

Rethinking the Dominance of Elections and Institutions in Analyzing Democratic Transitions

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Abstract

Scholars of comparative political development struggle to categorize political systems that have free elections and democratic institutions but are not liberal democracies. This fact raises an important question: Are elections and institutions over-stated in importance when considering the establishment of democracies around the world? The former Soviet Union provides an insightful context for understanding challenges of democratic development because authoritarian rule occurred under the same regime with political, economic, and social transitions immediately following. This article compares democratic development in Ukraine and Russia from 1991 to 2006 and incorporates major lessons from the first fifteen years of post-Soviet development into a new conceptual framework for understanding democratic development.

The Rise of Illiberal Democracy in Ukraine and Russia

Ukraine and Russia have a particularly close connection among Eastern European nations, which dates back to the ninth century when Eastern Slavs formed the state of Kievan Rus. For twelve centuries, the countries shared a common ethnicity, language, culture, and religion. Russia ratified a democratic constitution in 1993, Ukraine in 1996. Ukraine officially is a “sovereign and independent, democratic, social, law-based state.” It is a “republic” in which state power is “exercised on the principles of its division into legislative, executive, and judicial power.” The “main duty of the state” is to “affirm and ensure human rights and freedoms.” The Russian Federation is constituted as a “democratic, federal, rule-of-law state with a republican form of governance.” Individual rights and liberties are a “supreme value” and the recognition, observance, and protection of these rights are the obligation of the State.

Neither ratification process was optimal. President Boris Yeltsin was central to the development of Russia's constitution. Yeltsin created a strong presidency after using force to retake the White House from rebel legislators who tried to seize control of government. "Instead of building a sensible incentive structure to support stable democratic institutions," democratic reformers "opted for a naïve, populist version of democracy featuring crude demarcations of power between Moscow and federal subjects, a simplistic view of presidential leadership, and parliamentary-election procedures that try to be all things to all people" (Ordeshook 1995, 48). Ukraine was the last former Soviet republic to ratify a democratic constitution. There was widespread acceptance of both political systems from 1991 to 2006, but laws applied differently to different people and there was little government transparency. Political forces that controlled state resources exerted extraordinary formal and informal influence on all aspects of Ukrainian and Russian society.

Both countries held frequent elections with high voter turnout. The average turnout was 70 percent in Ukraine and 67 percent in Russia. Elections were held as scheduled and respective electoral laws permitted citizens in both systems to popularly select candidates. Though results were widely accepted electoral fraud was blatant and extensive. Ukrainian election results were manipulated at the direction of powerful members of the administration, such as President Leonid Kuchma. In Russia, the dominant form of fraud was the illegal use of state resources to further the electoral advantages of politicians in power, particularly those favorable to the Kremlin. Violence was a related issue in both electoral systems. Candidates, supporters, and political figures regularly experienced physical assault and the destruction of property. Consecutive Ukrainian presidential elections (1999, 2004) experienced murder attempts of

presidential candidates, the most famous being the physical disfiguration of Victor Yushchenko from dioxin poisoning. The culprits were never publicly identified or brought to justice, a common element of political violence in both systems.

Political parties in Ukraine and Russia were numerous but fleeting, and typically centered on candidates, rather than platforms. In turn, “the problem was no longer the existence of a single party but of too many parties” (Service 1997, 522). Parties were dominated by single leaders, platforms were verbose, and distinctions between parties were unclear. Two particularly significant parties emerged in the early 21st century. *Our Ukraine* was formed as an opposition party in 2002 and became the dominant ruling coalition after the Orange Revolution in 2004. With the rise of President Yushchenko, the leader of the coalition, there was a brief period of optimism when many Ukrainians expected genuine democratic reforms. Once in power, however, public support of *Our Ukraine* quickly dwindled because of unmet expectations, internal divisions, incompetence, and corruption. In contrast, *United Russia* was built by President Vladimir Putin and his supporters as a means to expand and consolidate the Kremlin’s influence in the Duma. The party quickly became a dominant force in Russian politics with 2003 Duma elections. The rise of *United Russia* provided a well organized and lasting party, but one that was fundamentally accountable to the Kremlin, not the public.

The news media was heavily censored in Ukraine and Russia. Ukrainian news networks were trapped in a risk/reward environment, where the reward of staying in business was best maintained by eliminating all information that might provoke the “key viewer,” President Kuchma’s nickname among television managers (Prytula 2006). In turn, media networks self-regulated their

behavior in anticipation of government pressure. Television stations maintained lists of politicians the government did not want to receive publicity and over time this practice was applied to the coverage of events. The shift illuminated the uncertain nature of media restraint in Ukraine. Under the Soviet system the Communist Party distinguished between acceptable and unacceptable behavior. Such clarity did not exist in the post-Soviet system of media restriction.

In Russia, President Yeltsin's unpopularity during his bid for reelection led to a massive and illegal proliferation of pro-Yeltsin content in oligarch-controlled media networks. This created a dangerous precedent that enabled President Vladimir Putin to slowly abolish independent media in the name of the collective good. Media favoritism was still pronounced in Ukraine after the Orange Revolution, but certain channels supported certain candidates rather than one politician dominating the entire media, as in Russia. The term "black PR" is used to describe the ways in which Ukrainian parties duplicated, and in some cases hired, Western marketing and advertising agencies to discredit opponents via mass media. Given the large percentage of television watched by Ukrainians nationwide, competing politicians became image conscious at the expense of substance.

Both countries significantly privatized state owned industries. The turbulent, mismanaged, and corrupt privatization efforts left lasting scars. Ukraine experienced limited exposure to market ideas early in the transition process and tended to view Communism more favorably than other former Soviet republics. As time passed, the primary problem became a lack of interest on behalf of the ruling elite to relinquish strict control over economic and bureaucratic powers. Many political leaders in independent Ukraine were career politicians who adapted themselves to a new framework of government, but

offered little in the way of innovative thinking or experience with Western business practices. The preferential treatment given to oligarchs by the state drained valuable resources that could have been used to further production.

Economic development in post-Soviet Ukraine can be divided in three five-year periods. The first period (1991-1995) witnessed widespread instability and economic demise. The real GDP steadily declined until bottoming out in 1994. The second period (1995-1999) witnessed gradual stabilization. GDP improved from falling 10 percent in 1996 to falling just 3 percent in 1997. Foreign direct investment (FDI) increased fivefold. The third period (2000-2004) witnessed a significant economic turnaround. Real wages rose between 15 percent and 25 percent each year. FDI grew to \$16 trillion at the end of 2005, an all time high. GDP rose 12.1 percent in 2005, another first. Each year experienced positive growth, the lowest being 5 percent. Ukraine became a viable investment option. The West flooded the liberal-minded opposition with support, which helped fund the Orange Revolution.

The pace of economic liberalization in Russia differed from Ukraine. As the name implies, “shock therapy” was premised on rapid privatization. Western economic advisers to Russia feared that the unprecedented window of opportunity created by the fall of the Soviet Union would soon close if decisive action to spread capitalism was not taken. Shock therapy had a devastating short-term economic impact (Sachs 1992, 43). Between 1992 and 1994, Russia’s GDP dropped 40 percent, industrial output 45 percent, investment 60 percent, and real wages 25 percent (Hedlund and Sundstrom 1996, 888, 889, and 897). The annual inflation rate exceeded 200 percent. The economy collapsed in 1998. Alcohol abuse increased. Life expectancy fell. Most social problems facing common Russians were out of their control, including deteriorating healthcare,

lack of pollution standards, lack of industrial safety standards, and the fall in average family income. The legal order was fragmented and ineffective. Everything was in flux, which made a law-based state elusive. As Robert Service puts it, "a world of experience was being turned upside-down." Under these conditions, "criminality was pervasive in the development of the Russian market economy" (Service 1997, 519). Bribery of government officials was commonplace. Generals regularly sold military equipment to the highest bidders, even Chechen terrorists. Wealthy Russian capitalists did not invest their profits in their own country. Russian development was unable to proceed at the pace of neighboring countries such as Poland and Czechoslovakia.

The Russian economy was rebuilt by nationalizing oil production. The average price of oil in the first half of 2003 rose from \$18.5 per barrel to \$23.7—a 28 percent increase from the previous year, largely due to the American-led invasion of Iraq ("Russian Economic Report" 2003, 2). The World Bank estimated that approximately 3 percent of the 7 percent economic growth in 2003 was the result of rising oil prices ("Russian Economic Report" 2003, 2). In the five years after the 1998 crisis, the economy grew by 38 percent and inflation normalized. The federal budget ran a surplus for four straight years. Federal reserves hit a record high in February of 2004.

Dealing with Russia's small circle of multi-billionaires posed a major challenge after the economy rebounded. Few Russians cared for people who obtained massive wealth via fraud and corruption as the majority suffered yet their combined wealth and connections rivaled the power of the State. President Yeltsin had an informal agreement with the Russian economic elite. Oligarchs were rewarded with political patronage if they supported the administration and stayed out of the day to day political process. President Putin consolidated

power by imprisoning oligarchs who failed to adhere to his demands, which eliminated political rivals, increased the resources of the State, and boosted his public image.

The first fifteen years of post-Soviet development in Ukraine and Russia was a mixed legacy. Formal elements of democratic development were successfully established, including constitutions, democratic institutions, and democratic elections. Elections were held as scheduled with high voter turn out, popularly selected candidates, and widespread acceptance of the new political systems. Democratic institutions divided political power, created a more representative political structure, and privatized state owned industries. At the same time, there was no independent news media, weak civil society, and weak political parties. High levels of corruption, fraud, and violence compromised democratic consolidation while centralized political control continued to dominate the political process. Neither country emerged from the early post-Soviet period as a consolidated democracy. Russia is headed in a non-democratic direction. Ukraine is headed toward uncertainty and instability. These developments question the centrality of elections and institutions in general theories of democratic development and accentuates how elections and institutions are only part of a functioning democracy. The next section builds on past scholarship that has raised similar concerns and provides a new framework for understanding democratic development that incorporates lessons of Post-Soviet development.

Rethinking Democratic Transitions

Democracy scholarship has focused on the notion of transition over the last three decades. Dankwart Rustow (1970) transformed predominant understandings of democratic development away from prerequisites toward a

more dynamic understanding of political change. Rustow understood democratic development as a process that can move forward, toward lasting democratic reform, or backward, toward repressive government. As a result, democratic transitions need not be geographically, temporally, or socially uniform as modernization theorists previously asserted. Samuel Huntington (1984, 1991) famously placed the study of democratic transitions within a broad view of historical development by identifying three waves of democratic expansion and corresponding reverse waves of democratic retrenchment. He described the third wave (1974 to 1990) as a “global democratic revolution” that was “the most important political trend of the late twentieth century” (Huntington 1992, 579). Widespread change in the third wave of democratization was accompanied by “the gradual and unobtrusive development of two proto-sciences: transitology and consolidology” (Schmitter and Karl 1994, 173). These approaches developed universal assumptions, concepts, and hypotheses, to explain democratic development and guide autocratic regimes toward democracy.

Valerie Bunce (2003) identified several core assumptions of the transitions approach: 1) transitions are inherently uncertain; 2) immediate influences are more important in shaping transitions than historical considerations; 3) bargaining between authoritarian leaders and democratic leaders is central to the transition process; and 4) breaking with authoritarian rule, building democratic institutions, and eliciting the cooperation of previous elites are key challenges facing democratic transitions. Post-soviet development challenged many of these assumptions. Managing uncertainty did not necessarily promote democratic outcomes even after elections were established. Communists posted several electoral victories. “Even ten years after the transition began,” Bunce explained,

“only one-third of the postcommunist regimes were ranked fully free” (Bunce 2003, 173). This percentage was much lower than Latin America and Southern Europe, which suggested that “uncertainty surrounding postcommunist political trajectories varied significantly” (Bunce 2003, 172). In addition, mass mobilization was often helpful to democratic transitions in the Post-soviet context. Popular protests signaled the breakdown of authoritarian governance, created a widespread sense that alternatives existed, prompted authoritarian leaders to negotiate, and helped develop a united opposition to the status quo.

Russian development in the 1990’s was described by Michael McFaul (2005) as a “protracted transition.” “Whether the end of the transition is seen as 1993, 1996, or the year 2000,” McFaul explained, “the process has been a long one” (McFaul 1999, 6). Unlike typical third wave transitions, Russia was forced publicly to confront economic reform and challenges of defining crumbled state borders of the multi-ethnic Soviet Union. Significant progress was made in Ukraine, where the impetus for regime change was a fraudulent national election, democratic challengers relied on extra-constitutional means to defend the existing democratic constitution, and the Orange Revolution ended without mass violence. This progress was premised on the regime being semi-autocratic, rather than fully autocratic, an unpopular incumbent, a united and organized opposition capable of mobilizing thousands of demonstrators, the recognition of electoral fraud, and internal divisions.

Whereas Bunce and McFaul sought to correct and improve predominant understandings of democratic transitions, Thomas Carothers (2002) argued for the end of transition paradigm. Carothers chronicled how third wave transitions in Southern Europe and Latin America led democracy promoters to rapidly embrace the analytic model of democratic transition, which was principally

derived “from their own interpretation of the patterns of democratic change taking place” and “the emergent academic field of ‘transitology.’” When the third wave spread to Eastern Europe and sub-Saharan Africa, democracy promoters accepted the transitions model “as a universal paradigm for understanding democratization” (Bunce 2002, 6). The transitions paradigm “became ubiquitous in U.S. policy circles as a way of talking about, thinking about, and designing interventions in processes of political change around the world” and “stayed remarkably constant despite many variations in those patterns of political change and a stream of increasingly diverse scholarly views about the course and nature of democratic transitions” (Carothers 2002, 6). Carothers concluded that the transitions paradigm was “somewhat useful” in understanding a period of significant political upheaval, yet it became increasingly clear that reality was no longer conforming to the model, so much so, that scholars must “recognize that the transitions paradigm has outlived its usefulness” (Carothers 2002, 6).

Post-Soviet development and critical scholarship of predominant theories of democratic development suggest that contemporary scholarship should reorient predominant understandings of transitions away from election-centered and institution-centered models of democratic development toward a multifaceted approach that better incorporates the major lessons of post Soviet development. This does not mean that elections or institutions are unimportant, nor does it suggest that transition scholars solely focus on these two variables. The hope is that scholarship will increasingly emphasize the inherent nuance of transitions so that elections and institutions are no longer considered the universal foundation for democratic development as we have seen in the Bush Administration’s approach to nation building in Afghanistan and Iraq. For the

purpose of this analysis "environments" were chosen to distinguish different and equally important aspects of democratic development. Environments are static, yet must be sustainable to be effective, and thus are constantly in a process of destruction and construction, creation and recreation, similar to the transition process. Seven environments are discussed: 1) popular environment; 2) historical-cultural environment; 3) international environment; 4) institutional environment; 5) legal environment; 6) economic environment; and 7) civil environment.

The popular environment is focused on the level of desire for democracy within a society. What do people think the new regime should look like? What do people believe are the key objectives in reaching these goals? In evaluating the popular environment, scholars should not assume that democracy and capitalism are universally desired goals. Instead, scholars should focus on the aspects of a popular government and a competitive economy that are most appealing in a given country. If a country is interested in Western conceptions of democracy then Western assistance should be made available. If democracy is not the desired alternative then societies should not be forced on countries. Democracy is a form of government where the populace plays a unique and tremendous role in governance. Thus, public attitudes must be understood and embraced, rather than ignored or assumed.

The historical-cultural environment is focused on the amount of experiences and values that fit with democratic norms. Democracy does not develop in a laboratory with all variables constant, so history inevitably impacts the transition process. Key questions include: Is there a history of democracy? What was the impact on society? Why did democracy or related components breakdown and fail to be effective? In evaluating the historical-cultural

environment scholars should not assume that any history of democracy is beneficial in considering contemporary development. Democracies can easily produce undemocratic leadership and trends that may have a strong influence on the perceived value of popular governance. History and culture do not absolutely limit or guarantee democratic development. History and culture do provide a context in which contemporary attitudes and reforms can be better understood.

The international environment is focused on external influences on development in a given country. Key questions include: What external groups have a stake in the new regime? How involved are external groups in the transition process? What is the impact of this involvement? In the third wave of democratic transitions external influences played a significant role in the nature and process of regime change, particularly in the former Soviet Union. Given the fact that contemporary politics unfolds in the context of globalization, it is difficult for a society to undergo massive transformation without considering external incentives or disincentives. Intergovernmental organizations and nongovernmental organizations can wield tremendous influence over a territory, as well as non-state actors, such as terrorist or criminal organizations. In turn, international relations must be considered alongside domestic history and culture to better appreciate the context in which a transition occurs.

The institutional environment is similar to the focus of transitology. Elections and institutions are an important part of the transition process, but these conditions do not effectively encapsulate the process, nor should they be the predominant focus. Key questions include: How were elections and institutions implemented? How have these operated since implementation? In evaluating the institutional environment scholars should not assume that the

very existence of elections and institutions are solely beneficial to development. The implementation process is important and may intentionally or unintentionally distort institutional operation.

The legal environment is focused on the degree to which a given society is law-based. Formal mechanisms, such as elections and institutions, will mean very little without transparency, widespread adherence to established legal procedures, and government protected civil liberties. Key questions to include: How transparent is government activity? Is there widespread adherence to constitutional and legal provisions? Are there effective judicial bodies that mediate constitutional and legal disputes? In the evaluation of the legal environment, one must not assume that, because transition societies have formal documents that establish formal political and legal procedures, these procedures are regularly respected.

The economic environment is focused on the state of the economy and quality of life. If economic conditions are unstable or in prolonged decline, it will certainly have a negative impact on development objectives and public attitudes. Key questions include: Are people better off than when the transition began? Are people better off than under the previous regime? Do they believe they are better off? In evaluating the economic environment scholars should not underestimate the potentially devastating impact that rapid economic transformation can have on individuals and reform objectives. The business perspective of cutting your losses as quickly as possible or the belief that opportunities must be maximized in a window of opportunity ignores the basic humanity of those involved in dramatic social change. The security and savings of average people hang in the balance while they try to make sense of new realities and navigate around wealthy, violent, and criminal elements that can dominate

chaotic political scenarios. If basic quality of life is not maintained during the transition process, or quickly reestablished if lost, the achievement of long term development goals will be severely complicated if not compromised.

The civil environment is focused on the state of political organization within a given society. This includes parties, blocs, and coalitions, as well as other forms of collective organization outside of government, such as interest groups, civic groups, and think-tanks. If there are no sustained forms of collective organization inside or outside of government, it will be very difficult for a system of governance to work towards some conception of public good. Key questions include: Does the country have stable and representative parties? Are there public groups outside of government that can effectively communicate their policy goals to society and government? Collective organization is central to promoting greater accountability and transparency in transitioning systems.

Conclusion

These seven democratic environments must interact together, not exist separately or partially, for democracy to develop. The ideas behind the environments are simple enough to be generally comprehended, yet complicated enough to appreciate how difficult it is for democracy to develop. Democratic development takes time and is very difficult to predict. Rather than waves, transitions should be understood like trains that can move forward or backward between two destinations (authoritarianism and democracy), switch to new tracks (mixed systems), derail (civil war), or never leave the station (institutional change with little procedural change). An array of political, economic, and social changes must effectively complement one another for a consolidate democracy to coalesce. This is the primary lesson of post-Soviet development.

Now, more than ever, scholars of comparative political development need to think of new and effective ways to explain the myriad of development scenarios that have emerged since Rustow pioneered the transitions approach, over 30 years ago. The predominant emphasis on elections and institutions in academia and government should be rethought. This work emphasizes the existence of many blueprints for building effective democracies and many different components involved in these processes. Greater dialogue will emerge on the limited capacity of elections and institutions to produce functioning democracies without greater appreciation for the larger context in which these processes occur. New and better perspectives in this very important and timely area of study are of utmost importance to comparative political development and the future American foreign policy making.

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