

Democracy Compared Complexities and Values

Ursula van Beek

Abstract

Before the financial crisis hit and the global recession set in, established democracies with their rising levels of affluence served to confirm the conviction that the combination of democracy and a free market was the secret to the success of achieving national prosperity. Today, economic progress in many of the developed democracies has given way to a decline in the trajectory of affluence, weakening this conviction and giving rise to many new questions. Since some of the emerging economies seemingly were less affected by the crisis, one such question is whether democracies might be more susceptible and less able to cope with economic crises than nondemocracies. This is the overall problem that the empirically based articles in this collection address. The current essay looks at the more general issue of the complexity of studying democracy in a cross-cultural context, and ponders the interplay between the core values of democracy: liberty and equality. The aim is to discover the source of the inequalities the global crisis has brought so forcefully to the forefront of our attention.

Keywords: Cross-cultural research, democratization, liberty, equality, inequalities.

The Initial Challenge

The complexity facing students engaged in a cross-cultural comparative study of democracy starts with having to consider country-specific idiosyncrasies and analyze them within the context of “universal” democratic values. Two obstacles lurk. One is the need to rely on interpretations of events in a given country drawn from a national historical narrative, which is always culturally biased. Analytical concepts used in the investigation pose the other problem. These concepts are considered universal, yet they have not evolved across

Ursula van Beek is Professor of History in the Department of Political Science, and Head of the Transformation Research Unit (TRU), Stellenbosch University, South Africa. <uvb@sun.ac.za>

all the cultures studied and they have developed within one specific political culture. According to some analysts, this culture was shaped by the meta-narrative of Anglo-American citizenship theory.¹ It is, of course, debatable whether the theory of citizenship is of Anglo-American attribution or whether its provenance can be traced back to the idea of individual human and civil rights of the French Revolution. Nevertheless, the conceptual tools we use in cross-cultural studies of democracy are undeniably rooted in the Western cultural tradition.

The above limitations cannot be eliminated, but they can be mitigated by methodology. The approach taken by the precursor of Transformation Research Unit (TRU): Democracy Globally, a project of the Department of Political Science at Stellenbosch University, relied on expanding the number of research tools and perspectives. The method entailed:

- Combining a high level of cultural variation of cases with methodical country studies;
- Bringing together researchers from all the countries examined to benefit from the knowledge they had of their own countries;
- Adopting qualitative and quantitative research approaches;
- Conducting cross-disciplinary research, yet using a common conceptual framework;
- Utilizing both existing data and data generated by the precursor of TRU; and
- Comparing the values and attitudes of—and among—citizens and their representatives in each country and across all countries studied.

The merging of approaches made it possible to start to distinguish between (1) the factors and patterns that shape a democracy in any cultural setting, and (2) those aspects of democratization that are path-dependent and determined by history, religion, and a specific cultural tradition and its values. Our cases in this volume represent traditions stemming from African cultures, Christianity, Confucianism, and Islam. Additionally, each country in the sample has departed from a different type of autocratic regime.

When the initial project was undertaken in 2000, it was the first such multifaceted approach to the study of democracy. Significantly, the research was initiated at Stellenbosch University, located in what was then considered to be the global periphery of democratization.

Originally, South Africa, Poland, (East) Germany, South Korea, and Chile were selected for analysis. The countries were sufficiently different to fulfill the first requirement of our chosen research design: “most different cases.”

¹ Margaret R. Somers, “Narrating and Naturalizing Civil Society and Citizenship Theory: The Place of Political Culture and the Public Sphere,” *Sociological Theory* 13, no. 3 (1995): 229-274.

The second prerequisite of the design, “most similar outcome,” was met because every country in our sample, at that time, was classified as a leader of democratization in its respective geographical region.² In 2005, to expand the cultural variable further, Turkey was added to the sample, while Germany, already united, and Sweden were included in the analyses to serve as control cases to help assess the comparative levels of the quality of democracy across all cases.

The following is a “conceptual map,” indicating the main direction of our research from autocracy to democracy.

The Conceptual Map

The Democracy Axis

Figure 1 broadly defines the parameters within which our consecutive projects on democratization have been implemented. The diagram captures the key interest areas, the overall dynamics of the process of democratization, and the timeframe. The temporal dimension is demarcated by two momentous global events: the end of the Cold War, when our investigation first started, and the global financial crisis, with its recessionary consequences—the topic of our latest research project, whose results are presented in this collection.

The termination of the Cold War brought to a close global ideological bipolarity, giving a powerful push to what Samuel Huntington termed the Third Wave of democratization. Unfolding since the 1974 Carnation Revolution in Portugal, the Third Wave surged forth in the late 1980s and early 1990s to sweep across Eastern Europe, Latin America, East Asia, and Africa.³ During this period, Western liberal democracy was thought to have reached the ultimate height of the ideological evolution of mankind. One scholar wrote that history, itself, had come to an end.⁴ The idea that democracy, combined with free-market capitalism, offered the most reliable route to national prosperity and individual well-being gained wide currency. Established Western democracies, with their seemingly perpetual economic growth and functional institutions, lent the idea much credence.

Third Wave democracy achieved global outreach. Yet, there is little controversy that, even in vastly differing cultural and historical contexts, a successful process of democratization in individual countries has tended to follow a similar path. The process leads through four analytically distinguishable phases, usually starting with liberalization and, ideally, ending in consolidation

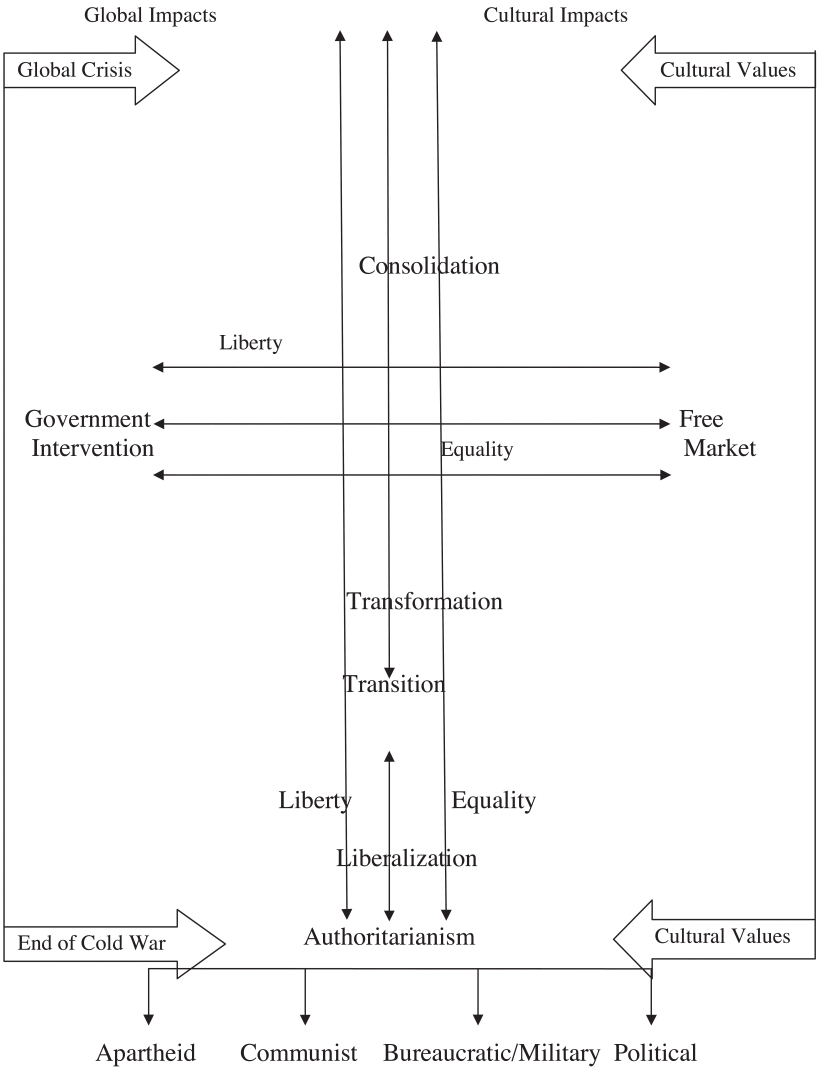
² Freedom House scores for Political Rights and Civil Liberties (2000).

³ Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1992).

⁴ Francis Fukuyama, *The End of History* (New York: Maxwell McMillan International, 1992).

⁵ Martin Seymour Lipset, *Political Man: The Social Bases of Politics* (Garden City, NY: Anchor, 1960).

Figure 1. Developed Democracy



and democratic persistence, as illustrated on the vertical axis in figure 1.

The much more intriguing and heatedly debated question is what are the local determinants that explain why some countries are more likely to democratize than others? Several causal variables are usually offered for consideration. They include structural factors referring to aspects of socioeconomic modernization⁵ that emphasize economic inequality;⁶ strategic theories, which focus on the decisions and pacts made by political elites;⁷ political developments, especially the types of political institutions that emerge during transition;⁸ and the social forces that bring about popular prodemocracy mobilization.⁹

But the complexity involved in democratization research is much further nuanced. When some of the prominent theories based on institutional factors were tested empirically against each other, it emerged that the relevant determinants were subject to a dynamic process, as they exerted variable influence on events over time. It has been established that, in the short term, economic crises of several years' duration mattered, as they could lead to intraregime splits and had the tendency to provoke peaceful antiregime demonstrations. In the medium term, the type of authoritarian regime from which a new democracy had emerged played the more significant role.¹⁰ In the long term, socioeconomic modernization, economic prosperity, and media proliferation were found to be the most conducive to the entrenchment of democracy. Moreover, the significance of a given factor is not set once and for all. For instance, the often voiced conviction that economic growth in authoritarian regimes will spawn democratization did not find corroboration in the Third Wave, even if a possible short-run trade-off between reducing poverty and promoting democracy has been acknowledged.¹¹

Similarly, one of the most widely accepted views in what has become known in political science as “transitology” held that what mattered greatly

⁶ Adam Przeworski, Michael Alvarez, Jose Cheibub, and Fernando Limongi, *Democracy and Development: Political Institutions and Well Being in the World, 1950-1990* (Cambridge, UK: Cambridge University Press, 2001).

⁷ Guillermo O'Donnell, Philippe C. Schmitter, and Laurence Whitehead, eds., *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies* (Baltimore, MD: John Hopkins University Press, 1986).

⁸ Arend Lijphart, “Constitutional Choices for New Democracies,” *Journal of Democracy* 2, no. 1 (1991): 72-84.

⁹ Edmund Wnuk-Lipinski and Susanne Fuchs, “Theoretical Introduction and Methodological Framework,” in *Democracy under Construction: Patterns from Four Continents*, ed. Ursula van Beek (Bloomfield Hills, MI: Barbara Budrich Publishers, 2005).

¹⁰ The vast variations among the different kinds of authoritarianism have been singled out by Barbara Geddes as the main reason why regime transitions have proved to be so difficult to grasp theoretically. See Barbara Geddes, “What Do We Know about Democratization after Twenty Years?” *Annual Review of Political Science* 2, no. 1 (1999): 115-144.

¹¹ Jan Teorell, *Determinants of Democratization: Explaining Regime Change in the World, 1972-2006* (Cambridge, UK: Cambridge University Press, 2010).

for a successful transition to democracy were the negotiations and deal-making between the members of the autocratic regime and the democratic opposition.¹² Yet, in a study of 163 regime transitions, the claim that pacts increase the likelihood of democracy has not been confirmed.¹³ Instead, it has been proposed that “the likelihood of both pacts and stable democracy is increased by the existence of well established, coherent parties capable of making credible commitments to abide by pacts.”¹⁴

There seems to be a further related caveat, as well, suggesting strongly that the existence of coherent parties alone will not suffice, either, unless the supporters of the old and new regimes learn to co-operate. According to Klingemann, the integrative factor works through competitive elections that can facilitate and enforce co-operation or compromise between the supporters of the old and new regimes.¹⁵ The integrative power is vested in political parties, as they mediate between citizens and the state by means of competition for legitimate power at election time.

The consecutive phases indicated in figure 1 need not lead to consolidation of democracy, as stalled transitions and/or democratic reversals aptly demonstrate; one need look only at the recent examples of Greece and Russia to realize this. But assuming the process continues, the transition phase will enter the phase of transformation during which the new democratic system stabilizes, its basic institutions begin to function, and its rules are the “only game in town.”¹⁶ At this point, the democratic performance in the social, economic, and political spheres starts to matter and must satisfy a large segment of society. If this is not the case, the prospects for democratic consolidation will be weakened.

Reaching the coveted stage of consolidation does not happen, however, by merely passing the test of time, or even by passing the electoral “two-turnover test.”¹⁷ This is because democracy is unique in that its survival depends on favorable public opinion. In the short term, the formation of such an opinion

¹² O'Donnell et al., *Transitions from Authoritarian Rule*.

¹³ Geddes, “What Do We Know about Democratization after Twenty Years?” Philippe Schmitter contended that agency is important but its saliency varies from case to case and has decreased over time. See Philippe Schmitter, “Reflections on ‘Transitology’: Before and After,” in *Reflections on Uneven Democracies: The Legacy of Guillermo O'Donnell*, ed. Daniel Brinks, Marcelo Leiras, and Scott Mainwaring (Baltimore, MD: Johns Hopkins University Press, 2014), 71-86.

¹⁴ Geddes, “What Do We Know about Democratization after Twenty Years?” 140.

¹⁵ Hans-Dieter Klingemann, “Post-Autocratic Party Systems and the Regime Cleavage in New Democracies,” in *Democracy under Construction: Patterns from Four Continents*, ed. Ursula van Beek (Bloomfield Hills, MI: Barbara Budrich Publishers, 2005).

¹⁶ Juan Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation: Southern Europe, South America, and Post-Communist Europe* (Baltimore, MD: Johns Hopkins University Press, 1996).

¹⁷ Huntington, *The Third Wave*.

relies on citizens' becoming convinced that democracy is the best type of regime for their country. Later, the emphasis shifts to the way in which the democratic institutions deliver, because the fact that they merely exist is no longer sufficient to satisfy the citizens and it certainly does not mean that consolidation has occurred. In the long term, though, democratic persistence is guaranteed only if democratic values and norms evolve to guide everyday behavior and attitudes of both the common citizenry and the elites.

How do the new norms and values develop? The assumption in our own investigation has been that establishing a new civic culture never starts from scratch. Instead, it is a process that begins by sifting through the metaphorical rubble of history to come to grips with the experience of the nondemocratic and often traumatic past. The past may be concealed, suppressed, or played down, or it can be exposed and worked through. Frequently, the latter route tends to bring catharsis and reconciliation, making it more likely for former adversaries to engage in the common democratic project.¹⁸

At the official level, the type of justice chosen to deal with the unearthed truth about the past plays a critical role. The choice is between *retributive justice*, whose sole aim is to punish perpetrators, and a future-oriented *restorative justice*, which attempts to reconcile the perpetrators and their victims. Restorative justice has been chosen by the South African Truth and Reconciliation Commission, whose work has been hailed around the world as an exemplary way in which to deal with a painful past.¹⁹

Yet, while instituting restorative justice is an important step in the democratization process, it is only the first step and there are no guarantees that it will necessarily lead to reconciliation. This is because achieving reconciliation, especially in deeply divided societies such as South Africa, requires a sustained effort that involves the highly challenging assignment of redrawing the citizens' cognitive maps. The process takes place in the realm of historical memory and holds the potential to play an important constitutive role in the development of a new collective identity. Whether this new identity will be conducive to the consolidation of a democracy will depend on whether an exclusive or inclusive type of historical memory is promoted within the given society. An exclusive type of memory tends to keep different groups apart, often in continuing mutual hostility that prevents the emergence of a shared democratic culture based on tolerance. The inclusive type, on the other hand, may break down former barriers and offer the possibility for an alternative

¹⁸ Jörn Rüsen, "Historical Memory and Democracy: Setting the Scene," in *Democracy under Construction: Patterns from Four Continents*, ed. Ursula van Beek (Bloomfield Hills, MI: Barbara Budrich Publishers, 2005).

¹⁹ Ursula van Beek, "Reflections on Reconciliation: The Case of South Africa," in *Culture, Security and Sustainable Social Development in a Globalized World: Studies in Development, Security and Culture*, vol. 2, ed. Björn Hettne (Houndmills, Basingstoke, UK: Palgrave Macmillan, 2008).

and conflict-reduced future. Both in the minds of ordinary people and their representatives, coming to terms with the past and imagining a different and better future is therefore an indispensable component of crafting a successful democracy. This includes not only to see justice done, but also to clearly delineate the boundary between the abusive practices of the past and the democratic culture of the present that honors human rights.²⁰

A change in peoples' mind-sets plays an essential part in social transformation because perceptions have a significant effect in determining the nature of an evolving civil society. The question our research has posed asks what kind of normative interaction within civil society is necessary to promote democratization and democratic consolidation. The notion of social capital has been found helpful to answer this question and subsequently to monitor the values of civil society across the various polities. The focus has been on trust and tolerance, where changing levels of trust correlate with changing perceptions of the effectiveness of elected office-holders, while varying levels of tolerance indicate the prospect, or lack thereof, for building bridges across traditional divides. An increase in levels of tolerance helps to forge new affiliations and construct a new type of civil society, one based on values conducive to the consolidation of democracy.²¹

It is possible to measure whether, and to what extent, prodemocratic values are becoming entrenched in a given society. The unique measurement device we have “invented” for the purposes of our series of projects involves analyzing comparative data obtained from the World Values Survey (WVS) of mass public opinion against data gathered in two waves of elite surveys that our own team conducted. Utilizing the WVS questionnaire, we posed identical questions to a sample of parliamentarians. Taking this approach made it possible to compare the values of citizens and the elites within—as well as across—all seven countries of our study. The comparison between the values held by citizens and their representatives was first made in 2007 and was repeated in 2013. The fortuitous coincidence of having gathered the first set of data just before the financial crash and the onset of the Great Recession offered the opportunity to establish whether these major events caused a change in peoples' democratic values, attitudes, and perceptions of democracy.

The other empirical component built into our latest study was devised to assess the various impacts the recession has had on individual countries. First, the length of recession, the steepness of decline, and the duration of recovery in real GDP have been calculated for all countries for which reliable data are

²⁰ Ursula van Beek and Bernard Lategan, “Historical Memory and Identity,” in *Democracy under Construction: Patterns from Four Continents*, ed. Ursula van Beek (Bloomfield Hills, MI: Barbara Budrich Publishers, 2005).

²¹ Hennie Kotzé and Pierre du Toit, “Civil Society and Democracy,” in *Democracy under Construction: Patterns from Four Continents*, ed. Ursula van Beek (Bloomfield Hills, MI: Barbara Budrich Publishers, 2005).

available. These data were then cross-tabulated with two of the World Bank's political indicators: "Voice and Accountability" and "Rule of Law." The matrix created in this manner made it possible to measure the effect of the recession on a wide span of political factors in countries across different political regimes, ranging from democracy to autocracy. This was done to establish the relative strengths and weaknesses of differing political regimes in dealing with a severe economic downturn. The matrix also made it possible to situate the seven countries of core interest to our research on the democracy axis relative to their pre-crisis placing.

The Economic Axis

In figure 1, the horizontal axis representing the economy intersects the democracy axis at a random point. In reality, the interaction is constant and occurs at all stages of the political process and across all political regimes. Just how closely the realms of the economy and of politics are related to each other was expressed most eloquently by the eighteenth-century Scottish thinker, Adam Ferguson, who wrote:

It has been found, that, except in a few singular cases, the commercial and political arts have advanced together. These arts have been in modern Europe so interwoven, that we cannot determine which was prior in the order in time, or derived most advantage from the mutual influences with which they act and re-act on each other. It has been observed, that in some nations the spirit of commerce, intent on securing its profits, has led the way to political wisdom. A people, possessed of wealth, and become jealous of their properties, have formed the project of emancipation, and have proceeded, under favour of an importance recently gained, still farther to enlarge their pretensions, and to dispute the prerogatives which their sovereign had been in use to employ.²²

While the economy has been critically tied to every political system within which it has been functioning, its relationship with democracy is unique in that democracy allows for the existence of an "economic society." This term refers to a set of institutions and socio-politically derived and accepted norms and regulations that mediate between the state and the market by means of a free public contestation of governmental policies and priorities, something not possible under authoritarian regimes.²³ But does this democratic specificity

²² Adam Ferguson, *An Essay on the History of Civil Society*, French trans., vols. 1 and 2, 1767, Part VI, Sec. III, 437, Online Library of Liberty, <http://oll.libertyfund.org/titles/1428> (accessed March 30, 2015).

²³ Linz and Stepan, *Problems of Democratic Transition and Consolidation*.

lead to better economic performance than is the case in nondemocracies?

One of the key expectations attached to democracy is that it not only will bring liberty but also will improve the well-being of the citizens. There is not much doubt, therefore, that good economic performance has the potential to contribute to democratic consolidation and to the persistence of democracy. The more interesting question is whether democratization creates conditions for better economic policies and for better economic performance. Our earlier research findings revealed that this is a very complex question for a number of reasons, starting with the relationship between economic policies and performance.

There is a general assumption that the economic system, the political regime, and the policies implemented by that regime are the major contributing factors to economic performance. And, of course, they are. But there are other determinants such as resource endowment, geographical location, path dependence, the cultural and socioeconomic make-up of a given society, and, especially, the global context. Almost all countries in the world today are to a varying extent integrated into global networks on which they have come to depend and to which they have surrendered part of their sovereignty. National states are involved in global financial transactions and international trade, and they contribute to the world's collective production of goods and services.²⁴ In addition, there are potential asymmetries in the links between these variables (or sets of variables), or even the absence of causality. For example, what might be considered an appropriate and the most desirable political regime, such as democracy, is neither a necessary nor a sufficient condition for satisfactory economic performance. Two cases in our own early sample, South Korea and Chile, were good examples of the economic success of these countries' political authoritarianism.²⁵ Today, China stands out as another persuasive case.

But overall, until the onset of the financial crisis, established democracies, with their steady economic growth and their rising prosperity, served to confirm the conviction that the combination of democracy and a free market was the secret to success. However, once the Great Recession took hold and economic progress in many of the developed democracies gave way to a decline in the trajectory of affluence, the conviction weakened, raising some intriguing questions. Among them: Could it be that democracies are more susceptible to economic crises than nondemocracies? Given that some of the emerging economies were seemingly less affected by the crisis and appear to have weathered the recession better, this is a legitimate question to ask. As are the

²⁴ Christer Jönsson, "Global Solutions: A Search for Democratic Approaches to a New World Order," in *Democracy under Stress: The Global Crisis and Beyond*, ed. Ursula van Beek and Edmund Wnuk-Lipinski (Bloomfield Hills, MI: Barbara Budrich Publishers, 2012).

²⁵ Philip Mohr, "Economic Performance and the Consolidation of Democracy," in *Democracy under Construction: Patterns from Four Continents*, ed. Ursula van Beek (Bloomfield Hills, MI: Barbara Budrich Publishers, 2005).

questions of whether democratic procedures offer enough of a safety valve to vent citizens' discontent at times of economic hardships; or whether the "error-correction" mechanism fulfills its objective when it allows democracies to peacefully remove political authorities and their failed strategies of economic management and replace them by potentially more effective approaches.²⁶

These very questions prompted the latest in the series of our research projects, a two-phase study on the global financial crisis and the Great Recession that followed in its wake. The results of the initial conceptual stage of the inquiry have been published already;²⁷ the findings of the follow-up empirical study are presented in this journal edition.

Democracy—Liberty—Equality

It is almost a prerequisite that, when the issue of liberty is considered, a reference be made to John Stuart Mill and his classic work, which provides some of the clearest definitions of liberty in its many guises.²⁸ The meaning of core relevance to democracy is contained in the introductory chapter of this slim gem of a volume wherein Mill explained that he understood liberty as protection against tyranny of political rulers. He also reminded us that the struggle between liberty and authority is the most conspicuous feature with which we become familiar when studying history through all the ages.

The Third Wave of democratization demonstrated once again that liberty, indeed, is the key value mobilizing people into collective action in public life. At the same time, the global reach of the Third Wave has shown that such mobilization occurs not only across various social strata of a given society, but also across different cultures. And, it is this very mobilization that has the potential to entice or coerce an authoritarian state and its agencies to engage in the process of liberalizing the rules of the game.

However, once liberation from a nondemocratic regime has been successfully accomplished, liberty is taken for granted and will no longer marshal citizens to act. The new value superseding this function in all dimensions of public life is equality. This happens because the struggle for freedom is powered by the expectation that liberty will automatically bring a better life to all. This unrealistic anticipation cannot be fulfilled because structured inequality persists, even if, overall, people are better off than they were previously. Yet, from this point on, the value of equality begins to play

²⁶ Laurence Whitehead, "Democracy, Error Correction and the Global Economy," in *Democracy under Stress: The Global Crisis and Beyond*, ed. Ursula van Beek and Edmund Wnuk-Lipinski (Bloomfield Hills, MI: Barbara Budrich Publishers, 2012).

²⁷ Ursula van Beek and Edmund Wnuk-Lipinski, eds., *Democracy under Stress: The Global Crisis and Beyond* (Bloomfield Hills, MI: Barbara Budrich Publishers, 2012).

²⁸ John Stuart Mill, *On Liberty* (London: Longman, Roberts & Green, 1869), Great Books Online, Bartleby.com (1999) (accessed March 12, 2015).

an increasingly crucial mobilizing role, both as a catchphrase to be used to express one's grievances and as a pragmatic device by which to defend, or try to improve, one's place in a society.²⁹

The tendency to strive for equality is evident, regardless of the type of autocratic regime from which a country has exited. Two cases in our set of countries point to this conclusion, Poland and South Africa, which arrived at democracy from two extreme pole positions. The former departed from a communist regime under which egalitarian values were thoroughly assimilated by the vast majority of the population; the latter emerged from the apartheid regime that had generated intolerable inequalities. Yet, the issue of attaining equality is as important in the one society as it is in the other.

Liberty and equality are popularly regarded as the inseparable and fundamental values of a democracy. Yet, the respective attributes of the two values and, especially, the relationship between them have been the subject of a long-standing controversy. No attempt will be made here to contribute something new to this discussion, but when addressing the topic of the complexity inherent in research on democracy, it is necessary to at least refer to the basic challenges these two principles pose, both normatively and empirically.

Essentially, the controversy revolves around the question of whether liberty and equality are compatible, or stand in opposition to each other—and if the latter, which one should be prioritized. As a general rule, the Right promotes liberty and the Left emphasizes equality, but the vast majority of commentators across the ideological divide tend to see the two values as being incompatible. Libertarians see the relationship between liberty and equality as an “eternal conflict.”³⁰ Thinkers on the Right, such as Friedrich Hayek³¹ or Ludwig von Mises,³² shared the view of incompatibility. Even liberals and thinkers on the Left, such as Isaiah Berlin, John Rawls, or Ronald Dworkin, assumed a basic opposition between liberty and equality, although they attempted to reconcile the two values. Revolutionary socialists following Karl Marx question the concept *per se*. In their view, individual liberty is a bourgeois invention that should be replaced by collective liberty for economic classes so as to enable equality of outcome.

At its core, the discussion is about whether liberty means—or ought to mean—freedom from coercion, or whether it requires guidance or intervention from authority. In the latter case, the less conflicting meaning of equality is that

²⁹ Wnuk-Lipinski and Fuchs, “Theoretical Introduction and Methodological Framework.”

³⁰ Robert Carter Pittman, “Equality versus Liberty: The Eternal Conflict,” Foundation for Economic Education, December 1, 1960, <http://fee.org/library/> (March 2015) (accessed March 14, 2015).

³¹ Friedrich August Hayek. *The Constitution of Liberty* (Chicago: Henry Regnery, 1972).

³² Ludwig von Mises, *The Free and Prosperous Commonwealth* (Princeton, NJ: D. van Nostrand, 1962).

of equality of opportunity where concessions to sacrifice some part of liberty—for example, to invest in mass public education or forbid discrimination—are usually made willingly. Conflicts arise when equality is taken to mean equality of outcome or circumstance, which necessitates taking something from some people to give to others. The discrepancy between the two meanings has been captured by Hayek, who pointed out there was a world of difference between treating people equally and attempting to make them equal.³³ For him, the first was a principle that represented the condition of a free society; the second was an attempt to institute what Tocqueville described as a new form of servitude.

John Rawls addressed the same topic in his notion of justice as fairness, wherein he made the critical distinction between political liberty and social and economic equality:

Each person has an equal claim to a fully adequate scheme of equal basic rights and liberties, which scheme is compatible with the same scheme for all; and in this scheme the equal political liberties, and only those liberties, are to be guaranteed their fair value.³⁴

Rawls's commitment to social justice is unmistakable, but he did consider liberty to be the more fundamental value when he argued that, for the sake of fairness, equal political liberties and only equal political liberties are to be guaranteed.

Recognizing the existence of social and economic inequalities, Rawls's acceptance of this unfortunate reality of life has been made subject to satisfying two basic conditions. First, inequalities should be attached to positions and offices open to all under conditions of fair equality of opportunity; second, they should be to the greatest benefit of the least advantaged members of society. His first condition refers to affording equal access to opportunities for advancement to those with similar natural talents and similar motivation to use these talents, regardless of their personal background. His second condition expresses the idea that natural endowment is an inherent gift and should not automatically merit more social benefit for one so endowed. Rather, citizens should use all their talents, but while those better endowed have the right to improve their own lives, they also should make a contribution to improving the lives of those less generously endowed by nature.

The existence of social and economic inequalities is well acknowledged in literature and is empirically evident to us all. But in a democratic society, even those citizens who are disadvantaged in this manner should still have the

³³ Friedrich August Hayek, ed., *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948).

³⁴ John Rawls, *Theory of Justice* (Cambridge, MA: Harvard University Press, 1971), 5.

same voting rights; enjoy the same political freedoms; and expect equitable treatment under the law. In practice, some aspects of political equality can be, and often are, circumscribed. Several factors may play a role, not least among them the existence of dominant groups in a society. These powerful and usually very wealthy groupings have inordinately greater political clout than the poor, whose influence is disproportionate with their numbers. The dominant groups have the means to influence how policies are made and implemented by turning the market power they command into political advantage. They also can use their economic assets in electoral campaigns to try to influence the outcome of elections to be advantageous to their own interests.³⁵

Democracy—Economy—Inequality

Figure 1 shows the key dynamic along the economy axis to run between two pole positions. The limits are demarcated by government intervention at one end, and the free market at the other end. Every country in the world can be placed somewhere along this axis, as there is no existing example of a society that is run without some intervention by the government. And no one, not even the most committed libertarian economists, would argue that there is no need for such intervention, especially when it comes to safeguarding property rights or the protection of one's country by means of spending on defense. Rather, the disputes are about defining the boundary beyond which government intervention is considered to be counterproductive and/or is seen to interfere with economic freedom. However, the limits of government intervention were not pursued in our investigation. Instead, our attention centered on the ability and the relative effectiveness of governments across all political regimes to overcome market failure and to deal with the effects of a severe recession.

As figure 1 also indicates, the values of liberty and equality are an integral part of the interplay between government intervention and the free market, and in no other sphere is the inherent contradiction between the two values more hotly debated. The key variable defining the contradiction is economic inequality.

The big question debated at least since Plato wrote the *Republic* some two and a half thousand years ago has been: Why do inequalities exist? Although interpreted very differently by the numerous commentators, the common thread running through this conversation is the division of labor. Plato ascribed the phenomenon to the origins of the state, and more precisely to the natural

³⁵ Dietrich Rueschemeyer, "Political Equality," *International Encyclopedia of Political Science*, ed. Bertrand Badie, Dirk Berg-Schlosser, and Leonardo Morlino, 819-823, pages displayed by permission of SAGE Publications Copyright, [https://books.google.co.za/books?id=wr91AwAQBAAJ&pg=PA823&lpg=PA823&dq=Dietrich+Rueschemeyer,+Political+Equality+\(,+2010\)&source=b](https://books.google.co.za/books?id=wr91AwAQBAAJ&pg=PA823&lpg=PA823&dq=Dietrich+Rueschemeyer,+Political+Equality+(,+2010)&source=b) (accessed March 24, 2015).

inequality of humanity that embodied the division of labor required by the state. In David Hume's view, it was society and its different needs which led to the "partition of employments" through which the particular arts the individuals possessed combined to make society as a whole stronger and therefore less exposed to ill fortune and accidents.³⁶

Adam Ferguson attributed the division of labor to the expansion of commerce. In his opinion, the division of labor was the root cause of inequality because—pretensions to equal rights notwithstanding—the necessary exaltation of some would depress the many. From there, he extrapolated to point out that differences in workplace status generated differences in the community based on wealth, which then extended to differences in power in political and social settings. According to Ferguson, division of labor also was the cause of ignorance, alienation, and misery and evoked vices such as envy and servility, a theme Karl Marx developed into a substantial branch of philosophy.³⁷

Adam Smith, as did Ferguson, linked the division of labor to the development of commerce. But while recognizing the potential that the division of labor held as an engine for economic development, he warned that it would lead to the corruption and degeneracy of a great many people, unless the government stepped in. In contrast to Ferguson, Adam Smith was not convinced that the division of labor was entirely responsible for the emergence of inequalities.³⁸ Rather, as he famously put it, the difference between the street porter and the philosopher was as much a consequence of the division of labor as it was its cause.³⁹ In this respect, he partially echoed the sentiments expressed by Plato that it was the natural inequality of humanity that had led to the division of labor.

One of the modern thinkers who linked the idea of the "natural inequality of humanity" to the notion of liberty was Isaiah Berlin. In his opinion, complete equality was not compatible with complete liberty. If the two values were compatible, individual liberties would have to be restrained so that the ablest and the most gifted would not advance beyond those who would inevitably lose

³⁶ David Hume, *A Treatise of Human Nature* (Gutenberg, 1739), The Project Gutenberg eBook of *A Treatise of Human Nature*, released February 11, 2010 (last updated November 10, 2012), produced by Col Choat and David Widger, <https://www.gutenberg.org/files/4705/4705-h/4705-h.htm> (accessed March 20, 2015).

³⁷ Ferguson, *An Essay on the History of Civil Society*.

³⁸ The latest and one of the loudest voices in the timeless debate on this subject is that of Thomas Piketty, for whom capitalism is the producer of inequalities. Contrary to the widely accepted "Kuznets Curve" in mainstream economics which suggests that, following industrialization, inequalities will gradually subside, he maintains that, after a period of diminishing inequalities for most of the twentieth century, capitalism is now headed back to where it started, namely Dickensian levels of inequality worldwide. Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge, MA: Belknap Press, 2014).

³⁹ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (London: W. Strahan and T. Cadell, 1776).

if there were competition.⁴⁰ In no other setting in the real world was this more starkly documented than in the countries of the former Soviet Bloc. Equality was the central and the oft-repeated mantra communist authoritarian regimes used to legitimize their hold on power. But what they actually instituted was not so much equality as an apathetic uniformity that purposely stifled ambition and constrained the human spirit of inventiveness and entrepreneurship. That historical lesson, alone, might suggest that it is not the achievement of complete equality, but the lessening of the world's chronic and alarmingly growing inequalities that should top the global agenda.⁴¹

Prior to the financial meltdown of 2008 and the resultant Great Recession, inequalities were usually discussed as a problem affecting poor countries. Since then, the global economic downturn has produced declines in income, high unemployment, stringent austerity measures, and rising levels of discontent and feelings of hopelessness among the populations of many countries, including well-developed democracies. Income inequality has been the main sore point spurring citizens to demonstrate. Does the popular social disgruntlement translate into an erosion of trust in democratic governments and institutions, or even in democracy itself? This is the key question that concerns us.

Conclusion

This essay had two aims. The first was to present the specific approach that captures the key obstacles facing researchers who study democracy in a number of countries which are located in vastly differing cultural contexts and have emerged from different types of autocratic regimes. The conceptual map devised for this purpose offered a diagrammatic representation of the main dynamics involved in this research agenda. This was developed to present the collection of articles in this journal edition in the context of an ongoing research program. The results of the latest empirical investigation in the series of program projects are reported in the following pages.

The second objective was to ponder some essential questions pertaining to the relationship in a democracy between its two core values: liberty and equality. Are these two values compatible? If not, which one should be given priority? And, crucially, what are the sources of inequality, the growing scourge of democracy? Without finding answers to these critical questions, democracy is unlikely to regain the high moral ground it once occupied.

⁴⁰ Isaiah Berlin, "Short Credo," read on Berlin's behalf at the acceptance of the honorary degree of Doctor of Laws at the University of Toronto, November 25, 1994, "A Message to the 21st Century," *New York Times* (October 23, 2014), http://www.nytimes.com/2014/03/10/opinion/krugman-liberty-equality-efficiency.html?_r=0 (accessed March 12, 2015).

⁴¹ Attesting to the seriousness and urgency of this challenge are the findings of a report compiled by the Global Economic Forum. Taking a ten-year timeframe and assessing thirty-one risks with the greatest potential to cause significant negative impact across entire countries and industries, the report placed inequality (income disparity) in the top position of the societal risks category (World Economic Forum, 2014).