

Preconditions of Democracy

The impact of Social Capital and Communist Legacies

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Promotion of democracy is one central aim of post-cold-war foreign policy. However experiences in Iraq and Afghanistan have shown very clearly how difficult this has been in the past. Even less dramatic cases such as Bosnia-Herzegovina or Albania highlight these difficulties. To understand these issues it is necessary not only to ask if democracy can be forced by external actors (Grimm 2010) and in how far international organisations are able to reach their goals and implement their strategies in the respective countries (Hoffmann 2008, Richter 2009) but especially to analyse more generally why democratisation fails or succeeds.¹ While other scholars focus on pure formal factors such as constitutions (Snyder/Mahoney 1999), this paper will take the cultural approach into consideration.

After a short introduction into the current debate, the paper will highlight the impact of different types of communist rule and social capital on the quality of democracy in Eastern Europe. Starting with modernisation, the overarching explanatory factor for success in democratisation, it is important to understand in how far today's quality of democracy in Eastern Europe is determined by pre-communist level of modernisation. Both, communist rule and social capital has been or are strongly influenced by the level of modernisation. Finally the paper will discuss the implications of these patterns for promotion of democracy.

1. Modernisation and Democracy

Reviewing the past two decades of research, the explanatory relevance of formal democratic institutions for successful democratisation processes seems lower than initially expected (Kitschelt/Wilkinson 2007). Therefore, a growing body of literature

¹ The author works on this question in her current PhD-project: „Success and Failure of Democratization Processes. Two Case Studies: Albania and Croatia.” Identifying economical, cultural and social success factors for transformation processes brings modernisation in the focus of my research. The connection between economic modernisation and democratisation therefore is the cultural modernisation, by which the attitudes e.g. generalized trust, are affected. Only if the standards and values of a society are co-operation and trust-promoting, efficiency of the institutions will develop. Two comparative cases illustrate these: Albania - a relative outlasting patriarchal society structure, transformed into neo-patrimonial structures which affects the state performance. The neighbouring Croatia has been able to overcome these patriarchal, social structures, showing that modernisation positively impacts transformation processes.

asks for additional explanatory variables such as structure, culture, economy, traditions and historical paths (Merkel 2007). It has been discussed in political science, that it is not a question of either or but that a combination of diverse approaches is needed (Merkel 1999).

The papers' main argument regarding the causes for success and failure of democratisation processes is that modernisation determines democratisation. But the finding as such, „the more well to do a nation, the more it will sustain democracy“ (Lipset 1981: 31) does not explain the way modernisation impacts democratisation. It simply shows that there is obviously a strong coherence (Merkel 2010). Two additional independent variables need to be added to the argumentation in order to explain the coherence of modernisation and contemporary quality of democracy. Modernisation initiates cultural and structural changes and has a long-lasting impact on the actors' pathways. Consequently, structural and cultural factors can close the gap left by economic factors on its own. One approach to link modernisation and democracy is to look into the impact operational preconditions have on the resulting systems and the transformation processes.

2. Heritages from the past

The differentiation of transformation paths of East European countries lead the transformation research turn away from the postulate that equal operational conditions drive always to the same results. Initially scholars debated if socialist legacies will negatively impact the transformation to democracy. This controversy was split into two parties. On the one side the creativistic optimists, rejecting the relevance of socialist legacies. On the other side the culturalistic pessimists, who claimed a legacies' negative impact on the consolidation of democracy and market economy (Bönker et al. 2004). Przeworski (1991), Karl and Schmitter (1991), as advocates of the creativistic position, analysed the transformation processes of Southern Europe and Latin America and draw the conclusion that cultural legacies can be overcome by intelligent reforms and an adequate design of institutions, because of the universality of the homo oeconomicus. Seen from the culturalistic pessimists' standpoint, institutions need to be culturally embedded or, as Almond and Verba (1965) argued, a congruence of structure and culture is necessary. Following this argumentation stability and dynamics of the western countries are facilitated by specific cultural environments,

lacking more or less in other societies (Bönker et al. 2004: 4f).

But even the cultural pessimist neglected the role of cultural legacies of the different socialist systems in Eastern Europe and predicted a homogenous transformation to democracy for this region. But after twenty years we can observe that the post-socialist region developed to one of the most differentiated in the world. In order to explain this heterogeneous transformation, Kitschelt (1995, 1999) identified a link between the level of modernisation of a country and the type of communist rule. A pre-industrial level of modernisation led to a patrimonial² communist system (such as Albania, Bosnia-Herzegovina, Ukraine or Georgia). Countries at the edge from pre-industrial to an industrial level (such as Croatia, Hungary or Slovenia) developed a national-accomodative model. Whereas industrialised countries (such as Czech Republic or GDR) established bureaucratic-authoritarian communist systems.

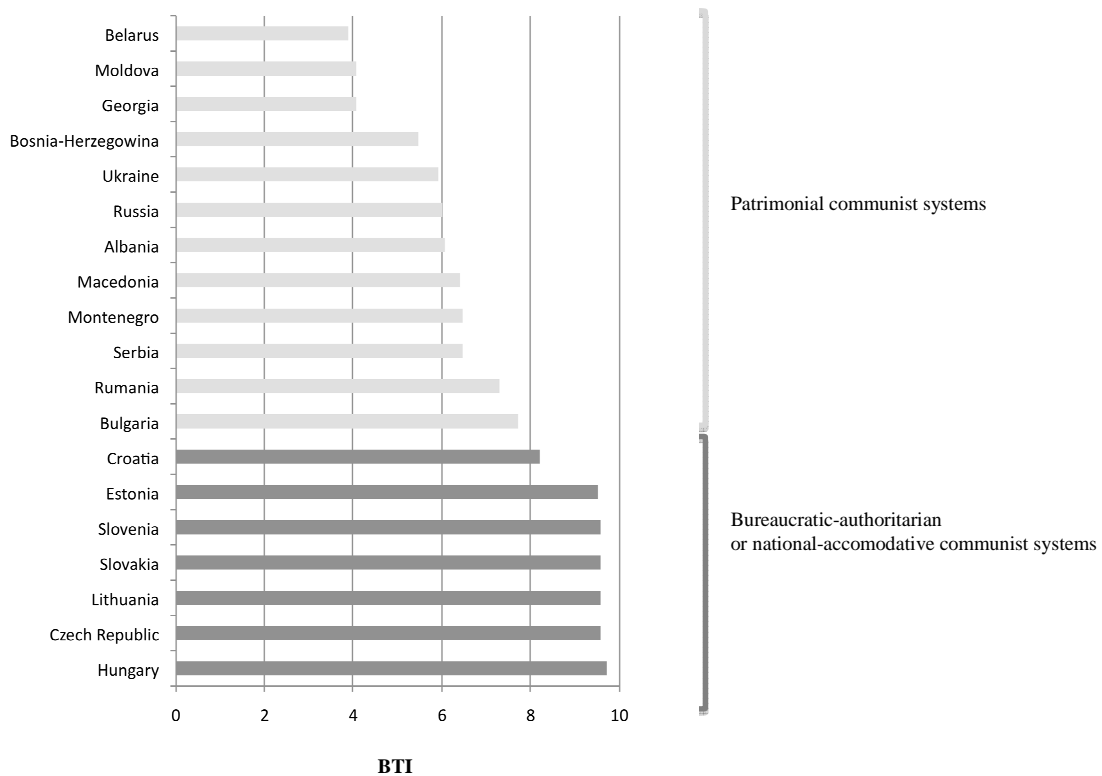
Within the modernisation process of the Eastern European countries the communist era has a significant relevance. It represents a deep cut in the social, economic and political development and an interruption of the assumed dynamics of modernisation. Depending on the rigidity of the socialist system, modernisation processes, both structural and cultural, have been more or less retarded, which furthermore and still impacts contemporary chances for democratisation (Inglehart/Welzel 2005).

The less modernised a country has been before socialism, the more rigid has been the socialist rule and the bigger are current blockades of successful democratisation.

Figure 1 clearly shows the strong relation between the past type of communist rule and today's quality of democracy. None of the post-socialist countries of former patrimonial communist rule are today liberal democracies. They are all stuck in the grey-zone between democracy and autocracy. But all those countries Kitschelt (1999) identified as formerly national-accomodative or bureaucratic-authoritarian types can be categorised as liberal democracies today.

² In his earlier work Kitschelt (1995) labeled this type as etatistic or clientelistic.

Figure 1: Communist systems and quality of democracy (BTI 2003)



Note: The horizontal axes reflects the BTI scores, there 0-4 stand for autocracies, 4-6 for strong defective democracies, 6 to 8 for defective democracies an a score above 8 signals liberal democracy.
 Source: Bertelsmann Foundation 2004, Kitschelt 1999, Tiemann 2006

The impact of the past types of communist rule on today's quality of democracy highlights the relation of democracy and the level of development before and during communism in Eastern Europe as well as the influence of (pre)communist experiences with bureaucracy, rule of law and democracy.

3. Social Capital and Democracy

We have seen that modernisation develops its deterministic effect through its impact on the exercise of rule (Weber 1985, Kitschelt 1999). While a functioning political system and rational rule are both structural preconditions for a democratic character of formal institutions, the establishment of rational rule is only possible through the penetration of formal rules into the informal levels of societies. Based on the concept of social capital (Putnam 1993) it is possible to explain in how far informal norms and values of a society support the formal rules of a democratic political system.

a) Definition and Measuring of Social Capital

Researchers (Putnam 2000) distinguish between bridging social capital and bonding social capital. Bridging social capital is inclusive in its character and promotes the civic virtues of a society such as tolerance, generalised trust and cooperation. In such societies the preconditions for solidarity and participation in public affairs exist.

In absence of the described civic virtues, bonding social capital and the principal of amoral familism (Banfield 1958) establishes, instead of bridging social capital. Bonding social capital is typical for strong in-group communities, such as families or friends, but also for bigger groups, like ethnicities or confessions. Its character is dominated by informal and inside oriented relationships, based on collective norms and values. The members of the communities trust their own social environment only and therefore creates a strong in-group loyalty and out-group-distrust. Because bonding social capital is exclusively inside oriented, there is a high potential for conflicts within the larger scope of a society or nation and minor ability of cooperation among citizen. For this reasons, bonding social capital does not correspond to the needs of modern and differentiated societies.

One major difficulty is the operationalisation of social capital and that there is no data available, which has been collected to analyse social capital (Westle/Gabriel 2008). As a first approach the analysis of social capital can be based on the data included in the World Values Survey (1995). Based on the definition of social capital by Robert Putnam, who focused on “social networks and the associated norms of generalized reciprocity” (Putnam 2000: 21), we can identify three major facets of social capital: generalized trust, political participation and civic participation. Generalized trust can be operationalised by the WVS question: “Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?”. Political participation can be measured by the questions asking for participation on demonstrations, boycotts and signing petitions. Civic participation is measurable by the data on membership in diverse organisations starting from political parties to sports clubs. The combination of these three facets to measure the construct of bridging social capital could be confirmed by a factor analysis shown in Table 1.

Table 1: Factor Analysis of Bridging Social Capital

	Component BrSC
Political Participation	,749
Civic Participation	,698
Trust	,531

The data analysis also shows that in the selected OECD countries³, as references for developed democracies, the bridging social capital score is significantly higher than in the transformation countries of Eastern Europe (Table 2).

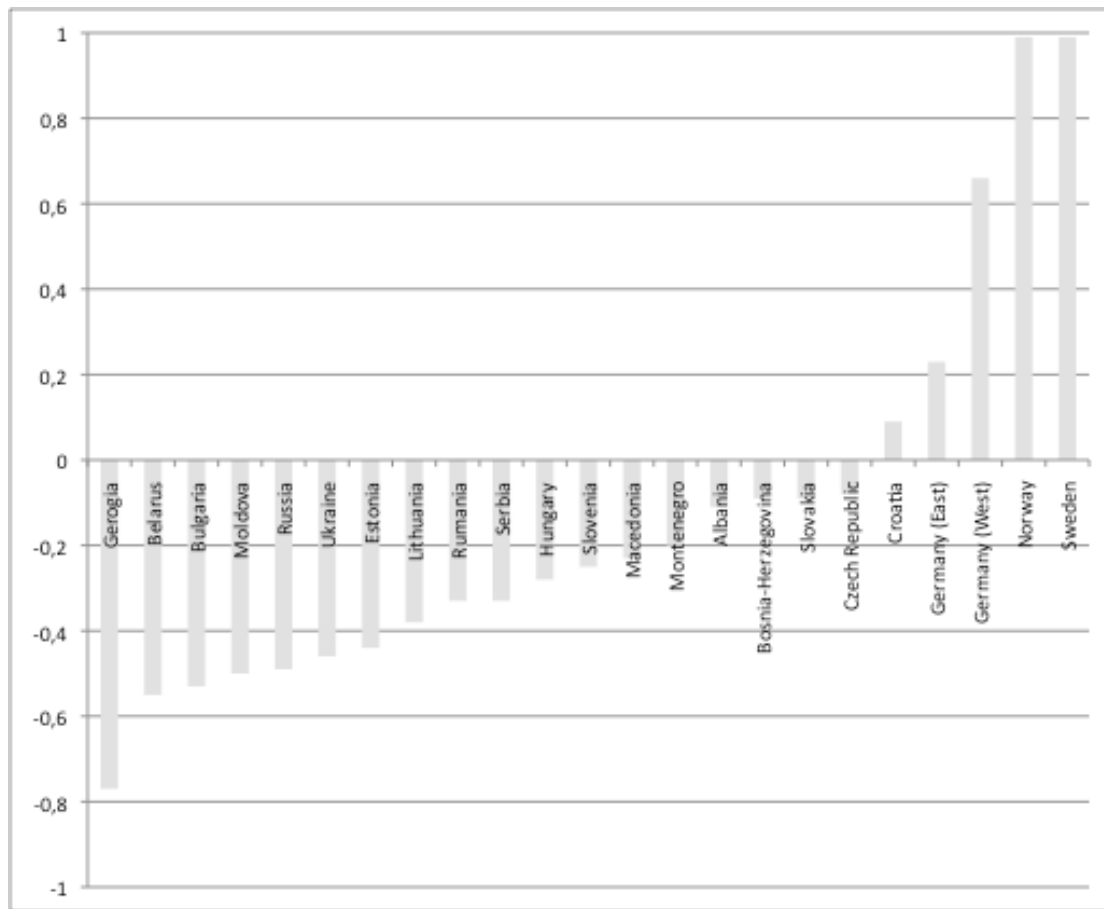
Table 2: Bridging Social Capital in OECD and Transition Countries

	OECD or transition country	N	mean average	standard degression	standard error of mean average
BrSC	1,00 OECD country	16455	,444	1,065	,008
	2,00 transition country	20405	-,358	,786	,005

Looking into the distribution of bridging social capital of the post-socials countries, Croatia is the only one with a positive score, followed by a large group of countries in the negative range from 0 to -0,3 representing mainly Central Eastern Europe and the Western Balkans. Finally, bridging social capital is the weakest in the former Soviet Republics and states with a very strong soviet influence (Figure 2).

³ Only Sweden, Norway and Germany the relevant questions have been surveyed.

Figure 2: Bridging Social Capital in post-socialist Europe



Note: Statistical analysis based on World Values Survey, 1995

b) Social Capital and Democracy

The bridging social capital evolved in the post-socialist societies to a lesser extent than in the established democracies. Consequently there seems to be a relation between the existence of bridging social capital in a society and the quality of democracy in the respective state. Figure 3 and

Figure 4 show two maps based on the generated bridging social capital score and on the BTI score (2003) to measure the quality of democracy. The darker the colour gradient is the higher is the bridging social capital respectively the quality of democracy.

Figure 3: Distribution of Social Capital from West to East



Bridging Social Capital

Sweden	0.9928
Norway	0.897
Germany West	0.6594
Germany East	0.2338
Croatia	0.092
Czech Republic	-0.0772
Bosnia Herceg.	-0.0872
Slovakia	-0.0901
Albania	-0.107
Montenegro	-0.2034
Latvia	-0.2288
Macedonia	-0.2342
Slovenia	-0.2462
Hungary	-0.278
Serbia	-0.3251
Rumania	-0.3293
Lithuania	-0.3829
Estonia	-0.4345
Ukraine	-0.4617
Russia	-0.4944
Moldova	-0.4957
Bulgaria	-0.5252
Belarus	-0.5467
Georgia	-0.7667

Figure 4: Quality of Democracy: BTI 2003



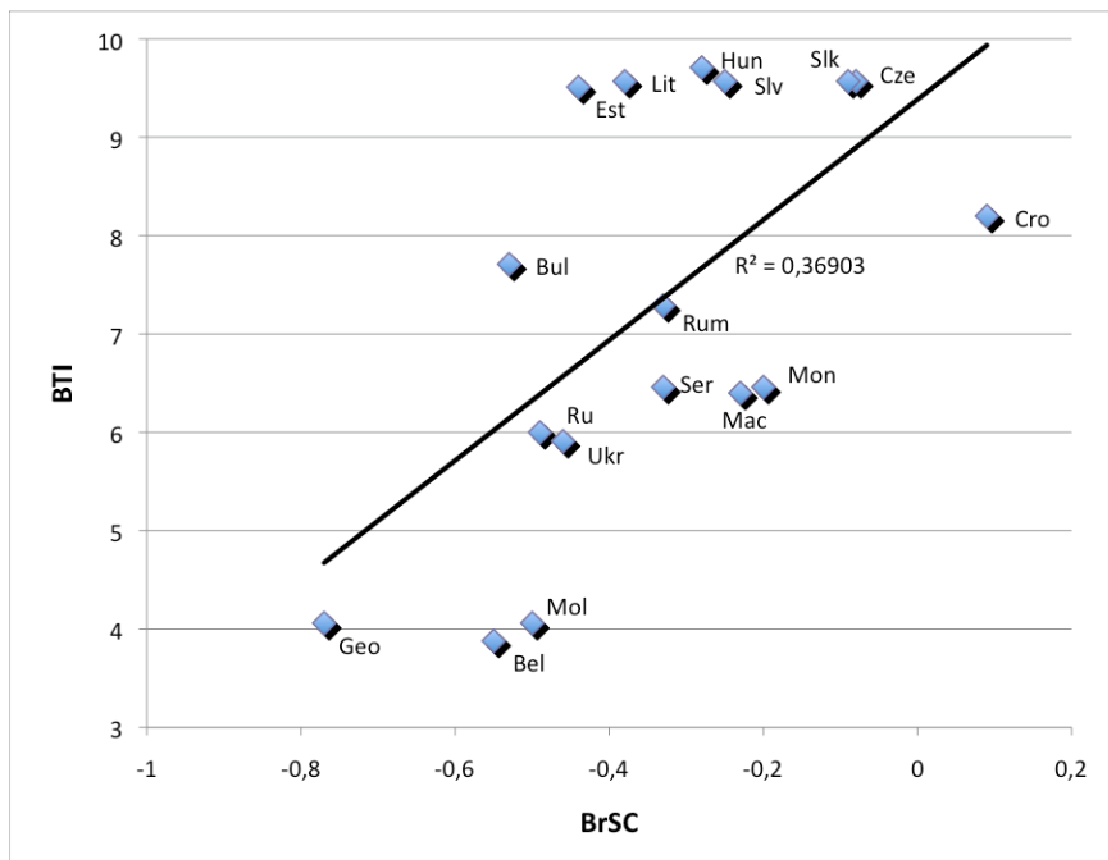
BTI Status Index 2003

Hungary	9.71
Czech Republic	9.57
Lithuania	9.57
Slovakia	9.57
Slovenia	9.57
Estonia	9.51
Poland	9.43
Croatia	8.2
Bulgaria	7.71
Rumania	7.29
Serbia	6.46
Montenegro	6.46
Macedonia	6.4
Albania	6.06
Russia	6
Ukraine	5.91
Bosnia Herceg.	5.46
Georgia	4.06
Moldova	4.06
Belarus	3.88

Besides the obvious tendency, the higher the bridging social capital the higher the level of quality of democracy, the analysis generated some surprising outliers. Considering the theoretical literature it is questionable that citizens of Bosnia-Herzegovina and Albania truly have a higher bridging social capital than Slovenians or Hungarians. These cases may more reflect a social-desirability effect and lip service than deeply rooted norms and values.⁴ Therefore these two countries have been considered as statistical outliers and are excluded in the following analysis.

Despite the limited measurability of people's attitudes, shortly touched on before, as well as the concerns regarding the measurement of the quality of democracy by Inglehart and Welzel (2005; 2008), the available data already offers findings which demonstrate a relation between bridging social capital and quality of democracy. As shown in the figure below, the degree of bridging social capital can explain up to 40% of the quality of democracy in Eastern European countries.

Figure 5: Social Capital by Bertelsmann Transformation Index (2003) Scores



Sources: World Values Survey 1995, Bertelsmann Foundation 2004

⁴ A number of studies based on WVS have been confronted with similar surprising effects for example for Albania and Azerbaijan (Welzel/Inglehart 2008) or China, Vietnam and Iran (Inglehart 2003) while measuring citizens values.

4. Lessons for the promotion of Democracy

Asking the question how the transformation process towards consolidated democracies can be fostered, it is necessary to understand the historical paths and preconditions. Pure institutional engineering will not fulfil its promises as the established institutions and the state by itself must prove its efficiency first. Hereby the structure of rule and institutions has a significant influence on the efficiency of the political system. As the link between the different types of communist rule and today's quality of democracy has shown, the pre-socialist level of modernisation and the experiences with a functioning state, bureaucracy and rule of law has positive impact and needs to be taken into consideration when implementing today's strategies.

Those countries that succeeded in democratisation belong to the groups of formerly bureaucratic-authoritarian or national-accomodative communist rule, which belongs all to liberal democracies today. None of the previous patrimonial communist ruled countries are consolidated democracies today.

Therefore it seems to be easier to reorganise an omnipotent Leviathan than to establish stateness out of fragile or weak states (Merkel 2007). Everywhere, as in the bureaucratic-authoritarian and national-accomodative communisms, where we had a high level of *staatlicher Vergesellschaftung* and bureaucracy, the reorganisation of state structure and state power after the struggles of the socialist breakdowns were easier (Schlichte 2005). In all the other countries external promoters need to adapt their strategies in order to ensure the efficient implementation and functioning institutions.

But not only the efficiency of the institutions is required for a successful transformation. It is also necessary that the new state and power holder has the necessary legitimacy within the society. Thereby legitimacy is the binding element between structural and cultural elements (Almond/Verba 1965, Dahl 1989) and social capital can be used to understand this link. Social capital measures the norms of social acting. These norms and values can be supportive to democracy in form of bridging social capital or obstructive in form of bonding social capital. The central idea is that structure and social capital has to be congruent to each other. Only there, the formal rules of a democratic system will not become undermined by contradictory informal rules, democratic procedures will be implemented and the political system will persist even in crisis situations (Pickel/Pickel 2006: 86). But where bridging social capital is

low, formal political institutions will stay *potemkin villages*. In this case institutional engineering is restricted in its efficiency and legitimacy. Successful democratisation needs a congruence of social capital on the micro-level and institutions on the macro-level. Figure 5 illustrated the strong relation between bridging social capital and the quality of democracy. Even if the data collection within this field of research needs to be optimised, this relation already indicates the need for external promoters to define strategies, which also focus on the transformation from bonding to bridging social capital.

Consequently the approach of constitutional engineering is wrong if a weak state and missing political willingness of the actors are coming together as for example in Albania, Kosova, or Bosnia-Herzegovina. It will be necessary to admit that one and the same democratisation strategy will not lead to the same results everywhere. Based on the deterministic impact of modernisation on structures to rule and the norms and values of a society, a stronger focus on development policy besides constitutional engineering will be necessary to shorten modernisation deficits. Only if the promotion of democracy works as well towards the modernisation of societies, the formal institutionalised democratic values will become “the only game in town” (Przeworski 1991: 26).

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