

Performance Matters – Challenges for the Democratic Model and Democracy Promotion

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Introduction

The last wave of democratization is ebbing. More importantly, the euphoria over the supposed final victory of democracy has given way to sobriety, and in many countries democratic institutions are no more than weakly underpinned, the monopoly on the legitimate use of force is being eroded, the rule of law is not guaranteed, and development is virtually at a standstill. A good number of young democracies have not managed to improve the living conditions of much of the population, and the expectations that many had conferred on democracy have been disappointed. Political scientists are outdoing one another in their efforts to come up with adjectives to describe countries in transition, and today speak of »defective,« »formal,« »illiberal,« »managed,« or »imperfect« democracies.

However, the last wave of democratization never even reached large parts of Africa, Central Asia, and the Middle East. In some countries, statehood is failing, while in others extremist movements are gaining ground. In some transition countries, the trend towards more democracy has been reversed. In particular, the authoritarian tendencies to be observed in key countries such as Russia, Algeria, Kenya, Nigeria, Thailand, and Venezuela are having a signal effect on the regions concerned (Diamond 2008; Carothers 2004: 412–16).

The collapse of the Soviet bloc was formerly cited to bolster the thesis that democracy and the market economy constitute the conditions needed for economic development. China's breakneck economic development, a resurgent Russia, the brazen actions of Venezuela and Iran, and the dynamism of the Gulf states have begun to call this thesis into doubt, however.

While the new variants of authoritarian rule may differ in character, they often display a higher degree of flexibility than their totalitarian predecessors. The development paths of authoritarian countries are being

observed with interest throughout the world and influencing the strategic choices of elites.¹

In the United States, in particular, there is a debate under way on the challenge to democracy posed by competing authoritarian governance models. Critics throughout the world are warning against a new global polarization and in particular, against any geopolitically motivated attempts to marginalize China and Russia under the guise of democracy.

Democracy promotion is viewed with skepticism in many countries of the South. The US approach in particular, with its marked focus on elections, has come in for weighty criticism. While some suspect that this approach is driven mainly by power and special interest policies, others criticize the poor track records of politically motivated development policies of this kind.

Democracy promotion must respond to these changing framework conditions. Both the democratic model and the actors and instruments of democracy promotion have come under pressure. This paper analyzes the narrowing latitude for democracy promotion and seeks to develop strategies designed to make better use of available potentials and resources under changing framework conditions, as well as to restore confidence in the democratic model.

Worsening Framework Conditions for Democracy Promotion

Democratic Model of Governance under Pressure

For some time now, the democratic model of governance has been under pressure, for two main reasons: first, on account of the poor performance of young democracies, and second, due to the (apparent) successes of some authoritarian countries in terms of economic development.

Poor Performance of Young Democracies as a Source of Delegitimization

Many transition countries are beset by critical challenges. Most young democracies are developing or emerging powers faced with typical prob-

1. The present text makes use of a broad concept of elite that includes both loyalist and oppositional functionaries from politics, administration, justice, business, labor unions, the mass media, culture, science, and the military.

lems, such as poverty, poor health services, inadequate education, or internal conflict. Weakened by the economic and development policies inspired by the Washington Consensus, many such countries are now experiencing growing social polarization. The »J curve« theory (Bremmer 2006) predicts that the period between the relaxation of authoritarian rule and the consolidation of democracy will generally be marked by distortions (for example, social and political conflicts, such as strikes, uprisings, and acts of violence; economic distortions, such as inflation, growing social inequality, and currency turmoil; and the emergence of rival private actors, such as »oligarchs,« organized crime, and terrorism). In addition, poor governance, often in conjunction with weakened statehood, tends to aggravate the conditions needed for development and stability.

These undesirable developments in young democracies indicate that a formally democratic system does not necessarily lead to good governance, the rule of law, social inclusion, security, and economic development. Empirical studies have cast doubt on the causal relationship between democracy and economic development/income distribution.² This correlation is likely to hold only for »human development« (Sen 1999), a concept that embraces, in addition to economic development, the political and social dimension, in the sense of the free development of the individual. More than formally democratic institutions, it is good governance, social inclusion, and the rule of law that tend to facilitate economic development, in this way serving to stabilize democratization processes (Przeworski et al. 2000).

Many people, particularly in developing countries, associate democratic change with the hope of better living conditions. What they expect is an increase not only in prosperity but also in security, freedom, and opportunities for personal development. The inadequate provision of public goods tends to undermine popular support for the democratization process. Whether or not citizens' expectations in the output of a system are met is a crucial factor in the success or failure of a transformation process. People are, in this situation, less likely to notice authoritarian spoilers, misguided economic and development policies, or structural barriers to development, but tend to judge the legitimacy of the system

2. Ersson/Lane (1996) find an empirical relationship between democracy and human development, but only indirect evidence for a relationship between democracy and economic development/income distribution.

by its results: in other words, from the perspective of their own life situation (Chang et al. 2007: 72). One widespread expectation conferred on the democratic model is that »democracy leads to economic development.« While this expectation has not yet been dashed once and for all, the persuasive power of this linkage is cast in doubt by the weak performance of many young democracies. The main reason why the »product« of democracy promotion – the democratic model – is losing its attractiveness is, often, that the great expectations placed in it have been disappointed.

Only when a critical majority of the population is convinced that democracy is, in the long term, a better model of governance will the bottom-up pressure crucial for the success of democratization processes be generated. Under the often difficult conditions of transition, some opt either for the greater problem-solving competence they – wrongly – attribute to the authoritarian model or for the populist promises made by self-styled saviors. If the general population loses confidence in the democratization process, authoritarian elites may seize the opportunity to launch a rollback (Craner/Wollack 2008). As soon as perceptions of the performance of governance models begin to change – and however subjective they may be – democracy promotion must respond. In competition with authoritarian models, the democratic model needs to prove its effectiveness.

The success of democratization processes also depends on the preferences of elites. From their perspective, they may have a number of reasons to opt for an authoritarian rollback. If, having lost political power, elites fear they may also be faced with economic disadvantages, personal motives will also impel them to seek to restrict access to power and resources. But (supposed) public welfare interests may also be cited by authoritarian-oriented elites. In weak states, in particular, increased repression is often used to try to avert the outbreak or escalation of violent conflict. Finally, there may be a path dependency that serves to obstruct efforts to break with pre-modern logics of domination (North et al. 2005). With a view to surviving the transition phase, with the shocks and upheavals it, for the most part, entails, some elite groups continue to subscribe to established techniques. The outcome is often hybrid systems in which formal democratic elements tend to clash with authoritarian cultures and sectors.

However, elites are forced to rely on a minimum level of acceptance by the population, and this acceptance in turn is closely linked to the

output of a governance system. In the long term, the high cost of the apparatus of repression and the loss of dynamism and innovation typical of closed societies will inevitably prove economically unviable. This is the reason why elites, too, are forced to take into account the effectiveness of a governance system when choosing a model of governance.

The poor performance of young democracies may have a signal effect in the region. If young democracies have no economic development successes to put on the table, calls for democratization in neighboring countries are likely to be less insistent. The difficulties facing many transition countries may therefore give rise to the assumption that the wave of democratization in the 1990s needs, at best, to be consolidated before it can gain any further ground. By contrast, in defective democracies there is reason to fear relapses into authoritarianism.

Authoritarian Models as an Alternative Approach to Development

When the Cold War came to an end, it was widely propagated that the generally superior model of governance was not only capitalism, but also democracy. Many observers saw the freedom of the individual from any form of government tutelage as a necessary precondition for peace and economic development.

The rapid pace of economic development in emerging economies, such as China, Vietnam, and Malaysia, and the strength – due largely to soaring commodity prices – of authoritarian rent economies, such as Russia, Venezuela, Iran, and the Gulf states, have contributed to shaking these assumptions. The first-named group, in particular, has shown that economic development is, in fact, possible in authoritarian political systems. It is above all China's rise that has spurred the mercantilist hopes of those who see strong government influence and political control as factors conducive to economic development. It is thus not merely by chance that the state-centered, mercantilist »Beijing Consensus,« which links authoritarian rule with a state-guided, market-oriented liberalization policy, has managed to get the better of the market-liberal Washington Consensus, with its distrust of government (James 2009). Some authoritarian states can point to significant economic development successes; indeed, the economic dynamism that some authoritarian countries have managed to achieve, despite the setbacks they have experienced in connection with the world economic crisis, outstrips the economic performance of the democratic industrialized countries. The economic success

stories of key authoritarian countries, such as China, are well known around the world, while the sight of the democratic industrialized countries floundering in the present financial crisis has not only discredited radical market capitalism, but has also shaken the belief in the superiority of democratic systems. Whether or not this perception is, in fact, correct may be an open question, but in the eyes of many observers the democratic model faces growing competition from authoritarian models.

This competition differs from the ideological competition experienced during the Cold War, not least because today the free-market economic model has prevailed virtually everywhere in the world.³ It would be a mistake to portray the challenge posed by authoritarian models as a rerun of bloc confrontation, as some analysts in Washington have done (Kagan 2008; Gat 2007). First of all, far from constituting a contiguous bloc, today's authoritarian countries differ markedly in terms of both their degree of repression and their development orientation. In addition, the challenge posed by the authoritarian model is more indirect. At present, no authoritarian state is aggressively seeking to promote its own model of governance or development. China in particular is not trying to gain influence over the internal constitution of the developing and emerging countries of the South. What counts more here in boosting the attractiveness of authoritarian models is the perceived impact of their development successes (Köllner 2008).

Furthermore, the attractiveness of any model of governance is bound to have its ups and downs. The wars in Iraq and Afghanistan, in conjunction with the ongoing global economic crisis – which has its roots in the West – only serve to encourage the view that Western democracies are faltering, while the Chinese model, in particular, is thriving. This assessment could well change in the course of the world economic crisis, if economic growth continues to weaken and commodity prices keep plummeting, undermining the ability of authoritarian states to maintain social and political stability by means of resource distribution. But although it is questionable whether or not the authoritarian model really has any long-term advantages over the democratic model, one thing that must be noted is that the matter is increasingly being *perceived* in this way

3. It must, however, be noted that Cold War competition was also about the efficiency of the systems concerned, and the collapse of the authoritarian planned-economy model was hastened not least by the perception of its inferior performance.

in many parts of the world and, in particular, by elites with their own motives for curtailing political participation and social inclusion. The apparent successes of authoritarian countries support the hope of broad population segments in emerging powers and developing countries that authoritarian systems are more effective when it comes to problem-solving competence, and this state of affairs gives elites there the reasons they need to justify an authoritarian development model. The ups and downs of perception do nothing to change the fact that attributions of advantages and disadvantages may influence societies when it comes to choosing a model of governance (McFaul/Stoner-Weiss 2008; Ersson/Lane 1996). The authoritarian model is regarded by many as an established alternative, and the democratic model will have to prove its effectiveness against this competitor.

Promoters of Democracy under Pressure

Competing Actors: Shifts in the Global Balance of Power

Alongside the ideological challenge posed by the authoritarian model, there is also competition at the actor level, and it may serve to reduce the direct influence of Western democracy promotion. Authoritarian countries, such as China, the Gulf states, Russia, Iran, and Venezuela, are increasingly taking on the roles of donors, creditors, investors, buyers, and political »patrons.« China, in particular, has established itself in recent years in Central Asia, Africa, and Latin America as an alternative donor, investor, and trading partner and has provided its client states with protection against political pressure from the West.

The increasing competition from authoritarian powers serves to restrict the options open to Western democracy promoters to use sanctions, conditionalities, and incentives to accelerate the course of a country's democratization. Authoritarian elites may increasingly fall back on political or economic support from external actors. They may, for instance, need interim loans, arms, the means to undermine international sanctions, or someone willing to recognize falsified election results. The options available to isolate authoritarian elites internationally, or to curtail their freedom of movement, are undercut by the patronage provided by competing actors who, for geopolitical or economic reasons, seek to shield client states from international pressure. The instrument of condi-

tionality in lending – for example, to promote good governance and democratic rule – is bound to lose its bite if it becomes easier for states to secure funds from authoritarian patrons. It remains to be seen whether or not this development will continue in the wake of the global economic crisis, for example, if the IMF makes a strong comeback. However, even the IMF is seeking to bolster its own importance by, among other things, easing the conditions it has previously imposed for emergency loans.

To summarize, non-democratic regimes are less reliant on resources from the West and/or multilateral institutions, and this makes it easier for them to neutralize political pressure. This seriously undermines the possibilities open to Western democracy promotion to set incentives and exert pressure. Regardless of whether or not the rise of authoritarian powers continues in the wake of the global economic crisis – or whether some major authoritarian powers opt for democratization in the future – the bottom line is that Western democracy promoters will be faced with growing competitive pressure in the years to come.

Twofold Credibility Trap Facing the West

Democracy promotion is also hampered by the West's loss of credibility. The policies of the Bush administration, in particular, and the violations of human rights that these policies entailed have undermined the credibility of the United States. Attempts by the United States to use exclusionary mechanisms, such as a »League of Democracies,« to recover lost ground instrumentalize democracy and appear to be geopolitically motivated. The dichotomy used in these debates – authoritarianism versus democracy, with virtually nothing in between (Kagan 2008) – seems to aim at delegitimizing authoritarian regimes, such as China and Russia, by throwing them into the same barrel as the worst totalitarian states.

Democracy promotion is increasingly being perceived as just another instrument used by the West in pursuit of its own interests. The opponents of democracy promotion seek relentlessly to discredit it as outside interference in the internal affairs of sovereign states. Recipients of financial support from the West – including, for example, opposition movements in Ukraine, Georgia, Belarus, and Tibet – are (quite logically in this perspective) branded as »stooges of foreign interests.« The failure to recognize Hamas's victory in the 2006 Palestinian elections served to heighten the impression that the West applies double standards and that the rhetoric of democracy is ultimately little more than a fig leaf for a policy of

naked self-interest. Allegations of this kind often make it virtually impossible to take a clear-sighted and differentiated look at Western democracy promotion. The approaches adopted by European democracy promotion, geared at dialogue and long-term social change, are in fact welcomed as an alternative to neoconservative-inspired »regime change.«

Apart from these »home-made« credibility problems, Western development cooperation is also beset by a crisis of output legitimacy with regard to the economic and development policies it has propagated for years. If we look at the economic development success stories of recent years, we find that most of them have been achieved by countries that have not followed the Washington Consensus.

High hopes have been placed in the new US administration – but also in European governments – to undertake the steps needed to rectify the mistakes of the past and to regain lost trust. However, US Secretary of State Hillary Clinton has already made it clear that in future disputes over human rights will no longer be allowed to profoundly affect relations with key authoritarian actors, such as China. Here again, the danger is that the use of double standards may come to be accepted. While the Obama administration has distanced itself clearly from the strategy of regime change pursued by the Bush administration, it has not yet indicated how great a role democracy promotion will play in its foreign policy (Baker 2009).

Even perceptions of credibility have their ups and downs, and in the long term impaired credibility can be restored only by taking steps to leave old errors behind. In the medium term, however, Western democracy promotion should be prepared to deal with a weighty credibility deficit.

Changing Environment for Democracy Promotion

Democracy promotion is bound, in the medium term, to run up against unfavorable conditions. Mistrust of »Western interference« is growing, as is competition from alternative providers of patronage, and the instruments used to set incentives and impose sanctions are losing their traction. Above all, while the authoritarian systems of East Asia have achieved astonishing economic success, the poor performance of many young democracies increasingly casts doubt on one widespread expectation of the democratic model, namely that »democracy creates stability and economic development.«

Strategic Conclusions for Democracy Promotion

The framework conditions have changed to the detriment of democracy promotion, diminishing the prospects of success of the established strategic approaches. While there is still good reason to believe that the basic theoretical assumptions of democracy promotion continue to hold and that the classic instruments will continue to be used, there is also good reason to anticipate new resistance to and dwindling acceptance of them. Both the democratic model and Western democracy promoters need to develop trust in a new and more competitive situation. If the opportunity conditions deteriorate, democracy promoters will need to reposition themselves to be able to operate successfully. The aim of a democracy promotion strategy should be, first, to make optimal use of one's potentials and resources and, second, to boost the attractiveness of the »product« – the democratic model.

Making Optimal Use of One's Potentials and Concentrated Use of Resources

Democracy promoters need to make better use of their potentials. The ways in which »internal« knowledge is linked and institutionally embedded is often suboptimal. There is also a need for further operationalization of findings from transformation research. The strategies of individual democracy promoters should be geared more closely to the comparative advantages of their organizations. To cite an example, the comparative advantages of the German political »Stiftungen« must be seen in their clear-cut ideological orientation, in their trust-based partnerships, and in their worldwide networks. In tactical terms, democracy promoters should focus on their core competences, for example, confidence-building, capacity-building, clarification of perceptions, awareness-raising concerning present or future challenges, creation of dialogue forums and channels, exploration of cooperation potentials, and building bridges between sectors and groupings in society.

Democracy promotion should focus its resources on the core functional elements of democracy (for example, separation of powers, accountability, institutionalized changes of government, rule of law, protection of basic rights, majority rule, and protection of minorities). Attempts to deal with the broader social reform agenda should be keyed to windows of opportunity in individual partner countries, although this should generally have lower priority.

Boosting the Attractiveness of the Democratic Model

»Yes, democracy can perform«

Democracy promotion must try to strengthen trust in the performance of democratic governments in order to secure continued popular support and »bottom-up pressure.« Especially in transition countries faced with the threat of authoritarian rollback, democracy promotion will be forced to compete with the perception that authoritarian models are more successful when it comes to improving living conditions.

In order to persuade elites to launch and sustain democratization processes – despite the risk they face that their own lifestyles may be negatively impacted – it is essential to point clearly to the long-term benefits of the democratic model over the authoritarian model. While the authoritarian model should be dealt with in normative terms, these efforts need to be buttressed with complementary arguments bearing on systemic performance. The functional strengths and comparative advantages of the democratic model must be placed more squarely in the foreground. It is also important here to challenge the widespread perception that the authoritarian model creates a more conducive climate for economic development and stability. The fact of the matter is that good governance, social stability, and the rule of law create favorable framework conditions for development. Democracy promotion must point more emphatically to the obstacles to development posed by authoritarian models and do more to debunk current myths. There is a definite need for more comparative studies on system performance in the fields of property rights, transparency, corruption, internal security, and flexibility in crisis situations, the aim being to empirically underpin the argument that democracy creates more favorable framework conditions for long-term stability and human development (McFaul/Stoner-Weiss 2008; Przeworski et al. 2000).

There is no ignoring the fact that even an abstract discussion of political models may serve to cast doubt on the legitimacy of individual claims to power. Regulatory discourses should therefore be keyed to specific policy issues. Furthermore, democracy promotion should point more to successful development processes in democratically governed countries of the South. Regulatory arguments are proving increasingly effective in the authoritarian countries of East Asia because their dynamic economies call for increasingly complex economic, social, and political

management. The consolidated democratization processes in South Korea and Taiwan, as well as the development successes achieved by such social democracies as Costa Rica, Chile, Mauritius, and the Indian state of Kerala (Sandbrook 2007), may be seen as examples of successful transformation processes.

Social Democracy Is Geared to Performance

Social democracy is better equipped to show that democracy is geared to performance than electoral/libertarian concepts of democracy. Social democracy can be achieved only when economic and social rights have been realized alongside political rights. Social democracy must, by definition, be geared to providing public goods for all, because this is the only real way of substantially improving people's living conditions. Thus, output is a constitutive element of the model of social democracy. Viewed from the perspective of social democracy, even a mature libertarian democracy that fails to provide sufficient public goods is incomplete. It is the dovetailing of social democracy with the broad concept of human development (Sen 1999) that has proven attractive for the societies of the South.

Moreover, social democracy offers an attractive alternative model to the discredited Washington Consensus. The latter's neoliberal reform policies have, in many countries, led to growing inequality, economic insecurity, external shocks, violent protest movements, and erosion of an already weakened statehood. Overemphasis on the market and erosion of the state have tended to shake confidence in the democratic model. By comparison, social democracy advocates the effective democratic institutions needed to counteract economic, political, and social imbalances. The core demand of social democracy – that the state serves to improve the living conditions of all – is wholly in line with the approach adopted by progressive developing nations (Sandbrook 2007: 25). The need to alleviate political and social tensions in the distortion phase is a strong argument for trying to realize greater economic and social rights. The sociopolitical and welfare-state elements of social democracies are clearly perceived in the emerging powers and offer good points of departure for dialogue.

Finally, social democracy stands for a social compromise which the elites of many developed countries have accepted in the course of history

(Sandbrook 2007). In essence, under this model an effective state has guaranteed the compromise between the subordinate strata of society – including, in particular, a well-organized middle class – and capital interests. While the lower strata of society have renounced revolutionary goals (in particular, expropriation), ruling elites have, in return, agreed to a redistribution of political power and committed themselves to providing public goods for all. In the long term, this is likely to pay off in the form of a competitive advantage in terms of political and social stability.

Intermediate Methodological Step: Cluster Strategies

A »one size fits all« strategy of democracy promotion is bound to fail. Democracy promotion must give due consideration to the specific givens of a partner country – historical and socioeconomic conditions, cultural influences, political culture, conflict formations, and the transition phase – if it is to come up with tailor-made approaches. Depending on the conditions prevailing in a partner country, a strategy of democracy promotion should set differentiated priorities and make use of specific mixes of instruments based on the recipient's needs.

These tailor-made country strategies should, however, be based on more general considerations and pay due heed to the global and regional contexts. Yet, traditional regional strategies do have one disadvantage, namely that they bunch together countries with completely different conditions. It is therefore advisable to develop sub-strategies for groups of countries (*clusters*) with similar structural givens, framework conditions, and challenges. These cluster strategies could foster interregional knowledge transfer and work as an entry point for findings from transformation research. In developing these clusters, particular attention must be paid to three factors: system stability, elite orientation, and the transition phase.

The term »system stability« refers to the ability of a country's institutions to mitigate political, economic, and social distortions and shocks caused by singular events (natural disasters, terrorist attacks, and so on). In cases of this kind, an unstable system runs the risk of state failure, especially where an escalation of violent conflict is involved.

The term »elite orientation« distinguishes between enlightened, development-oriented, and public welfare-oriented elites, on the one hand, and pre-modern and corrupt elites, on the other. Pre-modern elites act in accordance with the power logic of pre-modern states; that is, they

seek to create stability and governability on the basis of restricted ruling coalitions that give their support to a ruler in exchange for rents and privileges (North et al. 2005). In other words, this antidemocratic exclusion of the majority of the population from political power and sources of income is constitutive of the stability of the pre-modern state. It will be evident here that elite orientation is defined along a progressive scale; that is, one or the other dimension is unlikely to prevail exclusively. While there is a certain conceptual fuzziness inherent in this, it does leave room for a strategic assessment of the »recipient side« of democracy promotion. This characteristic is crucial in coming to a strategic decision – which is ultimately a political one – on whether or not democracy promotion would be better advised to work together with a given ruling elite or to work for its replacement.

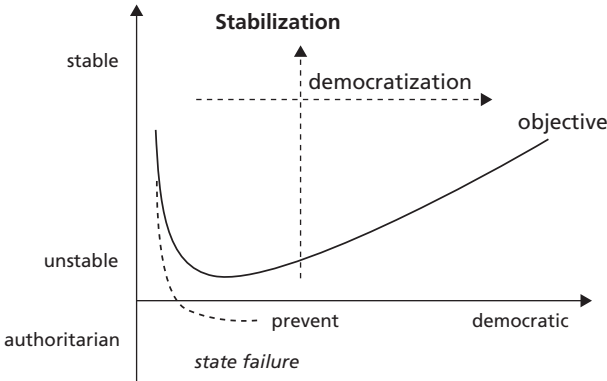
The term »transition phase« refers to the stage that a given society has reached in the process of transition between authoritarian rule and consolidated democracy. The point is to be able to distinguish a phase of markedly repressive authoritarian rule, a phase of transition-related distortions, a consolidation phase, and, finally, mature democracy. This breakdown into phases is not meant to suggest that there is any historically determined development from authoritarian rule to democracy (Carothers 2002). On the contrary, there are a multitude of factors that determine whether a democratic process will be completed successfully, rolled back by authoritarian means, or lead to state failure.

Far from being independent variables, these three characteristics are closely interrelated. That is, the attitudes of elites determine, among other things, the course of the transition, and vice versa. The stability of a system in turn determines the attitudes of elites.

If they are to reflect a group of real partner countries, the clusters should be typical and geared to actual practice. These clusters do not describe the successive phases of transition, nor are they »snapshots« of an ongoing transition process. The point of these clusters is, rather, to highlight the development potential and recipient needs of a given group of countries. Countries with different levels of democratization are grouped together in a cluster to permit a more robust assessment of partner countries. To illustrate: if only the transition phase is taken as a starting point, assessments of partner countries need to change constantly in keeping with ongoing developments, with a »defective democracy« being reclassified as an »authoritarian system« in the wake of a coup, while free elections would suggest that a country should be reclassified as a

democracy. In addition to this transition axis, the clusters are also focused on the characteristics of system stability and elite orientation, which permits them to yield more stable groupings.

In a first, tentative step, »Failing state,« »Arbitrary rule,« »Premodern,« »Progressive,« and »Consolidating« clusters are established. Clearly, this is not the place to actually develop cluster strategies, which need to be fleshed out within the framework of a profound strategy discussion. In the following, I try to sketch a few considerations that could work to make democracy promotion more effective in a given cluster.



1. The »*Failing states*« cluster refers to weak states with a low level of system stability. This cluster includes authoritarian regimes and defective democracies with fragile statehood, as well as completely failed states. Looked at in terms of the »J curve« (Bremmer 2006), the crucial consideration is whether a political system in transition is able to cope with distortions or shocks by falling back on stable institutions and making targeted use of its political and economic assets. An unstable system in the distortion phase will therefore risk state failure, particularly in cases involving the escalation of violent conflict. It is assumed that »failing« states will give top priority to problems involved in maintaining governmental functions, particularly the need to guarantee internal and external security. Elites will often have recourse to repressive means to bolster system stability. The cluster strategy for »failing states« needs to take these conditions into account and weigh them against democratization and human rights interests. One way to boost the effectiveness of actor-centered democracy assistance is to ensure that it gives sufficient consid-

eration to systemic constraints on their scope. To ensure that weak states are able to survive the transition phase, steps need to be taken in advance to strengthen government institutions.

2. The »*Arbitrary rule*« cluster includes the heterogeneous group of highly repressive autocracies. In countries of this kind, freedom of speech and action is severely restricted, even within elites, with forceful sanctions being used to suppress divergent positions. Authoritarian states derive their relative stability not from their institutions but from the fact that they are tailored to the despot currently in power. A cluster strategy here needs to give consideration to the fact that external democracy promoters will not enjoy full freedom of movement and that partners may be at high personal risk.

Some authoritarian regimes mobilize cultural prejudices against the »Western« democratic model, accusing it of failing to do justice to the historical and cultural conditions of the country in question. It must in this case be pointed out that the various institutional configurations of the democratic model in fact mirror, worldwide, the historical experiences, religious and cultural values, and conflict lines of the societies in question. If it is to effectively rebut these prejudices, democracy promotion needs to concentrate on the core functional elements of the democratic model and to seek dialogue on possible country-specific configurations (»constitutional engineering«). The main concern here is not to reinforce anti-democratic traditions but to develop new institutional mechanisms suited to reconciling or coordinating interests. One point of departure for country-specific articulations of democracy might be sought in the institutional design of bargaining mechanisms for ethnic or religious conflict formations.

3. The »*Pre-modern*« cluster includes authoritarian regimes and defective democracies with strong pre-modern elites who either oppose or seek to roll back any opening up of their political and economic systems. Elites in pre-modern states tend to derive their power and status from the political and socio-economic status quo. If elites receive rents from immobile assets, this might hint at »pre-modern« orientations: it is rational for them to restrict access to power and resources, in this way preserving their own privileges. But personal motives aside, elites will also have recourse to »pre-modern« power techniques to guarantee stability and security. The democratic opening up of political and economic systems to all citizens runs counter to this political logic. In order to avert a (supposed) descent into chaos, »pre-modern« elites are therefore willing to

accept a situation in which virtually no development is possible. Accordingly, if »pre-modern« states nevertheless embark on democratization processes (forced to do so by, for example, external or bottom-up pressure) and are facing the distortions typical of the transition period, the risk of authoritarian rollback is quite high. Even a »democratic« change of government will, in the short term, do little to fundamentally alter the power relations within a given society, and this is likely to mean that political conflicts over a country's direction will persist and often be pursued by non-democratic means (violent clashes, [attempted] coups). Democracy promotion in »pre-modern« countries should focus on bottom-up pressure from pro-democracy movements. One key prerequisite of democratization processes must be efforts to forge alliances of pro-democratic forces capable of initiating and/or surviving the distortion phase. This will be all the more important the more a young democracy is in danger of losing popular support on account of its lack of output legitimacy. In the long term, socio-economic approaches are well positioned to change the balance of power between »pre-modern« and »progressive« elites.

4. The »*Progressive*« cluster includes authoritarian regimes and defective democracies in which a significant segment of the elites show a development and public-welfare orientation. The restrictions on participation in political decision-making found among the authoritarian regimes in this cluster may be seen as a continuation of pre-modern techniques of political rule. However, »progressive« elites tend to sustain their position by output legitimacy. Even »progressive« countries will continue to be faced with the risk of rollbacks, although the process of consolidation (including, for example, the development of a politicized civil society or effective institutions) will tend to make it more difficult for authoritarian-oriented elites to launch a rollback. Democracy promotion should continue to work for a shift in the balance of power between the forces in favor of opening and those that advocate authoritarian rule, while at the same time seeking to strengthen the political will needed for democratization.

If it is to sustain »bottom-up democratization pressure« and nurture the political will of elites, democracy promotion must aim to improve effectiveness and performance by supporting good governance. »Progressive« elites are in need of political and economic capital to survive the distortion phase. Democracy promotion should, therefore, extend support to »progressive« elites in their efforts to create the systemic and le-

gitimacy-related conditions required for transformation.⁴ Given these requirements, it may prove reasonable to switch the sequencing of transition – for example, social and economic development prior to general political participation.⁵

5. The »*Consolidating*« cluster includes young democracies that have already made significant progress in building democratic institutions, as well as a democratic culture and democratic practices. However, individual segments of consolidating democracies (for example, security sector, owners of immobile assets, traditional power structures) often retain their authoritarian outlook. Some institutions may, in addition, be beset by persistent performance problems that undermine their output legitimacy. In consolidating democracies, democracy promotion is well advised to address the authoritarian segments and continue to work for improved governance. Another problem must be seen in a growing need for such countries to seek integration into multilateral structures.

Democracy promotion has no choice but to respond to the altered framework conditions brought about by the poor performance of young democracies, the economic development successes posted by authoritarian systems, the emergence of authoritarian great powers, and the delegitimization of Western democracy promotion. This situation calls for the optimal use of potentials and a concentration of resources. One thing that may prove useful here is the development of cluster strategies to promote fundamental strategy debates by operationalizing the findings of transition research and defining priorities and mixes of instruments based on recipient-country needs. Democracy promotion needs to strengthen trust in the effectiveness of the democratic model, and to step up its efforts to highlight, by discursive means, the long-term benefits of the democratic model. In this connection, the model of social democracy has proven to be a comparative advantage in that its aims include the realization of economic and social rights, an orientation that coincides with the expectations of citizens in developing countries.

4. Even though such support for progressive elites within authoritarian regimes may lead to justification problems in Western countries.

5. In Germany, Bismarck did much the same thing in pushing through his social legislation.

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