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"Attractive" autocracies?

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Bonn, 4 May 2009. Cross-country statistical comparison bears out the assumption that democracy entails a welfare dividend. The line of argument I developed in my last *Current Column* (30 March 2009) – *Democracy in crisis, or: Just how development-friendly is democracy?* – to explain this phenomenon is: Governments that hope to be re-elected in democracies with inclusive competition and a system of checks and balances need to bear in mind the economic well-being of broad segments of their population. Autocratic governments may generally be said to rely more heavily than democratic governments on the support of a small number of powerful interest groups. In this case a large majority of the population will find itself wholly deprived, by force, of both political influence and political and other rights. In return, these interest groups will demand that the economic policy pursued by an autocratic ruler accord major privileges to them, while the broad mass of the population will be faced with systematic discrimination.

Despite this proven fact, there continue to be observers who point regularly to the economic successes posted by some autocratic regimes. At present it is mainly China that comes in for praise of this kind. In the 1980s South Korea and Taiwan – to cite two examples - were often referred to as authoritarian "economic miracle countries," and just a few years earlier the same was said of, say, Mexico and, to a lesser extent, Brazil. The conclusion drawn, again and again, was that economically "attractive" autocracies of this kind offer, at least during a given phase of their development process, an alternative path to prosperity. But what is it that enables a small number of autocracies to prosper more than they might be expected to?

Here the culture card is often played by way of explanation. It is, we are told, (East) Asian societies, with their deeply ingrained Confucian values, that are particularly receptive for the notion of the economically "attractive" autocracy. This line of argument is shot though with inconsistencies. If we are to assume that what is at work here are deeply ingrained cultural patterns, why is it that the partition of Korea gave rise so rapidly to fundamental development disparities? Why is it that today, despite their allegedly autocracy-oriented cultures, Taiwan and South Korea are counted among the most successful democratisation processes observed in the course of recent decades? Another open question is, finally, Why it is that autocracies in other cultural contexts - Mexico, for example - have generated positive economic growth rates for decades on end.

In looking for the key factors behind this phenomenon, it would be just as mistaken to point to resource wealth. The discussions surrounding African "blood diamonds" or the "resource curse" weighing on oil-producing countries indicate quite clearly that resource-rich autocracies provide strong incentives for elites to seize by force or to give an especially repressive and exclusive shape to access to resources and the state's traditional monopoly on the use of force. Another reason why such autocracies can hardly be called "attractive" is that they hold out no prospects for emulation on the part of resource-poor developing countries.

My argument is thus that "attractive" autocracies are most likely to emerge from a rare combination of two factors. First, economically successful authoritarian regimes tend to be linked





relatively closely to groups in society that play a major role for economic development, although, in the end, these close links do not serve the groups in question as a means to co-opt state structures, a development that would lead to the emergence of a rent economy. The nexus between these groups and other strategic groups in society is either created directly, via the state bureaucracy, as in the case of South Korea, or dominant political parties that are closely intertwined with the state have roots extending far into society, as in the cases of Mexico (in the past) or today's China. It is this combination of a regime which is at once autonomous and embedded in social structures that enables even an authoritarian government to respond by relatively flexible and adaptable means to the population's interests and needs. However, this combination is, in itself, not sufficient. Indeed, autocracies that have proven economically successful for a longer period of time tend to have a fragile system of informal checks and balances in place between the various factions constituting the ruling regime. To cite two examples, the rulers of the autocracies found in today's China and Mexico in the past have served as strict moderators between different factions of national elites. Regimes of this kind tend not to be totalitarian systems in which one party serves to transmit to society, virtually mechanically, the arbitrary decisions taken by a despot. What we find instead is a limited plurality of interests that encourages an autocratic regime to adopt a relatively open and flexible economic policy.

But the fixed elements of even allegedly "attractive" autocracies of this stamp include repression of any open opposition to the ruling regime, censorship of the media, and violations of human rights, with a relatively small regime elite enjoying disproportionate economic benefits and the large majority of the population deprived of their basis rights. The system of checks and balances in place will for the most part tend to be fragile and to function exclusively in the interest of regime elites. In the long run authoritarian systems of this kind will therefore display marked signs of political sclerosis and corruption. Another factor that tends to limit the "attractiveness" of regimes of this kind is that they show a far higher level of resistance to transplantation in other countries — this, be it said, in stark contrast to democracy, which, thanks to the openness of democratic political processes, is far more adaptable to specific country contexts. All this we need to keep in mind when we hear, as we sometimes will, the "attractiveness" of autocratic rule being rashly extolled for countries in the process of development.



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