

Book Review: Anna Grzymała-Busse, *Rebuilding Leviathan: Party Competition and State Exploitation in Post-communist Democracies* (New York: Cambridge University Press, 2007), 274 pages.

Robust Competition Checks State Exploitation The Post-Communist Experience

Yu-Shan Wu

In this well-structured study of rebuilding the state in post-communist Europe, Anna Grzymała-Busse demonstrates how robust party competition limits exploitation of state resources by incumbents. As most of the post-communist studies focus on political and economic transition, *Rebuilding Leviathan* provides fresh insight into the variation of state building among democratic regimes in post-communist Europe (Estonia, Latvia, Lithuania, Poland, Hungary, the Czech Republic, Slovakia, Slovenia, and Bulgaria, i.e., all the new-comers to the EU since May 2005, except Romania). The author advances her arguments with an impressive array of empirical evidence gathered through painstaking document search and interviews, and meticulously conducted statistical testing. She clearly identifies and operationalizes her independent variables, those factors that contribute to robust competition, and the dependent variables, the behaviors that show the constraints on exploitation of the state. One is struck by the combination of the depth of area study, the insight from structured comparative analysis, and the rigor of scientific research design in this work. *Rebuilding Leviathan* is obviously among the finest in the frontline research of comparative post-communism studies.

While most scholars in the field are interested in the progress, or lack of it, of political and economic reform in post-communist Europe, Grzymała-Busse notices the conspicuous and yet understudied phenomenon of the post-communist democratic parties' exploitation of the state while in power. She further notices the great variation of degrees of state exploitation among the nine countries that she studies. Explaining the uniformity of, and the divergent patterns of, exploitation becomes an urgent task. The author dwells more on the divergence than on the uniformity issue, but she advances plausible explanations for both. Because the post-communist parties are committed to

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democracy, and yet lack organizational prowess, they are bound to exploit the state for resources that are direly needed for their political survival in electoral competition. Clientelism, state fusion, and predation are excluded as possible strategies by which post-communist parties extract resources (p. 32). Given the inevitability of exploitation, the author then sets about finding the factors that best account for the varying patterns of exploitation. The core of her explanation resides in “robust competition.”

Robust competition is characterized as a compelling situation in which incumbent parties acutely feel the probability of being removed from office if they pursue state exploitation. Robust competition is defined as clear (the existence of easily identifiable opposing camps), plausible (the absence of ostracized parties and the possibility of forming alternative government), and vociferous (the intensity of parliamentary interpellation expressed in the number of formal questions asked in the parliament). Robust competition exists when voters have clear alternatives to offer, all parties can be potential coalition members with some other party, and parliamentarians avidly criticize each other in parliament (p. 13). A “gang of four” (Latvia, Bulgaria, the Czech Republic, and Slovakia) is identified as lacking robust competition, and thus separated from the remaining five countries that do have healthy competition. The index of robust competition inversely correlates (-0.85) with state exploitation, defined in terms of the absence of monitoring institutions, the discretionary expansion of civil service, and the lack of party financing regulations. By establishing the negative correlation between the two sets of variables, the author is able to stress the causal linkage between robust competition and restraints on state exploitation.

The overall logic in the book is sound and most of the basic arguments are compelling. Some arguments and the way several key variables are defined seem debatable, though. First of all, the author argues that it is imperative that the new democratic parties exploit the state because they are committed to democratic principles (hence no state fusion or predation), and lack organization resources (hence no clientelism) (p. 32). One gets a very strong feeling that the author is primarily thinking of the democratic parties that emerged when the old system collapsed, and not the post-communist successor parties. As the latter play an important role in post-communist politics in the nine nascent democracies, often alternating with the new democratic parties in governing the nation, to build the logic of exploitation simply from the position of the new parties, while disregarding the successor parties, is questionable. For example, it is dubious to assume that the Bulgarian Socialist Party (BSP) was in the same position as its major opponent, the loosely organized Union of Democratic Forces (UDF), when democratic competition began in Bulgaria: the BSP was much more organizationally endowed than the UDF. Although Bulgaria is grouped with the Czech Republic, Slovakia, and Latvia as countries of high state exploitation, it is not because the BSP lacks an alternative way of extracting resources from the state. It is necessary to differentiate the two types

of major actors, the communist successors and the new democratic parties, and the emphasis probably should not be put on the latter only.

Second, robust competition is said to be composed of, first of all, the extent of the reinvention of the communist successor parties (p. 11). The author may want to provide some explanation for this. It may be true that, when the communist party reinvented itself and entered electoral competition, a divide emerged between the former ruling party and the forces opposed to it, a situation that defines the post-communist politics in the country. However, this is a far cry from defining the extent of robust competition in terms of how successfully the successor party reinvented itself. A successor party may not need to reinvent itself in order to be a major player and compete ferociously with its post-opposition rivals (BSP and the Communist Party of Bohemia and Moravia, KSČM, immediately come to one's mind). That way, it may be able to attract even greater hostility from other political forces, thus arousing competition in a more vigorous way. A successor party may reinvent itself and then lose all political significance. If one does not find the successor party on the political stage, there is no guarantee that the competition among new democratic parties will not be as ferocious as between the successor party and its competitors, or that the opposing camps will be less clearly defined. As mentioned by the author, parties that are quite close ideologically can be enormously hostile to each other (p. 60). In short, it sounds odd to define competition in terms of the extent to which former ruling parties reinvent themselves.

Third, the author uses average excluded vote, instead of the commonly used fragmentation, turnover, polarization, or volatility as an indicator of competition. All the above indicators are to capture some aspect of the party system and shed light on competition. One wonders if party exclusion is a better indicator than others, if for no other reason than the obvious measurement problems (determining the excluded parties' vote is more problematic than calculating the effective number of parties, a standard measurement of fragmentation). The author's defense is mainly statistical: her indicator covaries better with state exploitation than other indicators of competition do. The problem, however, is that one should first establish that party exclusion is an inherent aspect of competition, before testing its effectiveness in explaining state exploitation. According to the author, anti-system and ostracized parties are not considered capable of formulating alternative governments. They negatively affect competition. This is how party exclusion comes into the picture. However, such parties may be highly *relevant* in the party system, as asserted by Giovanni Sartori, particularly when they are significant in size. To exclude them from the picture of competition shows that the author may have adopted a definition of competition that is too narrow, here, and measured it inappropriately. In short, why robust competition is defined the way it is requires further explanation. At this stage, it appears that its three constituent elements (communist regeneration, party exclusion, and parliamentary questioning) are put in place mainly because of their respective and collective correlation with

state exploitation. The reader may want to get more theoretical underpinnings from the author for the particular way in which robust competition is defined.

Fourth, the rationale for defining state exploitation, the dependent variable, in terms of lag in introducing monitoring agencies, expansion of state administration, and lack of party financing regulation, is not self-evident. Those phenomena may facilitate incumbent parties to extract state resources, but they are not state exploitation per se. To equate the two is not appropriate. The selection of the dependent variables is also important methodologically, for the choice of independent variables is contingent on their demonstrated statistical relevance to the dependent variables. Robust competition is defined the way it is exactly because its constituents covary well with the indicators of state exploitation. If exploitation is inappropriately defined, the significance of robust competition may be called to question. This being said, one needs to recognize the difficulty in operationalizing exploitation as defined by the author. The three constituent variables may be the best one can get.

Finally, electoral competition is indeed the mechanism that democracy provides for itself against all forms of corruption, state exploitation included. However, competition itself constitutes a source of exploitation by making it imperative for new democratic parties to extract resources for funding campaign and other party activities. The very electoral uncertainty may also prompt incumbent parties to plunge into opportunistic behaviors, for they do not know whether they will stay in power after the next elections, a typical noniteration problem. One wonders if excess competition is the cure, or also part of the problem, of state exploitation. It would be interesting to calculate the net effect of competition on state exploitation, so as to have a fuller picture. One also needs to be aware of mechanisms that can check state exploitation by incumbent parties other than competition, such as independent mass media and the judiciary. The way in which the significance of those alternative factors (extraparliamentary forces) is dismissed is not convincing (pp. 49, 227).

Let's move back to the big picture. The message of the volume is clear and laudatory: only competition brings about progress. In post-communist Europe, political parties have both incentives and opportunities to exploit the state, and the only way to restrain such opportunistic behavior is through robust political competition and the threat of losing power in the next elections. The volume testifies to the virtue of democracy. It also shows the need to better scrutinize the behaviors of democratic parties that emerged after the collapse of communism, for they are every bit as inclined to usurp state resources as their predecessors, as well as the need to appreciate the function of communist successor parties, whose return as democratic competitors serves to curb state exploitation. Further, *Rebuilding Leviathan* shifts our attention from political and economic transition to post-communist state building, from formal rule-making to rent-seeking behaviors in nascent democracies. Although the author points out that state exploitation does not covary with political or economic restructuring, and that a model country in building democracy and a free market may happen to

be one with high state exploitation (not “all good things go together”), it is imperative to realize that usurping state resources will decisively undermine the legitimacy of the new democratic regimes in the post-communist world, and, hence, jeopardize democracy. State exploitation is not just a matter of social justice, but also one of democratic survival. Students of post-communist democracies should thank Professor Grzymała-Busse for vividly illustrating these dictums.

