

## Democratisation After Communism: Progress, Problems, Promotion

At the beginning of the 21st century, Central and Eastern Europe looks decisively more democratic than at any time before in its history. Many countries that hardly existed as sovereign nation-states up to ten years ago, let alone as democracies, are now recognised members of the Council of Europe and are about to join the European Union. International democracy watch dogs such as Freedom House register many of the post-communist countries as free or partly free (see table 1).

This optimistic picture has to be qualified substantially though if one takes a closer look at the whole region. There are important differences over time and space. Some countries started democratisation late or half-heartedly (e.g. most of the former Soviet Union) and never made it to real democracy, while other countries slipped back into less democratic states (e.g. Belarus after 1996 under Aleksandr Lukashenko). Regression is even observable with respect to the final years of communism. Whereas Mikhail Gorbachev and the changes which he had initiated had more or less forced the communist leaderships in the Soviet republics to accept at least a modicum of openness and accountability, under post-communist conditions similar pressures remained absent. The Soviet Union at the end of the 1980s was probably more »free« than most of the post-Soviet republics ten years later.

A survey of the Central and Eastern European countries shows a geographic gradient in democratisation: the more you move within the region towards the South and the East, the less rapid, profound and sustainable the transition towards democracy seems to be. In fact, there is no common linear transition process with a preordained outcome, i.e. a market economy and a more or less liberal democracy, a process that would allow defining of all obstacles, challenges and problems along the way as the legacy of the communist past.

Many of the democratic deficiencies in East Central Europe today have less to do with the remnants of the past than with the intentional activities of the post-communist elites. Attaching the »reform« label to all of the changes that have been going on in the region since 1990 substitutes a normative political goal for scholarly analysis.<sup>1</sup> For example, it goes beyond the power of imagination to define as »reforms« the deepest industrial depression a European country has ever experienced in peace-time, as occurred in Russia, with the increase in poverty, the decrease in education, the collapse of health care and the unprecedented drop in life-expectancy. There is no post-communist transition. There are only post-communist *transitions* – processes of change which take quite different directions, and which have dramatically dissimilar outcomes.

In what follows, we will first focus on a limited number of explanatory variables related to the extent of democratisation in the region: the level of socio-economic development, the nature of communist rule and the pattern of transition (including the type of governance), as well as the issue of nationalism and national minorities. We will then deal with the apparently close relation between political and economic reform, and finally, we will discuss some specific features of post-communist democracy (or democracies), and thereby compare the relatively »successful« countries of Central Europe with the considerably more ambivalent and

1. Milada Anna Vachudová and Tim Snyder, »Are Transitions Transitory? Two Types of Political Change in Eastern Europe Since 1989«, in: *East European Politics and Societies*, 11 (Winter 1997) 1, p. 1. See also M. Steven Fish, »Democratization's Requisites: The Postcommunist Experience«, in: *Post-Soviet Affairs*, 14 (July–September 1998) 3.

Table 1:  
The Development of Political Freedom in Central and Eastern Europe Since 1989

Country/Year	1989– 90	1990– 91	1991– 92	1992– 93	1993– 94	1994– 95	1995– 96	1996– 97	1997– 98	1998– 99
Albania	NF	NF	PF	PF	PF	PF	PF	PF	PF	PF
Armenia	–	–	PF	PF	PF	PF	PF	PF	PF	PF
Azerbaijan	–	–	PF	PF	NF	NF	NF	NF	PF	PF
Belarus	–	–	PF	PF	PF	PF	PF	NF	NF	NF
Bosnia-Herzegovina	–	–	–	NF	NF	NF	NF	PF	PF	PF
Bulgaria	NF	PF	F	F	F	F	F	F	F	F
Croatia	–	–	PF	PF	PF	PF	PF	PF	PF	PF
Czech Republic	–	–	–	–	F	F	F	F	F	F
Czechoslovakia	NF	F	F	F	–	–	–	–	–	–
Estonia	–	–	F	PF	F	F	F	F	F	F
Georgia	–	–	NF	PF	PF	PF	PF	PF	PF	PF
Hungary	PF	F	F	F	F	F	F	F	F	F
Kazakhstan	–	–	PF	PF	PF	NF	NF	NF	NF	NF
Kyrgyz Republic	–	–	PF	PF	PF	PF	PF	PF	PF	PF
Latvia	–	–	F	PF	PF	F	F	F	F	F
Lithuania	–	–	F	F	F	F	F	F	F	F
Macedonia	–	–	–	PF	PF	PF	PF	PF	PF	PF
Moldova	–	–	PF	PF	PF	PF	PF	PF	PF	PF
Poland	PF	F	F	F	F	F	F	F	F	F
Romania	NF	NF	PF	PF	PF	PF	PF	F	F	F
Russia	–	–	PF	PF	PF	PF	PF	PF	PF	PF
Slovakia	–	–	–	–	PF	F	F	PF	PF	F
Slovenia	–	–	F	F	F	F	F	F	F	F
Tajikistan	–	–	PF	NF	NF	NF	NF	NF	NF	NF
Turkmenistan	–	–	PF	NF	NF	NF	NF	NF	NF	NF
Ukraine	–	–	PF	PF	PF	PF	PF	PF	PF	PF
Uzbekistan	–	–	PF	NF	NF	NF	NF	NF	NF	NF

F = free; PF = partly free; NF = not free: Source: Freedom House ([www.freedomhouse.org](http://www.freedomhouse.org))

problematic record of the Russian Federation.

## Democracy and Development

Historical differences in economic, social and political development are often put forward to explain the differences in democratisation between Central Europe on the one hand, and Southern and Eastern Europe on the other. While countries like Czechoslovakia, Hungary and Poland have had long, albeit interrupted, traditions of statehood, economic development and even democracy, the other countries have been subject to Russian impe-

rial or Ottoman rule, have started nation-building and industrialisation later and have had virtually no substantial democratic experience.<sup>2</sup> Subsequently, urbanisation, education and the emergence of a civil society were delayed or even deliberately op-

2. Attila Agh (*Emerging Democracies in East Central Europe and the Balkans*. Cheltenham-Northampton 1998, p. 6) argues that the transition of 1989–92 was a re-democratisation for the countries of Central Europe and a democratisation for the rest. This to some extent explains the differences within the transition process itself as well as post-transition development, in particular the scope and speed of consolidation of democracy.

pressed. For many less developed countries in the region, modernisation started effectively but under communism.

If one applies the democratisation index of Freedom House to the various post-communist countries the following picture emerges for 1998/99: altogether, poorer countries with a per capita income of less than 1000 dollar tend to be slow democratisers. However, as a group, the low-income countries show very different levels of democratisation, and the good democracies have very different levels of income (e.g. Slovenia has an income per capita that is three times higher than that of Poland).

Among the historical conditions mentioned, the level of socio-economic development is generally perceived as the single most important »requisite« of democratisation.<sup>3</sup> Empirical evidence seems to confirm this. It is the exception, rather than the rule, that democracy is established and is able to survive in less developed places (e.g. India).<sup>4</sup> However, it is not the only, and certainly not an isolated, factor in explaining the potential of democratisation. Table 2, which presents a rather unsophisticated ranking of countries in terms of political and economic reform, geographical location, ethnic diversity and democratisation, suggests a number of causal links.

Only fourteen of the 27 countries in the region

appear in the first three columns. This indicates that the extent of democratic and economic reform and the level of human development (income, life expectancy, literacy, etc.) achieved are closely related. Indeed, there is a rather stringent division between the »haves« and the »have-nots« in this respect.

The picture becomes even more telling if we compare an aggregate rating of political and economic reform with the countries' ethnic homogeneity, geographic location and religious characteristics. The leading position of the Central European countries emerges beyond any doubt.

3. The seminal work on economic development leading to democracy is by Seymour Martin Lipset, in particular his article »Social Requisites of Democracy: Economic Development and Political Legitimacy«, in: *American Political Science Review*, 53 (1959), pp. 69–105, and his *Political Man*, New York 1960. The significance of civil society was pointed out by Rober Putnam et al., *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton 1993. Ronald Inglehart, *Modernization and Postmodernization. Cultural, Economic, and Political Change in 43 Societies*, Princeton 1997, and Larry Diamond, *Developing Democracy Toward Consolidation*, Baltimore/London 1999, have analysed the conditions of democratisation and democracy more generally.
4. See Adam Przeworski et al. »What makes Democracies Endure«, in: *Journal of Democracy* 7 (1996) 1.
5. Steven Fish, op. cit., p. 230.

Table 2:  
Democratic and Economic Reform, and Ethnic Homogeneity

Democratic Reform Score (1997)	Human Development Index value (1997)	Economic Reform Score (1996)	Ethnic Homogeneity Score (1996)
1. Czech Republic	1. Slovenia	1. Czech Republic	1. Poland
2. Hungary	2. Czech Republic	2. Estonia	2. Albania
3. Poland	3. Slovakia	3. Hungary	3. Czech Republic
– Slovenia	4. Hungary	4. Poland	4. Slovenia
5. Estonia	5. Poland	5. Slovakia	5. Hungary
– Latvia	6. Belarus	6. Lithuania	6. Romania
– Lithuania	7. Russian Federation	7. Latvia	7. Bulgaria
8. Bulgaria	8. Bulgaria	8. Croatia	8. Russian Federation
– Moldova	9. Estonia	– Albania	– Slovakia
– Slovakia	10. Croatia	10. Russian Federation	10. Lithuania

Source: the data on democratic reform is from Freedom House, the HDI scale is from the United Nations Development Program. These data and the data on economic reform and the ethnic homogeneity score are presented in Steven Fish, »Democratization's Requisites«, pp. 217, 225. More recent figures can be found at: [www.freedomhouse.org/ratings/](http://www.freedomhouse.org/ratings/).

Despite some scepticism about this point<sup>5</sup>, ethnic homogeneity seems to be an additional positive factor in explaining the chances of successful democratisation. Probably, as we shall see later, the essential thing here is not the measure of ethnic homogeneity as such, but its irrelevance and therefore the absence of radical, ethnically-inspired nationalism. Of the ten states mentioned in the first column (essentially the most successful reformers in the region), eight belong to the ten most ethnically homogeneous countries. Only Estonia and Latvia deviate from the rule of relative homogeneity (due to their large Russian minorities). Bulgaria and the Russian Federation, which take the penultimate and the final position on the list of reforming countries, are the only two explicitly East European nations (as far as geographic location is concerned). The three Baltic states are dubious cases; the others are of Central European location. The same goes for the dominant religion in these countries. Eight of the ten reformers are Western Christian countries. Orthodox Bulgaria and Russia are nine and ten on the list. Predominantly Moslem countries are wholly absent.

## The Communist Legacy and the Nature of Transition

The impact of communist rule has been different in different countries. In the Soviet Union it started almost directly after the collapse of the Tsarist empire with the non-allowance of any multi-party democratic experience beyond the few months of Kerenski's rule and perhaps the not yet completely totalitarian period of early Soviet rule. Similarly brief were the periods of independence and democracy in other parts of what eventually became the Soviet Union (e.g. Georgia). Thus, these countries and their populations suffered much longer from the communist party dictatorship than the countries of Central and South Eastern Europe where communist regimes were only established after World War II and again more rapidly in the Balkans than in Central Europe.

The forty to fifty years of communist rule outside the Soviet Union have also been a far from uniform experience throughout the region. It was only in the Central European countries that anti-communist opposition became politically significant. In addition, it was there more than in other countries that important segments of the communist elite turned to reformist ideas during the final decade of communist rule. This facilitated a process of gradual internal reform, which ultimately enabled part of the leadership to accept the opposition as a political counterpart and to engage in a

Table 3:  
Level of Reform, Ethnic Homogeneity, Geography and Religion

Country	Reform (composite index)	Ethnic homogeneity (ranking)	Geographic location	Religion
Czech Republic	29	3	CE	WC
Hungary	24	5	CE	WC
Poland	21	1	CE	WC
Estonia	17	15	CE/EE	WC/EC
Slovenia	17	4	CE	WC
Slovakia	15	8	CE	WC
Latvia	9	16	CE/EE	WC/EC
Lithuania	9	9	CE/EE	WC
Bulgaria	6	7	EE	EC
Russian Federation	5	8	EE	EC

Source: see Table 1

CE = Central Europe; EE = Eastern Europe; WC = Western Christianity; EC = Eastern Christianity

negotiated transfer of power. The measure of reformism present in the Polish and Hungarian communist parties was probably the single most important factor which enabled them to later successfully transform into social democratic parties akin to those in Western Europe.<sup>6</sup>

Nationalistically inspired opposition against Soviet hegemony also came from (part of) the communist leadership in the Balkans. But while it led to the relative autonomy of Yugoslavia, Albania and, to a lesser extent, of Romania, it also weakened the democratic resolve as it focused political energies on the national issue.

Following Herbert Kitschelt's<sup>7</sup> typology, three different types of communist regimes can be discerned, each leading to different types of transition:

- ▶ bureaucratic-authoritarian communism (e.g. Czechoslovakia, German Democratic Republic, Poland to some degree), which emerged in highly developed countries and ended in a regime implosion;
- ▶ national-accommodative communism (Hungary, Slovenia, early Croatia, to some degree Poland, Slovakia, the Baltic countries and Serbia) which also can be found in more developed societies and the transition of which tended to be negotiated;
- ▶ patrimonial communism (virtually all of the former Soviet Union and South Eastern Europe) where transition has been either negotiated or initiated by pre-emptive reform by the old elites unless the regime simply continued under a new label and new personnel.

The nature of communist rule, the presence (or absence) of a certain democratic tradition (including a democratic counter-elite), the way the communist regimes relinquished power and the democratic (or the lack of) redefinition of political institutions under post-communism seem to be closely linked. Again, Central Europe played a special role. The first free elections took place in these countries. The communists negotiated their »surrender« through Round Tables with the opposition, which allowed for a peaceful transition. At the other extreme, the Romanian dictator Nicolae Ceausescu had to be toppled by force resulting in the death of several hundred Romanian citizens and eventually his own, though the new powers to be were another sort of communists rather than

the democratic opposition. In between were the transitions dominated by factions of the nomenklatura that were, in the best cases, reformist (Russia, where the democratic opposition, DemRos-siya, never gained power; Bulgaria, where the ad-hoc coalition of the Union of Democratic Forces proved unable to act as a real counterforce to the restyled Bulgarian Communist Party; and some parts of former Yugoslavia) and, in the worst cases, »parties of power« using new, mostly nationalist, disguises to continue their old rule (as in many parts of the former Soviet Union).

Formally, democratic constitutions were adopted in most countries. Sometimes new constitutions were designed, but more often existent ones amended. With the exception of Bulgaria, it was not constituent assemblies, but other state bodies, mostly parliaments, that formulated new constitutions, which in many cases were then approved by a popular referendum. The institutional settings which emerged from the constitutional change ranged from parliamentary to presidential democracies. In some cases, formal and real powers have been concentrated in the presidency and the powers of parliament and judiciary have been limited to such an extent that these systems hardly qualify as democracies. An overview of different governmental structures in Central and Eastern Europe reveals two trends: the more presidential and the less parliamentary systems are, the more likely they are to become autocratic – the continuity of (post)communist leadership is remarkable among the countries with a presidential system; and secondly, parliamentary and mixed systems are predominant among the countries that we earlier identified as the most successful political and economic reformers.

Political transition was shaped by three groups of key actors:

- ▶ *The opposition movements or dissidents:* Where the opposition movements (e.g. Solidarnosc under Lech Walesa, Civic Forum with Vaclav Havel) were strong and principally democrati-

6. See also Michael Dauderstädt, André Gerrits and György Márkus, *Troubled Transition. Social Democracy in East Central Europe*. Amsterdam-Bonn 1999.

7. See Herbert Kitschelt et al. *Post-Communist Party Systems. Competition, Representation, and Inter-Party Cooperation*. Cambridge 1999, p. 35 ff.

Table 4:  
Systems of Government

Parliamentary Systems			Mixed Systems		Presidential Systems with Cabinet	
weak president	medium strong president	strong president	parliamentary-presidential systems	presidential-parliamentary systems	with Prime Minister	without Prime Minister
Yugoslavia <sup>8</sup>	Czech Republic Estonia Hungary Slovakia Slovenia	Albania Bulgaria Macedonia	Lithuania Moldova Montenegro Poland	Armenia Croatia Kyrgyz Republic Romania Russia Serbia Ukraine	Belarus Kazakhstan Tajikistan Uzbekistan	Georgia Turkmenistan

Source: Georg Brunner »Präsident, Regierung und Parlament. Machtverteilung zwischen Exekutive und Legislative«, in: Otto Luchtenhand (ed.), Neue Regierungssysteme in Osteuropa und der GUS. Berlin 1996, as quoted in Wolfgang Merkel, Systemtransformation, Opladen 1999

cally motivated, they formed the nucleus of a civil society and a political culture conducive to democracy. Those opposition groups which did not equate anti-communism with the quest for democracy, emphasised freedom from communist, Soviet or Serb rule. Economic reform, though considered important, served as an instrument to dissolve the (communist) power structures that still controlled state-owned enterprises

- *The reformist communists* (such as Aleksandr Dubcek, Miklós Németh) were more concerned with economic, and occasionally, political reform. Some attempts to reform the planned economy even pre-dated the transition by decades. To them, national sovereignty was less a goal of transition in itself than a condition for economic and political reform. These groups regularly transformed themselves into social-democratic parties after 1990.
- *National communists* (such as Ion Iliescu, Leonid Kuchma or Aleksandr Lukashenko) wanted or used independence to strengthen their power, using nationalist rhetoric in order to get popular support. Economic and political reform has been subordinated to the preservation of power.

The different weight that these actors and their

motives carried in the transition process influenced the course and outcome of democratisation, and so did the specific state structure which emerged in various post-communist countries. Most countries in Central and Eastern Europe are unitary states where political power is concentrated in the central government. The best known federations, the Union of Soviet Socialist Republics, Yugoslavia and Czechoslovakia have all collapsed. Bosnia-Herzegovina is a virtual federal state upheld by the international community. Otherwise, the trend is to establish states that are congruent to ethnic habitats. Minority protection is achieved by the general respect for human rights (if at all) rather than by the devolution of power to regional or local authorities. The latter would, in any case, only work where the minorities are geographically concentrated and not spread out through the country such as the Roma population in many countries of Central and Eastern Europe.

State power and institutions are an important aspect of political transition. It refers to the good governance issue which seems to dominate discus-

8. Milosevic has transformed a constitutionally weak position into a powerful one thanks to his personal influence rather than the competencies of the office.

sions on development and international co-operation today. The Russian Federation offers a good example of the ambiguity of this issue. Lilia Shevtsova describes Russia's post-communist system as a »regime, in which elements of democracy, authoritarianism, post-totalitarianism, delegative democracy, bureaucratic-authoritarianism, oligarchic rule, sultanism, and even monarchy are intertwined.«<sup>9</sup> State power is weak and arbitrary. It is fragmented – vertically, between powerful interests at the centre, and horizontally, between Moscow and the local leaderships in the regions. Some regions are strong, more regions are weak, and most of them have a dubious record in democracy and human rights. Political and economic power seem even more closely connected than in the political centre, the division of powers is generally weaker and the media are mostly fully dependent on the local powers. Obviously, any discussion about a »Rechtsstaat« in Russia, or about full democracy, seems senseless so long as the state is not capable of enforcing the law when necessary.

### The Force of Nationalism

Within the new nation-states emerging from the disintegration of the Soviet Union, Yugoslavia, and Czechoslovakia, issues of nation-building were prominent on the political agenda and often complicated or delayed democratisation. Citizenship, a core concept of any democracy, had to be defined anew. This led to various problems with the

minorities that were living in the territory but did not belong to the titular nation. The exception is the »velvet divorce« between the Czech Republic and Slovakia which led to relatively few problems but still succeeded in complicating the democratisation of Slovakia. Otherwise, conflicts were ranging from mild protests, or the formation of parties representing these minorities, to civil war. As the Table 5 shows, defective democracies were much more numerous among new nations than among the old ones. The Baltic countries, in turn, prove that countries can overcome these handicaps.

Nationalist conflict is almost always linked to the issue of ethnic minorities. One could argue about the relation between democratisation and ethnic heterogeneity but even the unsophisticated statistics which we presented above, makes us disagree with those who claim that there is no significant link between the two. It is not so much the presence of minorities per se which is crucial but the fact that post-communist leaders use it as a means of acquiring political legitimacy. The politicisation of the minorities issue (for reasons which sometimes have very little to do with the issue itself) is essential because only this creates the ethnic nationalism that is at odds with democracy.

This makes the relation between democratisation and nationalist conflict a far more ambivalent

9. Lilia Shevtsova, *Yeltsin's Russia. Myths and Realities*. Washington 1999, p. 288.

Table 5:  
Democratisation and Nation-building

	Old nation-states	New nation-states
Sound democracies	Poland, Hungary, Romania, Bulgaria	Czech Republic, Slovakia, Latvia, Estonia, Lithuania, Slovenia
Defective democracies	Albania	Croatia, Serbia, Bosnia, Macedonia, Moldova, Russia, Belarus, Ukraine, Georgia, Armenia, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Uzbekistan

A country is defined as »Sound democracy« if it gets less than 3 points as the average of three democracy indicators with two (Political Rights Index and Civil Liberties Index) ranging from one to seven points and one (Freedom Status) valued 2 in the case of »free« (F), 4 in the case of »partly free« (PF) and 6 in the case of »not free« (NF) (all three indicators taken from Freedom House country rankings for 1998–99; see also table 1 above).  
 »Defective democracy« is defined by more than 3 points on the above scale.  
 »Old nation« is defined as an already established independent state between 1950 and 1990.  
 »New nation« is defined as an independent nation established after 1950.



one than is generally accepted. The idea that democratisation is the best antidote available to nationalist conflict is comforting but misleading. Under certain conditions democratisation will rather stimulate than discourage nationalist sentiments and conflicts, because it gives powerful groups much more room to politicise and mobilise nationalist feelings in their own particular interest than the limited parameters of the communist system did.<sup>10</sup> The level of socio-economic development, the extent to which democracy threatens elite interests and especially the institutional legacy of communism (the strength of democratic political institutions, the vigour of civil society) are the crucial variables. They seem to be more important in explaining the presence or absence of nationalist conflict than the so frequently mentioned and seemingly age-old tribal conflicts in the area.

### Political Democracy and Economic Reform

Democratisation started with legislative and constitutional changes and more or less free »founding elections«, which in most countries led to the demise of the former communist government. This was the easy part, as Ralf Dahrendorf pointed out in 1990, directly after the collapse of communism: »The formal process of constitutional reform takes at least six months; a general sense that things are looking up as a result of economic reform is unlikely to spread before six years have passed; the third condition of the road to freedom is to provide the social foundations which transform the constitution and the economy from fair-weather into all-weather institutions capable of withstanding the storms generated within and without, and sixty years are barely enough to lay these foundations.«<sup>11</sup>

Economic transformation began in a situation of deep crisis. Between 1990 and 1993, average annual growth rates of GDP were negative in all countries of Central and Eastern Europe. The decline lasted for about two years in Poland and at least eight years in the Ukraine.<sup>12</sup> On average, the most democratic countries showed a better economic performance than the less democratic ones. The five best performing countries (Poland, Slovenia, Czech Republic, Slovakia and Hungary) are not only good democracies (with the temporary

exception of Slovakia) but belong also to the relatively rich, developed, westernised group of Central European countries. Their success can be credited as much to those socio-economic factors as to democracy. Good democracies may not automatically make good economic reformers,<sup>13</sup> but in post-communist Europe »the move toward the market is remarkably consistent with the move toward democracy.«<sup>14</sup>

As Dani Rodrik argues on the basis of a statistical analysis,<sup>15</sup> democracies are better than autocratic regimes in adjusting to external shocks as they avoid internal friction through better conflict resolution and compensation mechanisms. Democracy also might promote growth through securing property rights and allowing the demise of bad government. On the other hand, it can hamper growth through unsustainable redistribution or too much concern for special interests. But then again: dictatorship is by no means better. While a development-centred autocrat (e.g. Lee Yuan Kew in Singapore) can work wonders, most autocracies have plundered the wealth of their countries. The communist dictatorships, too, did not succeed in achieving sustainable growth even though their growth rates were impressive until 1970. It was this failure that has contributed most to their collapse. However, when communists do achieve high growth, as in China, they are less liable to lose legitimacy and may possibly stay in power until urbanization, education and wealth make the drive for freedom irresistible.

Given the enormous challenges of system transformation, democracies in Central and Eastern

10. For an extensive on this issue see Jack Snyder, *From Voting to Violence. Democratization and Nationalist Conflict*. New York–London 2000.

11. Ralf Dahrendorf, *Reflections on the Revolution in Europe*. New York: 1990, pp. 99–100.

12. See Grzegorz W. Kolodko, *Ten Years of Postsocialist Transition. Lessons for Policy Reforms*. World Bank Policy Research Working Paper, Washington 1999, p. 4 (Table 1).

13. See Robert J. Barro, *Determinants of Economic Growth. A Cross-Country Empirical Study*. Cambridge–London 1997, pp. 49–87.

14. Steven Fish, op. cit., p. 232.

15. See Dani Rodrik, »Where Did All the Growth Go? External Shocks, Social Conflict, and Growth Collapses«. Manuscript. Harvard University, Cambridge, Mass. August 1998.



Europe did remarkably well. Although most policies (stabilisation, liberalisation, privatisation) implied heavy burdens for important social groups, they were not blocked by anti-reform alliances. In Poland, the economically most successful democracy, government has been rather unstable. In turn, in the Czech Republic, political stability went hand-in-hand with stagnating economic reforms. The Czech economic crisis was partly caused by the voucher privatisation which seemed to give everybody an equal share in the new market economy and was thus politically very successful, but which created an ownership structure that hampered economic modernisation. Economic recession led to a change of government (in the form of an electoral victory for the social-democratic opposition), but the political stalemate that prevented the necessary reforms prevailed. In some South Eastern European countries, similar situations of powerless coalitions fragmented by personal conflicts between leading politicians had

disastrous economic consequences.

The transition-related economic decline caused a substantial increase in poverty, inequality and unemployment in societies that were accustomed to economic security and equality. Unsurprisingly, the population reacted with frustration and discontent. Opinion polls taken by Eurobarometer between 1991 and 1997 show that, in most countries, the majority of the people polled were not satisfied with the way their democracies were developing (see Table 6). This data does not imply that they did not want a democracy - although in some countries strong minorities preferred the old system and would not have minded a dissolution of democratic institutions.<sup>16</sup> In several countries, major discontent was also revealed with regard to human rights.

16. See Richard Rose and Christian Haerpfer, »New Democracies Barometer III. Learning From What Is Happening«, in: *Studies in Public Policy*, 230, Glasgow 1994.

Table 6:  
Satisfaction With the Development of Democracy (percentage of those not satisfied)

Country	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98
Albania	55	54	58	66	41	24	—
Armenia	—	86	84	86	80	79	—
Belarus	—	77	68	73	67	61	—
Bulgaria	45	53	69	91	80	86	73
Croatia	—	—	—	—	42	52	—
Czech Republic	—	57	48	53	50	59	62
Czechoslovakia	66	—	—	—	—	—	—
Estonia	55	63	51	59	58	56	56
Georgia	—	49	—	74	47	56	—
Hungary	60	72	74	66	77	72	64
Kazakhstan	—	—	—	74	67	75	—
Latvia	52	75	61	68	66	70	69
Lithuania	32	43	56	62	66	59	55
Macedonia	—	49	49	63	55	57	—
Poland	50	55	49	63	38	45	37
Romania	55	69	56	67	58	43	50
Russia (European)	67	75	71	83	86	82	—
Slovakia	—	74	78	79	67	74	72
Slovenia	—	49	59	60	60	53	59
Ukraine	—	70	72	69	70	63	—

Source: Central and Eastern Eurobarometer, various issues (the years given above indicate the year the poll was taken and the subsequent year when it was published).

The high percentage of dissatisfied people in some of the most democratic countries, such as Hungary or the Czech Republic, is alarming. Only in Poland does the population seem relatively content with the country's development – unsurprisingly perhaps in view of the economic boom since 1994. However, polls can be illusive as was proved in Albania where the highest level of satisfaction of any country at any time between 1991 and 1997 was reached in 1996, shortly before first its pseudo-economy of financial pyramids and then the whole country collapsed. At the same time, the citizens of the post-communist societies evidently appreciated the new freedom as other polls show. When they are asked to compare their present liberties with the past regime, they clearly see the progress, albeit with notable differences between countries and regarding specific aspects.<sup>17</sup>

In most countries of Central and Eastern Europe, discontentment with poor economic performance did not deconsolidate democracy. It produced democratic changes of government but no return of authoritarian rule. Moreover, economic performance was weakest and the accompanying discontent strongest, where democracies were defective anyway, and could thus not be blamed directly. In turn, the economic performance of the »good« democracies (i.e. mostly in Central Europe) was rather encouraging and will, hopefully, continue to improve with the support of European integration (for the risks involved see below pp. 17–18).

However the risks remain. Economic decline might eventually provoke authoritarian rule as it often<sup>18</sup> did in history, e.g. during the inter-war period after the great depression. Discontent might strengthen less democratic forces such as those which blame the economic problems on foreigners (the »West«) and the democratic regime rather than looking for appropriate domestic reforms. Economic problems which breed discontent include not only the lack of growth but also the unequal distribution of the benefits of growth, which has produced a large group of losers to post-communist transformation. Aggressive identity politics is a »natural« substitute for a realistic and sometimes painful assessment of one's own deficiencies and appropriate corrections of policy. Populist parties which prey on such sentiments abound in Eastern and Central Europe (as in some

countries of the European Union as well), ranging from unreformed communists to right-wing nationalists. Up to now though, they have hardly gained big shares of the popular vote (see table 7), but that might change. The debate concerning the accession to the EU and the adjustments and reforms required by the EU could be a catalyst for both sensible reform, and a nationalist-traditionalist coalition of potential losers who object to EU-membership.

## The Post-Communist Political System

Democracy demands a democratic culture, i.e. a society that not only accepts democratic procedures but that also values democratic institutions for their own sake. The record of most post-communist countries is still ambivalent. As shown above, discontent is wide-spread. Its most prominent expression has been the voting behaviour of the electorates. Almost no government succeeded in winning a second term. Exceptional cases were Boris Yeltsin's re-election as president in June 1996 (with the help of the mass-media controlled by those who believed themselves to have a stake in his victory) and Vaclav Klaus' electoral success in the Czech elections of 1996 (which also proved to be short-lived and ended in an early defeat in 1998). Fortunately, the electorate chose democratic alternatives in most cases. The first victims of the voters' wrath were the anticommunist victors of the founding elections. In Lithuania, Hungary, Poland and Macedonia, reformed successor parties of the erstwhile communist parties »returned« to power. With some delay the less reformed Albanian and Bulgarian communists also returned. The importance of charismatic leaders proved to be similarly unstable: personalities such as Mikhail Gorbachev in Russia, Vaclav Havel and Jiri Dienstbier in the Czech Republic, Alexander Dubcek in

17. See Rose/Haerpfer, op. cit., questions 35–42; unsurprisingly, the perception of democratic improvement and better treatment by the government is weaker in countries such as Belarus or Ukraine.

18. Larry Diamond, op. cit., p. 78 ff., holds that view by quoting comprehensive surveys such as the article of Adam Przeworski et al. »What Makes Democracies Endure?« in: *Journal of Democracy* 7, no. 1 (1996) pp. 41–42.

Slovakia, or Lech Walesa in Poland lost much of their appeal in their own countries while being kept in high esteem abroad. The frequency of governmental change in Central Europe contrasts with the level of political continuity in other parts of the region, notably in the countries of the Commonwealth of Independent States.

The electoral upheavals were prepared and accompanied by big changes in the party structures. New parties emerged, small parties turned big, big parties failed to get seats in parliamentary elections. Particularities and changes in the electoral laws contributed to the confusion. Sometimes large parts of the electorate went unrepresented in parliament as, for instance, in the Polish election of 1994, when several competing conservative parties all failed to clear the threshold required to enter the parliament. Voter turn-out has been modest in many countries and indicates a general low trust in parties and politics as confirmed by several polls.<sup>19</sup> The link between social groups or strata and specific parties is also rather weak. All this has led to levels of political volatility which have been unprecedented even in new democracies like Germany and Italy after 1945 or Spain and Portugal in the 1970s.<sup>20</sup>

In spite of the high volatility of party politics, the democratic centre has held. Extremist, anti-democratic parties did gain some support but rarely power. As table 7 shows, centre-right (liberal/conservative) and centre-left (social-democratic) parties together got almost 60 % of the parliamentary seats (though probably a smaller share of the popular vote) in the Central and East European region when taken as a whole. Without a centre-left alternative, the popular discontent might have chosen a more extremist outlet with grave consequences for the region's political development. The centre becomes even stronger and broader, if one includes post-communist half-reformed parties such as the Albanian, Bulgarian and Romanian socialists and some moderate nationalists such as the party of Meciar in Slovakia or the Macedonian VMRO. Orthodox communist and fascist nationalists have remained marginal in almost all countries of the region.

Indeed, the democratisation (or »social-democratisation«) of the successor parties has been a crucial element in the stabilisation of post-communist democracy in a number of countries.<sup>21</sup> So

one can say that social democracy helped democracy. But it is also true that social democracy needs democracy. In none of the countries with a poor democratic record, including the Russian Federation, have social democratic parties been able to establish themselves.

Social democrats in post-communist East Central Europe emerged from three different sources: from the re-founded historical parties of the inter-war period, the reformist currents in communist parties, and the left wing of opposition and citizen movements. The Czech Republic saw the only example of a »historic« social democratic party which made a successful re-appearance on the political scene. Elsewhere, only reformed communist parties became notable political forces. But social democrats are not exceptional in this respect: pre-communist party formations have generally failed to become major political actors.

Why are the party structures as volatile as they are? Obviously, there is no lack of political parties in the post-communist world. The problem is the weakness of most political formations and the lack of identification on the part of the populace. The party landscape is highly fragmented. Parties are generally small, isolated and centred around individuals. They suffer from a serious lack of legitimacy. At best, they are perceived as a by-product of democratisation, as a »necessary evil«.<sup>22</sup> Even though the poor image of political parties and the volatility of party structures is a region-wide phenomenon, the differences between specific countries are substantial. The Russian Federation

19. See also Dauderstädt et al., op. cit., pp. 60–62.

20. The level of a corresponding indicator reached from 47 in Bulgaria 1991–94 to 63 in Poland 1991–93 and to 178 in the Czech Republic while Germany had 52 in 1949–53, Portugal 25 in 1975–77 and established democracies less than 20. All values are from a study by Richard Rose, »Mobilizing Demobilized Voters in Post-Communist Societies«, as quoted in: Wolfgang Merkel, »Die Konsolidierung postautoritärer Demokratien: Ein theoretisches Modell (nicht nur) für Osteuropa«, in: Klaus Armingeon (ed.), *Der Nationalstaat am Ende des 20. Jahrhunderts*, Bern/Stuttgart/Wien 1996.

21. For the process of social-democratisation of former communist parties see Dauderstädt et al., op. cit., pp. 77–82.

22. Jakob Juchler, »Probleme der Demokratisierung in den osteuropäischen Transformationsländer«, in: *Osteuropa*, 47 (September 1997) 9, p. 902.

Table 7:  
The Composition of Parliaments (percentage of seats per political/ideological current as of 1.1.1999)

Country	Communist	Post-communist authoritarian socialist	Social-democratic	Conservative/ liberal	Nationalist-authoritarian	Ethnic-regionalist	Miscellaneous non-partisans	Vacant
Albania	0,0 %	65,2 %	5,2 %	21,3 %	2,6 %	2,6 %	3,2 %	0,0 %
Armenia	3,7 %	0,0 %	0,5 %	71,6 %	0,0 %	0,0 %	23,2 %	1,1 %
Belarus	16,2 %	12,7 %	0,4 %	6,5 %	0,0 %	0,0 %	40,4 %	23,8 %
Bosnia-Herzeg.	0,0 %	0,0 %	4,8 %	9,5 %	0,0 %	85,7 %	0,0 %	0,0 %
Bulgaria	0,0 %	24,2 %	7,1 %	57,1 %	3,7 %	7,9 %	0,0 %	0,0 %
Croatia	0,0 %	0,0 %	8,7 %	20,5 %	3,1 %	64,6 %	3,1 %	0,0 %
Czech Republic	12,0 %	0,0 %	37,0 %	51,0 %	0,0 %	0,0 %	0,0 %	0,0 %
Estonia	0,0 %	0,0 %	5,9 %	81,2 %	6,9 %	5,9 %	0,0 %	0,0 %
Georgia	0,4 %	0,0 %	47,2 %	17,0 %	0,0 %	13,6 %	19,1 %	2,6 %
Hungary	0,0 %	0,0 %	34,7 %	61,4 %	3,6 %	0,0 %	0,3 %	0,0 %
Latvia	0,0 %	0,0 %	14,0 %	69,0 %	17,0 %	0,0 %	0,0 %	0,0 %
Lithuania	0,0 %	8,5 %	8,5 %	74,5 %	0,0 %	1,4 %	7,1 %	0,0 %
Macedonia	0,0 %	1,7 %	22,5 %	3,3 %	50,8 %	21,7 %	0,0 %	0,0 %
Moldova	39,6 %	0,0 %	0,0 %	23,8 %	0,0 %	36,6 %	0,0 %	0,0 %
Poland	0,0 %	0,0 %	35,7 %	63,9 %	0,0 %	0,4 %	0,0 %	0,0 %
Romania	0,0 %	26,5 %	15,5 %	35,6 %	10,8 %	11,7 %	0,0 %	0,0 %
Russia	35,1 %	7,6 %	0,0 %	27,1 %	11,6 %	0,0 %	18,7 %	0,0 %
Slovakia	0,0 %	0,0 %	18,0 %	34,0 %	38,0 %	10,0 %	0,0 %	0,0 %
Slovenia	0,0 %	0,0 %	10,0 %	65,6 %	22,2 %	2,2 %	0,0 %	0,0 %
Ukraine	26,9 %	10,4 %	5,6 %	45,1 %	0,0 %	0,0 %	10,4 %	1,6 %
Yugoslavia	0,0 %	60,9 %	0,7 %	21,7 %	11,6 %	5,1 %	0,0 %	0,0 %
total	8,8 %	10,3 %	15,6 %	42,4 %	6,7 %	6,9 %	7,7 %	1,7 %

Source: Dauderstädt et al., op. cit., p. 136-7.

knows all the political institutions of an advanced democracy, including a range of political parties, but »real« politics is highly informal, non-institutionalised and non-transparent. There is no clear division of power among branches of government, and there are no undisputed mechanisms for resolving conflicts. Political culture is strongly antagonistic. Political power largely depends on personal relations. It can be easily won and lost. Vital organisations within the government bureaucracy are above any democratic control. The national security council, the presidential staff (which comprises thousands of employees) and security apparatus (an elite military force) are responsible to the president only. Characteristically, almost half of the respondents answered negatively to

the question of whether or not they felt that they had more influence on the government than during communist times.<sup>23</sup> It was certainly among Yeltsin's worst mistakes to fail to establish strong political institutions (with the exception of his »super-presidency«) and stable rules of the game.<sup>24</sup> Under these conditions, political parties could only be of secondary importance. They remained weak and unpopular (with the partial exception of the Communist Party) and

23. Stephen White, *Russia's New Politics. The Management of a Postcommunist Society*. Cambridge 2000, p. 271.

24. Shevtsova, op. cit., p. 3.

poor countervailing forces – if not mere extensions of the executive (like the presidential party Edinstvo).

The link between parties, their programmes and values on the one hand and the societal interests they ideally have to articulate and represent on the other, is generally weak. One reason for this is that the interest structure in the society has been volatile and rapidly changing with the changing economy. The transition was transforming a dualistic society of a small, politically powerful »nomenklatura« and an almost unstratified population into a pluralistic society with many different social groups and with different interests separated from each other by a multitude of cleavages.

Under communism, the cleavage structure<sup>25</sup> posed communists against anti-communists. Its political expression is the broad citizens movement (e.g. Solidarnosc or Civic Forum) which intends and succeeds to change the regime. Unsurprisingly, these movements disintegrated rapidly after their primary goal was achieved. The cleavage continued to exist afterwards although its importance has been decreasing. Typical remaining conflicts are problems like »lustration« (should former high communist officials be allowed to hold office in the new democracies?), compensation for the victims of communism (restitution of expropriated assets) or punishment of former communists. Conservative parties also use anticommunist feelings to fight the successor parties of the communist parties even when they have reformed themselves.

The transition itself has produced the cleavage between the winners and the losers of economic transformation, in particular of privatisation. Whereas the actual or potential losers want more political protection of their social status, and thus opt for a more interventionist economic and social policy, the winners embrace the new open market economy. This cleavage will eventually transform itself into, or partially coincide with, the well-known capitalist cleavage between capital and labour, although some entrepreneurs, notably in declining industries, will be less pro-market than others in expanding modern industries, where even workers might support a pro-market approach. While these cleavages confront basic economic and social interests about the distribution of wealth and income, other cleavages are

more about identity and the general direction of development. These are the cleavages between regions and ethnic groups, between traditionalists and modernisers, between libertarians and authoritarians, between nationalists and cosmopolitans.

Few parties represent simply one side of a cleavage. Identity-based parties have to develop political positions towards the central questions of transformation. Socialist or social-democratic parties must also define themselves with regard to identity-related questions like the basic foreign policy orientation of the country (e.g. joining EU or NATO). Eventually, parties compete not only through the programmatic articulation of societal cleavages but also by presenting charismatic leaders or competencies such as good macro-economic management or by distributing benefits to their clients (patronage).

To some extent, parties are the product of their political cultures. Popular attitudes towards authority differ as do styles of conflict resolution. Electoral laws and state structures (the relative weight of branches of government, i.e. legislative, executive and judiciary) determine to a large extent the nature of party competition.<sup>26</sup> Programmatic competition is more important in developed parliamentary systems while charismatic or clientelistic competition prevails in less advanced countries with presidential systems.

A well functioning democracy needs (or is significantly strengthened by) a vibrant civil society that links the population to the polity, complementing the party organisations in articulating and formulating societal interests and values as well as in designing policies and introducing them to the public debate.<sup>27</sup> As most parties want to get as broad a popular support as possible they are often forced to incorporate conflicting interests, thus watering them down. In turn, social organisations and movements can focus on single issues and particular interests. For instance, trade unions will represent workers and their interest in employment, high wages and social security. While they deal pri-

25. As elaborated in Dauderstädt et al., op. cit., p. 58 ff. and Kitschelt et al., op. cit., pp. 64–69.

26. See Kitschelt et al., op. cit., pp. 43–93.

27. For a more complete list of functions see Diamond, op. cit., pp. 218–260.

marily with employers, negotiating wages and working conditions, they will also lobby different branches of government and political parties. In so far as they are close to certain parties (often social-democratic ones), they will strengthen this party in its competition with other parties which, in turn, might get support from other social organisations such as employers' associations or chambers of commerce.

In Central and Eastern Europe, the development of the civil society, the prerequisite of an advanced »Rechtsstaat«, is as unequal as that of democracy itself. Even though non-governmental organisations have sprung up in many countries, they are far more numerous in the more developed democracies of Central Europe than elsewhere, notably Russia. In general though the situation has improved. Religious institutions have become important again, after having been suppressed by communism. In Poland, in particular, the Catholic church played a major role in the opposition against the communist regime, and it is still a major conservative political force. In most countries, churches tend to support or to be used by conservative and national(ist) forces, religion itself being a constituent element of national-ethnic identity. Trade unions, which under communism have been the transmission belts between the party and the working class, are turning into independent, democratic organisations of the labour force. While the reformed old unions tend to support the reformed successor parties, there are new unions in several countries that are linked to more liberal or conservative political parties. However, employers' organisations that would be »natural« allies of economic (and, possibly, political) liberalism are still underdeveloped and weak in most countries.

## Promoting Democracy

In view of our diagnosis of post-communist democracy, there can not be a single strategy of strengthening and promoting democracy throughout the region of Central and Eastern Europe. While the task in the more advanced countries of Central Europe will basically consist of supporting an existent democracy and strengthening it against potential risks which we will discuss below, in most of the remaining countries, a working democracy

has yet to be established. In both cases, this is foremost a task for the democratically minded people in the respective countries. Short of a prolonged occupation, there is hardly a way to force democratisation upon a country. However, there is meaningful scope for support from abroad.

From the point of view of western Europe, the differentiation between the more and the less democratic countries in Central and Eastern Europe has acquired a new structure since 1998. The group of most developed and democratic countries coincides with the group of those countries that are associated with the EU and started negotiations for accession in 1998. The next group of associated countries which only started negotiations in 2000 is economically and politically less advanced. Both groups fulfil the Copenhagen criteria which encompass the economic and political conditions of successful democratisation. Further reforms are overwhelmingly orientated towards meeting EU standards and requirements with little bearing on the issue of democracy. The remaining countries of South Eastern Europe (Croatia, Albania, Bosnia, Macedonia and possibly later Yugoslavia, i.e. Serbia, Montenegro, and Kosovo) are supposed to benefit from the Stability Pact and stability and association agreements with the EU. They do not fulfil all of the Copenhagen criteria, although some of them are members of the Council of Europe, what usually passes as an international seal of approval for democratic achievements. The CIS republics constitute the fourth group albeit again with substantial differences. While Russia, Ukraine, Georgia and Moldova are members of the Council of Europe, too, the others have not even surmounted this relatively low threshold.

The desire to be part of »Europe«, translated into the application for membership of the European Union or of the Council of Europe, has been a major force supporting democratic and economic reforms in domestic politics. Reformers tend to present themselves and get support as those accepted by European institutions and, thus, able to open the door to Europe, while less democratic politicians (such as Vladimir Meciar in Slovakia or Franjo Tudjman in Croatia) appear(ed) as stumbling blocs on the way to Europe. Whereas the EU insists on completed democratic reforms before even starting negotiations for accession, the Council of



Europe has accepted dubious regimes as members in the hope of further democratisation. That attitude has paid off in Croatia but less so in Russia.

Strengthening the already vibrant democracies in the applicant countries requires alternative measures to promoting the democratisation of defective democracies and authoritarian regimes. However, one common starting point is the economy. As Larry Diamond puts it: »Poverty in itself does not preclude democratic development, but it does significantly shorten the average life expectancy of a democracy, especially in the absence of sustained economic growth.«<sup>28</sup> The Czech case illustrates that relationship particularly well as this country is one of the most prosperous and developed countries of the region and was most enthusiastic about transformation at the beginning in 1990. But the Czech Republic experienced a continuous decline in the approval of the market economy even between 1993 and 1996 when the economy was growing albeit accompanied by increasing inequality. Although there are no comparable data for the following years, the crisis continued, in both economic and political terms. Subsequently, the already marginalised and unreformed communist party experienced a revival in the opinion polls and temporarily became the second strongest party challenging both big parties of the centre. General evidence, as well as that specific example, show the importance of social and economic development for the continued legitimacy of democracy. This is particularly so for a young democracy where any failure is easily blamed on the system rather than on specific actors.

Successfully promoting growth and prosperity is probably the single most promising way to promote democracy even though it possibly constitutes a rather long-term approach which is additionally burdened by the lack of proven strategies to achieve rapid growth. In the case of the relatively better-off applicant countries the process of EU accession has to be shaped in a way that takes into account the specific needs of the applicant economies. Accession will increase the adjustment pressures on them and possibly entail severe distributive effects at the expense of those social groups that already suffered most from the transition process. Although EU transfer payments, safer market access and more foreign direct invest-

ment might increase the overall welfare of the new member countries, that might give little consolation to the overall losers in the whole process. The economic risks of EU membership, potentially compounded with fears about sovereignty and identity, have already reduced the popular approval of accession dramatically since 1996 and not only among Polish peasants. They might lead to a wider discontent affecting democracy and European orientation in general.

A similar risk threatens democracy on a wider scale. For most countries and governments in Central and Eastern Europe, there seems to be no choice of policy, in particular social and economic policy or the general direction of development. Even when the social results of the adopted policies, such as liberalisation or economic stabilisation, are, at least in the short run, damaging to large segments of the society, there appears to be no viable alternative to free market reforms. The constraints to economic policy are particularly strict for highly indebted countries that depend on the approval of financial markets and institutions. For those voters who elected a party in order to get a new government which would enact different policies, it is particularly frustrating if the old policies continue. In some cases they will vote in the next elections for less democratic, more extremist or populist parties promising »real change« although the result might well be the same or even worse when capital flight ruins the already weak economy. Actually, populist parties of the right have successfully started to appeal to the losers of transition by using a mix of socialist and nationalist rhetoric.

The prospect and the requirements of EU membership also affect the very structure of governance in the applicant countries. The European Commission not only watches carefully over the translation of the »acquis communautaire« into national law (already an often difficult process) but also over the establishment of appropriate administrative and judicial structures that can implement the law and guarantee its rule to those (including citizens, companies and governments of other member states) who rely on the

28. Idem, p. 262.



authorities and the courts to get their right under the common rules. Furthermore, the national implementation of EU policies such as the Common Agricultural Policy or the regional policy requires often substantial administrative reforms including a new regional division of the country.

For those countries which are not going to become members in the near future, the EU is nonetheless their most important trading partner and investor. However, present EU policies seem often more concerned with the narrow short-term economic interests of the EU than with the development and sustained growth of the neighbouring countries.<sup>29</sup> After enlargement, in particular, the economic situation of the non-joining countries might become even more precarious due to the re-orientation of trade and investment flows towards the new member states, partly at the expense of the other countries of the region.

The support for economic growth might be considered problematic in the case of authoritarian regimes. In the short run, trade and investment opportunities will strengthen the position of governments that do not respect human rights. But economically isolating undemocratic countries is certainly counterproductive in the long run, and possibly even in the short run, when the populace, rather than the oligarchy, has to bear the brunt of sanctions, leading those affected to blame foreigners rather than their own government. The best advertising for democracy in these countries will be the growing prosperity of other democracies, in particular neighbouring ones with a similar point of departure with regard to the level of development. One can but hope that the good example of Poland will convince Belarus and Ukraine of the virtues of democratic government.

Promoting prosperity is just one approach to promoting democracy and possibly not the most direct or rapid one. Direct co-operation must focus on those forces in the democratising societies that will strengthen democracy. Prime target groups are democratic parties, civic organisations, social organisations such as trade unions or employers organisations, education and research institutions, free media etc.. In the case of already democratic countries, the governments themselves can be the subject of assistance. Improving their legitimacy will possibly strengthen democracy itself. Even under favourable economic conditions,

bad government, corruption and scandals can undermine the legitimacy of democratic regimes. Inducing democratic governments to make a good job of governing, to prevent corruption, to solve conflicts within the government or the ruling coalition, and to deal with the opposition in a civil manner can contribute to establishing a political culture that stabilises and supports a democratic regime. In the grassroots of society, the population also has to be educated and guided to accept non-violent conflict resolution, to develop trust in democratic institutions and to actively co-operate with them. International co-operation and dialogue that integrates the elite and organisations into international networks (e.g. national trade unions in European or international federations), where that kind of practice is the norm, will strengthen similar behaviour in the domestic context.

The legitimacy of democratic governments results originally from the fact that they are elected in free and fair elections and thus, at least ideally, represent the interests and values of the majority of the population. Positive outcomes such as economic growth and social justice reinforce that legitimacy. However, crisis, recession and inequality tend to undermine the legitimacy, though voters in well established democracies will punish incumbents rather than start opposing the system itself. The important task in Central and Eastern Europe is to get that virtuous circle of legitimate government and rising incomes working. ◀