1}{2(1 - \mu)} \).

Further, in

\[
\frac{\partial c_{\min}}{\partial \tau} = -\frac{\mu b(1 - \mu)(1 - \pi)\pi}{(\pi(2(\mu - 1)\tau + 1) - 1)^2}
\]

the denominator is always positive, and \( -\mu b(1 - \mu)(1 - \pi)\pi < 0 \) always holds. In

\[
\frac{\partial c_{\min}}{\partial \mu} = \frac{b(1 - \pi)\pi\tau}{(\pi(2(\mu - 1)\tau + 1) - 1)^2} + b \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)}
\]

the denominator is always positive, and \( b(1 - \pi)\pi \tau > 0, b \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)} \) always hold.

In

\[
\frac{\partial c_{\min}}{\partial \pi} = \frac{\mu b(2(\mu - 1)\tau + 1)(\pi^2(2(\mu - 1)\tau + 1) - 2\pi + 1)}{2\tau(2(\mu - 1)\tau + 1) - 1)^2}
\]

the denominator is always positive. If \( \tau < \frac{1}{2(1 - \mu)} \), then \( \mu b(2(\mu - 1)\tau + 1)(\pi^2(2(\mu - 1)\tau + 1) - 2\pi + 1) > 0 \) simplifies to \( \pi^2(2(\mu - 1)\tau + 1) - 2\pi + 1 > 0 \), which holds when \( \pi > 1 - \sqrt{2(1 - \mu)} \).

Further

\[
\frac{\partial b_{\text{max}}}{\partial c} = \frac{1}{\mu \left[ \frac{1}{2}(\pi + 1) - \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)} \right]} > 0
\]

since

\[
\frac{1}{2}(\pi + 1) - \frac{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}{2\tau(1 - \mu)\pi + (1 - \pi)} > 0
\]
if $\tau < \frac{1}{2(1-\mu)}$. □

**Proof of Proposition 5.** Given Assumption 2, an ambitious elite that participates in a coup and attempts to become a leader expects a payoff of $\psi - c$ if she stays in power for one period, and one of $2(\psi - c)$ if she stays in power for two periods. The maximum possible payoff in the case where there is no coup or the elite does not attempt to become a leader is $2\mu b$ for two periods. Then an elite is always willing to carry out a coup to stay in power for one period if $c \leq \psi - 2\mu b$ and to stay in power for two periods if $c \leq 2(\psi - \mu b)$.

Elites condition their actions on the case when their actions are pivotal.

Given $r_i^2 = 0$, elite $i$ believes $P(\theta = 1) = 0$. If $r_i^1 = 0$, the expected payoff for a non-ambitious elite for choosing not to initiate or support a coup in period 1 is $\mu b$.

Taking the equilibrium outcome $s = 0$ in period 2 as given, the expected payoff for choosing to initiate or support a coup in period 1 if $r_i^1 = 0$ is $\mu b(\pi + 1) - c$. Then the condition for a non-ambitious elite to initiate or support a coup in period 1 if $r_i^1 = 0$ is $c \leq \pi b$. The condition for a non-ambitious elite to choose to initiate or support a coup in period 2 if $r_i^2 = 0$ is $\frac{1}{2}\mu b(\pi + 1) - c \geq \frac{1}{2}b$, which simplifies to $c \leq \frac{1}{2}\mu b\pi$. This condition holds by Assumption 3.

Taking the equilibrium behavior in period 2 as given, the expected payoff for an elite of type $\gamma_i = 0$ if she chooses not to support a coup in period 1 if $r_i^1 = b$, $\omega_{i}^1 = 0$, $\xi_{i}^2 = 1$ is $2\mu bP^2(\theta = 1|\cdot) + (1 - P^2(\theta = 1|\cdot))\left[\frac{1}{2}(\frac{1}{2}\mu b(\pi + 1) - c) + \frac{1}{2}(\mu b + \frac{1}{2}\mu b)\right] = \mu bP^2(\theta = 1|\cdot) - \frac{1}{2}c + \mu b + \frac{1}{4}\pi \mu b + \frac{1}{2}P^2(\theta = 1|\cdot)c - \frac{1}{4}\pi \mu bP^2(\theta = 1|\cdot)$, where $P^2(\theta = 1|\cdot)$ is elite $i$'s belief about the leader's competence given the information available to the elite in period 1 when it is her turn to move. We have

$$P^2(\theta = 1|\cdot) = P(\theta = 1|\xi_{i}^2 = 1, \omega_{i}^1 = 0, r_i^1 = b) = \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{4}(1 - \pi)}$$

from the proof of Propositions 2 and 3.

The expected payoff for an elite of type $\gamma_i = 0$ if she chooses to support a coup in period 1 if $r_i^1 = b$, $\omega_{i}^1 = 0$, $\xi_{i}^2 = 1$ is $\mu b(\pi + 1) - c$.

Then the condition for an elite of type $\gamma_i = 0$ not to support a coup in period 1 if $r_i^1 = b$, $\omega_{i}^1 = 0$, $\xi_{i}^2 = 1$ is

$$\mu bP^2(\theta = 1|\cdot) - \frac{1}{2}c + \mu b + \frac{1}{4}\pi \mu b + \frac{1}{2}P^2(\theta = 1|\cdot)c - \frac{1}{4}\pi \mu bP^2(\theta = 1|\cdot) \geq \mu b(\pi + 1) - c$$

which simplifies to

$$c \geq 2\mu b\pi \frac{\frac{1}{4}(3 + \mu b)[\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi) - \tau(1 - \mu)]}{2\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)}$$

The condition for an elite of type $\gamma_i = 0$ not to support a coup in period 2 if $r_i^2 = b$, $\omega_{i}^2 = 0$, $\xi_{i}^3 = 1$ is $\frac{1}{2}\mu b(P^3(\theta = 1|\cdot) + 1) \geq \frac{1}{2}\mu b(\pi + 1) - c$, where $P^3(\theta = 1|\cdot)$ is elite $i$'s belief about the leader's competence given the information available to the elite in period 2 when it is her turn to move. We have

$$P^3(\theta = 1|\cdot) = \frac{\tau(1 - \mu)P^2(\theta = 1|\cdot)}{\tau(1 - \mu)P^2(\theta = 1|\cdot) + \frac{1}{2}(1 - P^2(\theta = 1|\cdot))} = \frac{\tau^2(1 - \mu)^2\pi}{\tau^2(1 - \mu)^2\pi + \frac{1}{4}(1 - \pi)}$$
Then the condition simplifies to

\[ c \geq \frac{1}{2} \mu b \pi \left( \frac{1 - \pi}{\tau^2(1 - \mu)^2} \right) \]

If \( r_1 = b, \omega_{-i} = 1 \), then \( P(\theta = 1) = 1 \), so the expected payoff for not supporting a coup is \( 2\mu b \), while the maximum expected payoff for supporting a coup is \( 2\mu b - c \). If \( r_1 = b, \omega_{-i} = 1 \), the expected payoff for not supporting a coup is \( \mu b \), while the maximum expected payoff for supporting a coup is \( \mu b - c \). We have \( 2\mu b - c < 2\mu b \) and \( \mu b - c < \mu b \), so it is optimal for types \( \gamma_i = 0 \) not to support coups if \( r_1 = b, \omega_{-i} = 1 \).

Proof of Proposition 6. Given Assumption 2, an ambitious elite who participates in a coup and attempts to become a leader expects a payoff of \( \psi - c \) if she stays in power for one period, and \( 2\psi - c \) if she stays in power for two periods. The minimum possible payoff in the case where there is no coup or the elite does not attempt to become a leader is \( \mu b \) for two periods. Then an elite is never willing to carry out a coup to stay in power for one period if \( c \leq \psi - \mu b \).

That an ambitious elite is not willing to carry out a coup to stay in power for one period if \( c \geq \psi - \mu b \) follows from the proof of Proposition 5.

The conditions for a non-ambitious elite to choose to initiate or support coups in period \( t \) hold by Assumption 3 and have the same proof as that for Proposition 5.

Taking the equilibrium behavior in period 3 as given, the expected payoff for an elite of type \( \gamma_i = 0 \) if she chooses to support a coup in period 2 if \( r_1 = b, \omega_{-i} = 0, \xi_{-i} = 1 \) is

\[ (1 - \tau)(1 - \pi)(2\mu b + (1 - \pi)(\frac{1}{2}\mu b - c + \frac{1}{2}\mu b(\pi + 1))) \]

The expected payoff if she chooses not to support a coup is \( P^2(\theta = 1|\cdot)(\mu b + \tau\pi(\mu b - c) + (1 - \tau)(1 - \pi))\mu b + (1 - P^2(\theta = 1|\cdot))(\frac{1}{2}\mu b - c + \frac{1}{2}(1 - \pi)\mu b) \), where \( P^2(\theta = 1|\cdot) \) is elite \( i \)'s belief about the leader's competence given the information available to the elite in period 2 when it is her turn to move. We have

\[ P^2(\theta = 1|\cdot) = \frac{\tau\pi^2(1 - \mu)}{\tau\pi^2(1 - \mu) + \frac{1}{2}(1 - \pi)} \]

Then the condition for an elite \( i \) of a type other than \( (\gamma_i, \theta_i) = (1, 1) \) to support a coup in period 2 if \( r_1 = b, \omega_{-i} = 0, \xi_{-i} = 1 \) is

\[ -c + 2\mu b\tau\pi + (1 - \tau)(2\mu b + (1 - \pi)(\frac{1}{2}\mu b - c + \frac{1}{2}\mu b(\pi + 1))) \geq P^2(\theta = 1|\cdot)(\mu b + \tau\pi(\mu b - c) + (1 - \tau)(1 - \pi))\mu b + (1 - P^2(\theta = 1|\cdot))(\frac{1}{2}\mu b - c + \frac{1}{2}(1 - \pi)\mu b) \]

which simplifies to

\[ c \leq \mu b \pi \frac{\pi(1 - \mu)(\frac{1}{2}\pi - 1) + [\tau(1 - \mu)\pi^2 + \frac{1}{2}(1 - \pi)](1 + \tau + \frac{1}{2}\pi(\pi - 3) - 1))}{\tau(1 - \mu)\pi^2(1 - \tau \pi) + [\tau(1 - \mu)\pi^2 + \frac{1}{2}(1 - \pi)](1 + \pi(\pi - 1) - 1))} \]

Given assumptions, if in period 3 we have \( r_1 = b, \omega_{-i} = 0, \xi_{-i} = 1 \), then it must be the case that \( \gamma_i = \gamma_i' = 0, s_1 = 1, \) and \( P^2(\theta = 1) = 0 \). Then the condition for supporting a coup in this case is \( c \leq \frac{1}{2}\mu b \pi \), which holds by Assumption 3.
Appendix 2

Extension: Leaders value competence

Here we extend the baseline model to allow leaders to value competence. Now if an elite of type $\gamma_i, \theta_i$ becomes a leader, her expected payoff is $\frac{1}{2} \mu b (\theta_i + 1) + \gamma_i \psi$. To simplify the analysis, we assume that if a coup is successful, each of the elites participating in a coup becomes the new leader with probability $\frac{1}{2}$.

We continue to maintain Assumption 2. Instead of Assumption 1, we introduce the following assumption.

Assumption 4. The following inequalities hold: $\frac{1}{4} \mu b \pi \geq c, \frac{1}{4} \psi + \frac{1}{4} \mu b \pi \geq \frac{1}{2} \mu b$.

The first inequality says that ambitious types are always willing to participate in a coup, regardless of whether they believe the leader to be competent or not, and regardless of whether they are competent or not. The second inequality says that the cost of participating in a coup is low enough that, regardless of whether they are competent or not, non-ambitious types are willing to participate in a coup when they receive $r_i = 0$ and thus believe the leader to be incompetent with probability one.

Propositions 7 and 8 show that, when the appropriate equilibrium conditions hold, we obtain the same equilibria in the extended model as we did in the baseline model.

Proposition 7 (Personalist equilibrium). When

$$c \geq \frac{1}{2} \mu b \left[ \frac{1}{2} \pi + \frac{1}{2} - \frac{\tau (1 - \mu) \pi}{\tau (1 - \mu) \pi + \frac{1}{2} (1 - \pi)} \right]$$

there exists an equilibrium where a non-ambitious member of the elite ($e_1$) proposes a coup or supports a coup proposed by the other member of the elite ($e_2$) if and only if this non-ambitious member of the elite ($e_1$) has not been given benefits by the leader.

Proposition 8 (Authoritarian control equilibrium). When

$$c \leq \frac{1}{2} \mu b \left[ \frac{1}{2} \pi - \frac{\tau (1 - \mu) \pi}{\tau (1 - \mu) \pi + \frac{1}{2} (1 - \pi)} \right]$$

there exists an equilibrium where a non-ambitious member of the elite ($e_1$) always supports a coup proposed by the other member of the elite ($e_2$), provided the other member of the elite ($e_2$) has not received benefits from leader.

Proposition 9 shows that, in addition to the personalist equilibrium and the authoritarian control equilibrium, there is also another equilibrium, which we call an episodic authoritarian control equilibrium, where only competent non-ambitious elites support coups proposed by other elite members, while incompetent non-ambitious elites never support the coups proposed by other elite members.

Proposition 9 (Episodic authoritarian control equilibrium). When

$$\frac{1}{2} \mu b \left[ \frac{1}{2} \pi - \frac{\tau (1 - \mu) \pi}{\tau (1 - \mu) \pi + \frac{1}{2} (1 - \pi)} \right] \leq c \leq \frac{1}{2} \mu b \left[ \frac{1}{2} \pi + \frac{1}{2} - \frac{\tau (1 - \mu) \pi}{\tau (1 - \mu) \pi + \frac{1}{2} (1 - \pi)} \right]$$
there exists an equilibrium where a non-ambitious and incompetent member of the elite proposes a coup or supports a coup proposed by the other member of the elite if and only if this non-ambitious member of the elite has not been given benefits by the leader, while a non-ambitious and competent member of the elite always supports a coup proposed by the other member of the elite, provided the other member of the elite has not received benefits from leader.

**Proof of Propositions 7, 8 and 9.** The strategies not described in Propositions 7, 8 and 9 are the same as those described in Lemmata 1 and 2 and the proofs are the same as the relevant proofs of Lemmata 1 and 2.

The expected utility for the elite of type $\gamma_i = 0$, $\theta_i$ from choosing to support a coup is $-c + \frac{1}{2} \mu b(\theta_i + 1) + \frac{1}{4} \mu b(P(\theta_{-i} = 1|\cdot) + 1)$. The expected utility from choosing not to support a coup is $\frac{1}{2} \mu b(P(\theta = 1|\cdot) + 1)$, where $P(\theta = 1|\cdot)$ is the elite’s belief about the competence of the current leader given the information available to the elite and $P(\theta_{-i} = 1|\cdot)$ is the elite’s belief about the competence of the other elite given the information available to the elite. Given Assumption 4, $P(\theta_{-i} = 1|\cdot) = \pi$.

Fixing $\gamma_i$, if an elite of type $\theta_i = 1$ does not want to support a coup, then an elite of type $\theta_i = 0$ also does not want to support a coup. We thus set $\theta_i = 1$ to derive the equilibrium condition. It is optimal for an elite of type $\gamma_i = 0$ and $\theta_i = 1$ to choose not to support a coup when $\frac{1}{2} \mu b(P(\theta = 1|\cdot) + 1) \geq -c + \frac{1}{4} \mu b + \frac{1}{4} \mu b(P(\theta_{-i} = 1|\cdot) + 1)$, which simplifies to

$$c \geq \frac{1}{2} \mu b \left[ \frac{1}{2} \pi + \frac{1}{2} - \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)} \right].$$

Fixing $\gamma_i$, if an elite of type $\theta_i = 0$ does want to support a coup, then an elite of type $\theta_i = 1$ also wants to support a coup. We thus set $\theta_i = 0$ to derive the equilibrium condition. It is optimal for an elite of type $\gamma_i = 0$ and $\theta_i = 0$ to choose to support a coup when $\frac{1}{2} \mu b(P(\theta = 1|\cdot) + 1) \geq -c + \frac{1}{4} \mu b + \frac{1}{4} \mu b(P(\theta_{-i} = 1|\cdot) + 1)$ which simplifies to

$$c \leq \frac{1}{2} \mu b \left[ \frac{1}{2} \pi - \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)} \right].$$

It follows that when

$$\frac{1}{2} \mu b \left[ \frac{1}{2} \pi - \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)} \right] \leq c \leq \frac{1}{2} \mu b \left[ \frac{1}{2} \pi + \frac{1}{2} - \frac{\tau(1 - \mu)\pi}{\tau(1 - \mu)\pi + \frac{1}{2}(1 - \pi)} \right]$$

it is optimal for an elite of type $\theta_i = 1$ but not for an elite of type $\theta_i = 0$ to support the coup. □

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Notes

1. We adopt the definition of a personalist regime given by Geddes (1999). Geddes (1999: p. 123) writes, ‘When one individual wins ... a struggle, successfully continuing to draw support from the organization that brought him to power but limiting his supporters’ influence on policy and personnel decisions, I label the regime personalist.’

2. This is a stylized representation meant to capture the importance of the leader’s competence to the members of the elite.

3. We make a simplifying assumption that leaders value $\psi$, the rents from holding office, and do not value competence. An extension of the model to the case where leaders value competence is presented in Appendix 2. Under the assumptions made in Appendix 2, in particular when the cost of coups is low enough, the equilibria in the baseline model also obtain in the extended model. If the cost of coups was high enough, there would be an equilibrium where only competent elites would propose a coup upon learning that a leader is incompetent, which would mean that a coup proposal signals not only that a leader is likely to be incompetent and the elite calling for a coup is likely to be ambitious but also that the elite calling for a coup is likely to be competent. If the prior probability of a member of the elite being ambitious was low enough, this would lead to the coup proposals being accepted and incompetent leaders being removed from office. This logic is explored in Debs (2007).

4. We assume that proposing a coup is costless and the cost is only paid for participating in a coup. We discuss the plausibility of this assumption in Section 8.

5. This setup results in the receipt of benefits both raising the elites’ utility and signaling the leader’s competence. To accommodate the cases when some elites can better discern the leader’s incompetence because of their greater policy expertise, and not because of their private information about the benefits given to them, the setup can be modified, so that elites initially receive only signals of the leader’s competence, but not benefits.

6. Since off-the-equilibrium-path events are possible, out-of-equilibrium beliefs need to be specified. See Appendix 1 for a discussion of a refinement under which the equilibrium is unique.

7. See Lemma 1 in Appendix 1 for a complete and formal description of equilibrium strategies.

8. See Lemma 2 in Appendix 1 for a complete and formal description of equilibrium strategies.

References


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