

The  
Economist

Get 4 Free Trial Issues  
and  
Save up to 68%

CLICK TO SUBSCRIBE

Economist.com

WORLD  
INTERNATIONAL

## Democracy's decline

### Crying for freedom

Jan 14th 2010 | BUDAPEST AND KABUL  
From The Economist print edition

**A disturbing decline in global liberty prompts some hard thinking about what is needed for democracy to prevail**



AFP

MORE than at any time since the cold war, liberal democracy needs defending. That warning was issued recently by Arch Puddington, a veteran American campaigner for civil and political rights around the world.

This week the reasons for his concern became clearer. Freedom House, a lobby group based in Washington, DC (where Mr Puddington is research director), found in its latest annual assessment that liberty and human rights had retreated globally for the fourth consecutive year. It said this marked the longest period of decline in freedom since the organisation began its reports nearly 40 years ago.

Freedom House classifies countries as "free", "partly free" or "not free" by a range of indicators that reflect its belief that political liberty and human rights are interlinked. As well as the fairness of their electoral systems, countries are assessed for things like the integrity of judges and the independence of trade unions. Among the latest findings are that authoritarian regimes are not just more numerous; they are more confident and influential.

In its report entitled "Freedom in the World 2010: Global Erosion of Freedom", the American lobby group found that declines in liberty occurred last year in 40 countries (in Africa, Latin America, the Middle East and the ex-Soviet Union) while gains were recorded in 16. The number of electoral democracies went down by three, to 116, with Honduras, Madagascar, Mozambique and Niger dropping off the list while the Maldives were reinstated. This leaves the total at its lowest since 1995, although it is still comfortably above the 1990 figure of 69.

Taken as a whole, the findings suggest a huge turn for the worse since the bubbly mood of 20 years ago, when the collapse of Soviet communism, plus the fall of apartheid, convinced people that liberal democracy had prevailed for good. To thinkers like America's Francis Fukuyama, this was the time when it became evident that political freedom, underpinned by economic freedom, marked the ultimate stage in human society's development: the "end of history", at least in a moral sense.

In the very early days after the Soviet collapse, Russia and some of its neighbours swarmed with Western advisers, disseminating not only the basics of market economics but also the mechanics of multi-party democracy. And for a short time, these pundits found willing listeners.

Today, the idea that politicians in ex-communist countries would take humble lessons from Western counterparts seems laughable. There is more evidence of authoritarians swapping tips. In October, for example, the pro-Kremlin United Russia party held its latest closed-door meeting with the Chinese Communist party. Despite big contrasts between the two countries—not many people in Russia think there is a Chinese model they could easily apply—the Russians were interested by the Chinese “experience in building a political system dominated by one political party,” according to one report of the meeting.

For freedom-watchers in the West, the worrying thing is that the cause of liberal democracy is not merely suffering political reverses, it is also in intellectual retreat. Semi-free countries, uncertain which direction to take, seem less convinced that the liberal path is the way of the future. And in the West, opinion-makers are quicker to acknowledge democracy’s drawbacks—and the apparent fact that contested elections do more harm than good when other preconditions for a well-functioning system are absent. It is a sign of the times that a British reporter, Humphrey Hawksley, has written a book with the title: “Democracy Kills: What’s So Good About the Vote?”.

A more nuanced argument, against the promotion of electoral democracy at the expense of other goals, has been made by other observers. Paul Collier, an Oxford professor, has asserted that democracy in the absence of other desirables, like the rule of law, can hobble a country’s progress. Mark Malloch-Brown, a former head of the UN Development Programme, is still a believer in democracy as a driver of economic advancement, but he thinks that in countries like Afghanistan, the West has focused too much on procedures—like multi-party elections—and is not open enough to the idea that other kinds of consensus might exist. At the University of California, Randall Peerenboom defends the “East Asian model”, according to which economic development naturally precedes democracy.

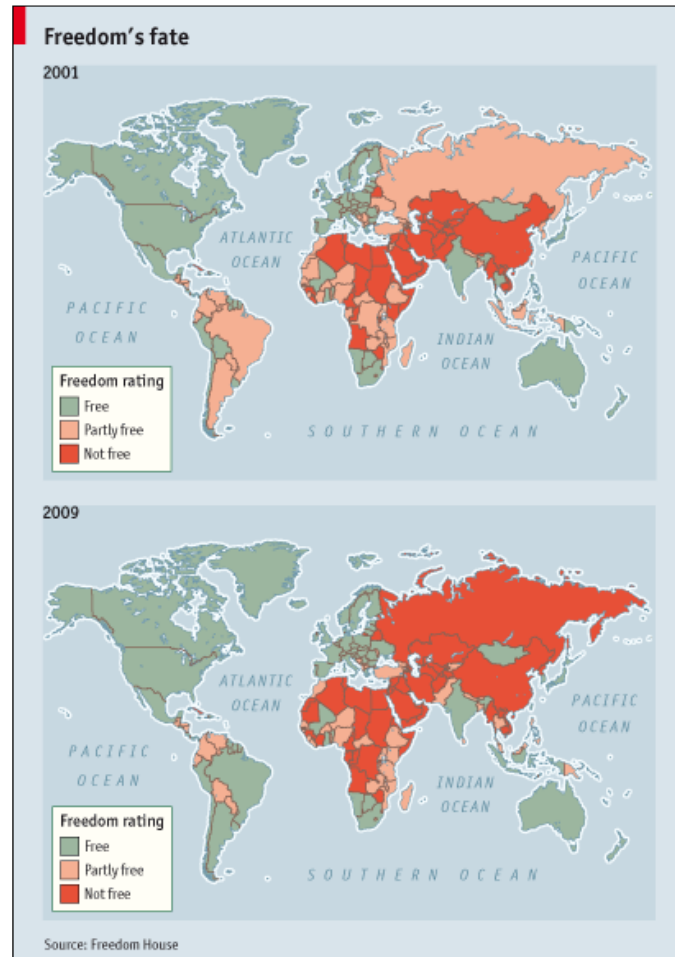
Whatever the eggheads may be saying, there are some obvious reasons why Western governments’ zeal to promote democracy, and the willingness of other countries to listen, have ebbed. In many quarters (including Western ones), the assault on Saddam Hussein’s Iraq, and its bloody aftermath, seemed to confirm people’s suspicion that promoting democracy as an American foreign-policy aim was ill-conceived or plain cynical.

In Afghanistan, the other country where an American-led coalition has been waging war in democracy’s name, the corruption and deviousness of the local political elite, and the flaws of last year’s election, have been an embarrassment. In the Middle East, America’s enthusiasm for promoting democracy took a dip after the Palestinian elections of 2006, which brought Hamas to office. The European Union’s “soft power” on its eastern rim has waned as enlargement fatigue has grown.

But perhaps the biggest reason why democracy’s magnetic power has waned is the rise of China—and the belief of its would-be imitators that they too can create a dynamic economy without easing their grip on political power. In the political rhetoric of many authoritarian governments, fascination with copying China’s trick can clearly be discerned.

For example, Syria’s ruling Baath party talks of a “socialist market economy” that will fuel growth while keeping stability. Communist Vietnam has emulated China’s economic reforms, but it was one of the states scolded by Freedom House this year for curbing liberty. Iran has called in Chinese legal experts and economists. There are limits to how much an Islamic republic and a communist state can have in common, but they seem to agree on what to avoid: Western-style freedom.

Even Cuba, while clinging to Marxist ideas, has shown an interest in China’s economic reforms. And from the viewpoint of many poor countries, especially in Africa, co-operating with China—both economically and politically—has many advantages: not least the fact that China refrains from delivering lectures on political and human freedom. The global economic downturn—and China’s ability to survive it—has clearly added to that country’s appeal. The power of China (and a consequent lessening of official concern over human rights) is palpable in Central Asia. But as dissidents in the region note, it is not just Chinese influence that makes life hard for them; it is also the dithering of Western governments which often temper their moral concerns with commercial ones.



## The argument for open argument

Given that democracy is unlikely to advance, these days, through the military or economic preponderance of the West, its best hope lies in winning a genuinely open debate. In other words, wavering countries, and sceptical societies, must be convinced that political freedom works best.

So how does the case in defence of democracy stand up these days? As many a philosopher has noted, the strongest points to be made in favour of a free political contest are negative. Democracy may not yield perfect policies, but it ought to guard against all manner of ills, ranging from outright tyranny (towards which a "mild" authoritarian can always slide) to larceny at the public expense.

Transparency International, a corruption watchdog, says that all but two of the 30 least corrupt countries in the world are democracies (the exceptions are Singapore and Hong Kong, and they are considered semi-democratic). Autocracies tend to occupy much higher rankings on the corruption scale (China is somewhere in the middle) and it is easy to see why. Entrenched political elites, untroubled by free and fair elections, can get away more easily with stuffing their pockets. And strongmen often try to maintain their hold on power by relying on public funds to reward their supporters and to buy off their enemies, leading to a huge misallocation of resources.

Yet it is easy to find corrupt democracies—indeed, in a ramshackle place like Afghanistan elections sometimes seem to make things worse. Or take the biggest of the ex-Soviet republics. Russia is authoritarian and has a massive problem with corruption; Ukraine is more democratic—the forthcoming elections are a genuine contest for power, with uncertain results—but it too has quite a big corruption problem. Ukraine has no "Kremlin", wielding authority over all-comers, but that does not make it clean or well-governed.

What about the argument that economic development, at least in its early stages, is best pursued under a benign despot? Lee Kuan Yew, an ex-prime minister of Singapore, once asserted that democracy leads to “disorderly conduct”, disrupting material progress. But there is no evidence that autocracies, on average, grow faster than democracies. For every economically successful East Asian (former) autocracy like Taiwan or South Korea, there is an Egypt or a Cameroon (or indeed a North Korea or a Myanmar) which is both harsh and sluggish.

The link between political systems and growth is hard to establish. Yet there is some evidence that, on average, democracies do better. A study by Morton Halperin, Joseph Siegle and Michael Weinstein for the Council of Foreign Relations (CFR), using World Bank data between 1960 and 2001, found that the average annual economic growth rate was 2.3% for democracies and 1.6% for autocracies. Other studies, though, are less clear.

Believers in democracy as an engine of progress often make the point that a climate of freedom is most needed in a knowledge-based economy, where independent thinking and innovation are vital. It is surely no accident that every economy in the top 25 of the Global Innovation Index is a democracy, except semi-democratic Singapore and Hong Kong.

China, which comes 27th in this table, is often cited as a vast exception to this rule. Chinese brainpower has made big strides in fields like computing, green technology and space flight. The determination of China’s authorities to impose their own terms on the information revolution was highlighted this week when Google, the search engine, said it might pull out of China after a cyber-attack that targeted human-rights activists. Since entering the Chinese market in 2006, Google had agreed to the censorship of some search results, at the authorities’ insistence.

Admirers of China’s iron hand may conclude that it can manage well without the likes of Google, which was being trounced in the local market by Baidu, a Chinese rival. But in the medium term, the mentality that insists on hobbling search engines will surely act as a break on creative endeavour. And no country should imagine that by becoming as autocratic as China, it will automatically become as dynamic as China is.

What about the argument that autocracy creates a modicum of stability without which growth is impossible? In fact, it is not evident that authoritarian countries are more stable than democracies. Quite the contrary. Although democratic politicians spend a lot of time vacillating, arguing and being loud and disagreeable, this can reinforce stability in the medium term; it allows the interests and viewpoints of more people to be heard before action is taken. On the State Fragility Index, which is produced annually by George Mason University and studies variables such as “political effectiveness” and security, democracies tend to do much better than autocracies. Tito’s Yugoslavia was stable, as was Saddam Hussein’s Iraq—but once the straitjacket that held their systems together came off, the result was a release of pent-up pressure, and a golden opportunity for demagogues bent on mayhem.

At the very least, a culture of compromise—coupled with greater accountability and limits on state power—means that democracies are better able to avoid catastrophic mistakes, or criminal cruelty. Bloody nightmares that cost tens of millions of lives, like China’s Great Leap Forward or the Soviet Union’s forced collectivisation programme, were made possible by the concentration of power in a small group of people who faced no restraint.

Liberal democratic governments can make all manner of blunders, but they are less likely to commit mass murder. Amartya Sen, a Nobel prize-winning economist, has famously argued that no country with a free press and fair elections has ever had a large famine. And research by those three CFR scholars found that poor autocracies were at least twice as likely as democracies to suffer an economic disaster (defined as a decline of 10% or more in GDP in a year). With no noisy legislatures or robust courts to hold things up, autocracies may be faster and bolder. They are also more accident-prone.

Panos

For all its frustrations, open and accountable government tends in the long run to produce better policies. This is because no group of mandarins, no matter how enlightened or well-meaning, can claim to be sure what is best for a complex society. Autocracies tend to be too heavy at the top: although decisions may be more easily taken, the ethos of autocracies—their secrecy and paranoia—makes it harder for alternative views to emerge. Above all, elections make the transfer of power legitimate and smooth. Tyrannies may look stable under one strongman; but they can slide into instability, even bloody chaos, if a

transition goes awry. Free elections also mean that policy mistakes, even bad ones, are more quickly corrected. Fresh ideas can be brought in and politicians thrown out before they grow too arrogant.

But if something has been learnt from the recent backlash against democratic enthusiasm, it is that ballot boxes alone are nothing like enough. Unless solid laws protect individual and minority rights, and government power is limited by clear checks, such as tough courts, an electoral contest can simply lead to a "tyranny of the majority", as Alexis de Tocqueville, a French philosopher, called it. That point has particular force in countries where some variety of political Islam seems likely to prevail in any open contest. In such places, minorities include dissident Muslims who often prefer to remain under the relative safety offered by a despot.

Another caveat is that democracy has never endured in countries with mainly non-market economies. The existence of an overweening state machine that meddles in everything can tempt leaders to use it against their political foes. Total control of the economy also sucks the air away from what Istvan Bibó, a Hungarian political thinker, called "the little circles of freedom"—the free associations and independent power centres that a free economy allows. Free-market economies help create a middle class that is less susceptible to state pressure and political patronage.

Perhaps most important, democracy needs leaders with an inclination and ability to compromise: what Walter Bagehot, a 19th-century editor of *The Economist*, called a "disposition rather to give up something than to take the uttermost farthing". Without a propensity for tolerating and managing differences, rival groups can easily reduce democracy to a ruthless struggle for power that ultimately wears down liberal institutions.

Democracy, this suggests, is more likely to succeed in countries with a shared feeling of belonging together, without strong cultural or ethnic fissures that can easily turn political conflict into the armed sort. Better positioned are "people so fundamentally at one that they can safely afford to bicker," as Lord Balfour, a 19th-century British politician, said. Such was not the case in Yugoslavia in the 1990s or in Lebanon in the 1970s.

Even where all the right conditions are in place, democracy will not prevail unless its proponents show success at governing. No constitution can, in itself, guarantee good governance. The success of any political system ultimately depends on whether it can provide basic things like security, wealth and justice. And in countries where experiments in democracy are in full swing, daily reality is more complex than either zealous democracy-promoters or authoritarian sceptics will allow.

In Kabul a 26-year-old handyman called Jamshed speaks for many compatriots when he lists the pros and cons of the new Western-imposed order. Compared with life under the Taliban, he appreciates the new "freedom to listen to music, to go out with your wife, to study or do whatever you want." But he cannot help remembering that "under the Taliban, you could leave your shop to pray and nobody would steal anything...now the government is corrupt, they take all your money."

Jamshed has never read John Stuart Mill or Ayn Rand. But whether he is ruled by theocrats or Western-backed election winners, he knows what he doesn't like.



Worth fighting for?