

The Impact of the Great Recession on Support for Democracy

Ursula Hoffmann-Lange

Abstract

Based on aggregate data, the essay investigates whether the Great Recession has had a negative effect on the consolidation of fragile democracies. It relies on three different datasets. A dataset with aggregate indicators for 187 independent countries is used to analyze the relationships among economic development, economic growth, the impact of the recession, and an index of democracy. A second dataset for thirty-eight countries that participated in the last two waves of the World Values Survey traces changes in support for democracy and relates them to type of political regime and impact of the recession. A third dataset for two consolidated (Sweden and Germany) and five new (Chile, South Korea, Poland, South Africa, and Turkey) democracies allows for the study of differences in political attitudes between the general population and parliamentarians. The results show that the recession has been deeper in democracies that are more economically developed than others and that decline in support for democracy has been more pronounced in fragile democracies. The comparison between parliamentarians and citizens reveals that support for democracy is very high and stable among parliamentarians, but much lower among citizens. It has been stable in six countries, but has declined sharply in South Africa.

Keywords: Economic development, support for democracy, Great Recession, democratic consolidation, index of democracy.

The question of how much the legitimacy of political regimes depends on economic success has been of central concern to political philosophers and social scientists for a long time. It is intuitively plausible that personal economic well-being is of utmost importance to citizens and determines their evaluations of a government's performance more than most other policies,

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with the probable exception of war and peace. Even though governments have only limited powers to stimulate economic growth and prosperity, they may severely damage the economic prospects of nations by stifling economic productivity.¹ Because of their complexity and the fact that they have only indirect effects on the economic behavior of individuals, the effects of economic and social policies on the national economy are difficult to predict and therefore controversial. This is especially true in times of economic crisis, when it is unclear whether decisions to save failing banks, to provide subsidies to ailing industries, or to stimulate customer demand will only prolong existing structural problems rather than restore economic growth. Meanwhile, such decisions can adversely affect important social groups and fuel political protest.

Concerns about the damaging effects of a deep economic crisis on the viability of democracy are particularly pertinent in the light of the European experience of a breakdown of democracy during the Great Depression of the early 1930s, when democracy collapsed in several European countries and was replaced by authoritarian or totalitarian regimes. European social scientists therefore have pointed out similarities of the current situation with the Great Depression some eighty years ago: soaring unemployment, widespread public protests, increasing voter volatility, dwindling support for traditional parties, and the rise of populist protest parties.

On the other hand, the situation in today's democracies also differs in important respects. The economic policy tools available for dealing with such crises have become more elaborate. Moreover, most democracies provide some social assistance to alleviate the financial situation of poor households. Support for democracy among ordinary citizens is also much broader than it was in the 1930s. Last but not least, most of today's political elites consider democratic procedures as the only acceptable way of governing. This not only has contributed to easing the economic downturn and bringing most European countries quickly back onto the path of economic recovery, but also has prevented public dissatisfaction from turning into antidemocratic mass protests. However, the political risks associated with a continued economic downturn² are far from over, at least for some European democracies, particularly Greece, but also for some other major countries around the globe (e.g., Brazil and Russia).

¹ Daron Acemoglu and James A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity and Poverty* (New York: Crown Publishers, 2012).

² A recent World Bank report shows that the recession is still ongoing in a number of countries. It warns, for instance, that the economic and financial stress in Greece "presents a risk to the regional outlook." It also mentions the risk that spillovers from the European periphery could raise sovereign and corporate risk premia and force countries to tighten fiscal policy yet further. With respect to the EU area, the report concludes that "persistently high unemployment and anemic investment could undermine potential longer-term growth." See *Global Economic Prospects: The Global Economy in Transition* (Washington, DC: World Bank, 2015) <http://www.worldbank.org/en/publication/global-economic-prospects>, 38-39 (accessed June 18, 2015).

Democracy embraces a distinction between the current government and the democratic regime. Even though it happens from time to time that governments are voted out of office for mistakes made by their predecessors, irresponsible behavior on the part of private business, or adverse international conditions, this mechanism shields democracies from a serious loss of legitimacy in times of major crises. However, the theoretical expectation that voters will blame poor economic performance on the current government rather than on the malfunctioning of a nation's democratic institutions is not necessarily valid, as voters may fail to make this distinction. This is especially true for new democracies, where democratic institutions are not yet consolidated and therefore are not valued for their own sake.³ The question arises whether third-wave democracies have achieved levels of consolidation and support for their democratic institutions that are strong enough to prevent antidemocratic movements from successfully mobilizing antidemocratic sentiments and undermining the legitimacy of their democratic constitutions.

This essay investigates how much the Great Recession has affected support for democracy. It relies on aggregate as well as individual data and tries to determine whether the depth of the crisis in individual countries has had a systemic effect.

Economic Development, Democracy, and Legitimacy

Following Seymour Martin Lipset's seminal article on the close relationship between socioeconomic development and democracy, numerous studies have confirmed that countries that are more economically developed than others are more likely to be democratic and that "economic development...is a basic condition sustaining democracy."⁴ Later research has shown, however, that this relationship is not deterministic and that the direction of causality may work both ways. Moreover, socioeconomic development does not actually cause democratic transitions, for which political factors are more relevant.⁵

³ Hans-Dieter Klingemann has shown that the gap between eastern and western European countries in making this distinction considerably decreased between 1999 and 2008. However, the gap was still much higher in 1999, which confirms that the ability to distinguish between political regime and government performance is less well-developed in new than in consolidated democracies. See Hans-Dieter Klingemann, "Dissatisfied Democrats: Democratic Maturation in Old and New Democracies," in *The Civic Culture Transformed: From Allegiant to Assertive Citizens*, ed. Russell J. Dalton and Christian Welzel (Cambridge, UK: Cambridge University Press, 2014), 116-157, esp. 127.

⁴ Seymour Martin Lipset, "Some Social Requisites of Democracy: Economic Development and Political Legitimacy," *American Political Science Review* 53, no. 1 (1959): 69-105.

⁵ See, by way of comparison, Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1991), and Larry Diamond, "Economic Development and Democracy Reconsidered," *American Behavioral Scientist* 35, nos. 4-5 (1992): 450-499.

Space constraint does not permit discussion of the theoretical explanations for this relationship in detail. In general, most authors have emphasized that socioeconomic modernization implies an empowerment of ordinary citizens due to increasing social differentiation, urbanization, the rise of educational levels, and the wide availability of political information generated by the mass media.⁶

Lipset also argued that polities providing sustained economic and political effectivity will be able to gain legitimacy over time. Economic development and legitimacy are thus “structural characteristics of a society which sustain a democratic political system.”⁷ It should be noted that Lipset used a broad concept of effectivity and also mentioned noneconomic aspects of government effectiveness, including rule of law, an effective public administration, and so on. He considered economic effectiveness to be a necessary, though not a sufficient, basis of legitimacy.

Lipset concluded that economically effective consolidated democracies tend to enjoy a high degree of legitimacy, which in turn enables them to sustain their democratic institutions even in times of economic or political crisis. This implies that democratic consolidation will be easier to achieve in times of prolonged economic growth that allows a gradual development of legitimacy and a political culture supportive of the democratic system of government. This in turn serves as a *safety valve* against antidemocratic tendencies in times of crisis. In their comparative study on *The Civic Culture*, first published in 1963, Almond and Verba argued that legitimacy based exclusively on economic effectiveness (i.e., on instrumental considerations) is not sufficient for sustaining democracy in a crisis, but that consolidated democracies require “a balance between instrumental and affective orientations to politics.”⁸ New democracies that have not yet had a chance to prove their political and economic effectiveness lack such widespread affective support and are therefore more vulnerable. The authors concluded that the political cultures of Italy and West Germany in the late 1950s displayed considerable deficits compared to the *civic cultures* of the United States and Great Britain and that, therefore, these countries could not be considered democratically consolidated. With regard to West Germany, Almond and Verba concluded that the commitment of West German voters to their democratic political system was “heavily oriented to the output of the system,”⁹ and characterized the attitudes of the West German

⁶ See, for example, Lipset, “Some Social Requisites of Democracy,” 69-105; Tatu Vanhanen, *Prospects of Democracy* (London: Routledge, 1997); and Ronald Inglehart and Christian Welzel, *Modernization, Cultural Change, and Democracy: The Human Development Sequence* (Cambridge, UK: Cambridge University Press, 2005).

⁷ Lipset, “Some Social Requisites of Democracy,” 71.

⁸ Gabriel A. Almond and Sidney Verba, *The Civic Culture: Political Attitudes and Democracy in Five Nations* (Newbury Park, CA: Sage Publications, 1989), 354.

⁹ *Ibid.*, 362.

public of the late 1950s as “probably overpragmatic” and “almost cynical.”¹⁰

Given the European historical experience, it should not come as a surprise that the Great Recession has evoked memories of the Great Depression of the early 1930s, which seriously endangered the political stability of many European democracies and eventually led to the breakdown of democracy in Austria, Estonia, Germany, Greece, Hungary, and Romania.¹¹ Many of the economic and political repercussions of the two crises are comparable. After the crash of the stock market on October 4, 1929, in New York, “per capita income declined, industrial production fell and unemployment rose sharply.”¹² “The sober economic figures...meant severe suffering and outright misery for families and individuals affected by the crisis.”¹³ Even though there is no hard empirical evidence from public opinion surveys for that time, historical studies indicate the existence of widespread political dissatisfaction. The number of violent demonstrations increased dramatically, while electoral data show a rise of new protest parties, an increase in party polarization, and a high degree of voter volatility.¹⁴

¹⁰ Ibid., 313.

¹¹ Berg-Schlosser counted seven breakdown cases, including Spain. Spain hardly can be considered a case of democratic breakdown due to the Great Depression, however. The Spanish Republic was created only in 1931, at the height of the economic crisis, and broke down primarily due to political polarization over the constitutional order. See, by way of comparison, Juan J. Linz, “From Great Hopes to Civil War: The Breakdown of Democracy in Spain,” in *The Breakdown of Democratic Regimes: Europe*, ed., Juan Linz and Alfred Stepan (Baltimore: Johns Hopkins University Press, 1978), 142-215. It also should be noted that Hungary and Romania were borderline cases which were formally democratic, but actually governed by authoritarian governments. See Dirk Berg-Schlosser, “Conditions of Authoritarianism, Fascism and Democracy in Inter-War Europe,” *International Journal of Comparative Sociology* 39, no. 4 (1998): 335-377.

¹² Berg-Schlosser, “Conditions of Authoritarianism, Fascism and Democracy in Inter-War Europe,” 351. In Austria, the unemployment rate rose from 12.3 percent in 1929 to 29.0 percent in 1933. By 1932, the production index had fallen to only 60 percent of its 1929 level. See in addition, Walter B. Simon, “Democracy in the Shadow of Imposed Sovereignty: The First Republic of Austria,” in *The Breakdown of Democratic Regimes: Europe*, ed., Juan Linz and Alfred Stepan (Baltimore: Johns Hopkins University Press, 1978), 99. The author also mentions that increasing unemployment hit the young especially hard. In Germany, industrial production fell to 65.7 percent of its 1928 level and the rise in unemployment was even more dramatic than in Austria, increasing from 8.6 percent in 1928 to 22.7 percent in 1930, and even reaching a staggering 43.8 percent in 1932. Also see Mario Rainer Lepsius, “From Fragmented Party Democracy to Government in Emergency Decree and National Socialist Takeover: Germany,” in *The Breakdown of Democratic Regimes: Europe*, ed., Juan Linz and Alfred Stepan (Baltimore: Johns Hopkins University Press, 1978), 52, 56-57.

¹³ Berg-Schlosser, “Conditions of Authoritarianism, Fascism and Democracy in Inter-War Europe,” 352.

¹⁴ For Germany, see Lepsius, “From Fragmented Party Democracy to Government in Emergency Decree and National Socialist Takeover: Germany,” and Berg-Schlosser, “Conditions of Authoritarianism, Fascism and Democracy in Inter-War Europe,” 355.

The comparative analysis of democratic stability and breakdown in inter-war Europe by Berg-Schlosser¹⁵ shows, however, that despite similar economic distress and political conflicts, democracy was strong enough to survive in eight of the fifteen European countries under study.¹⁶ The analysis took into account seven groups of explanatory factors: background conditions, the impact of the post-World War I crisis, the effects of the intermediate period 1924-1928, the impact of the Great Depression 1929-1934, the social and electoral reactions to the Great Depression, and decisive moves of individual actors at critical turning points. Among the survivor cases, the Netherlands, Sweden, and the United Kingdom stand out as longstanding stable democracies in which the economic crisis did not lead to any destabilization of democracy. Belgium and France both experienced a rise of sizeable antidemocratic political movements, but these were not strong enough to endanger the survival of democracy. Albeit a new democracy in a rather poor country, Ireland was not much affected by the economic crisis and also had a staunchly prodemocratic prime minister who was able to hold antidemocratic movements at bay. In Czechoslovakia and Finland, the situation was even more critical, but democracy was saved through vigorous prodemocratic interventions by their presidents. This confirms that elites are of decisive importance not only for the introduction but also for the performance of democratic institutions.¹⁷

Democracy in Hungary, Romania, and Spain was weak from the start, so democracy had few chances to survive in the first place. In these countries, the breakdown of democracy was primarily the result of insufficient support for democracy by major political forces. The same was true for Austria, Greece, and Estonia, where authoritarian leaders terminated short-lived fledgling democracies. Germany, although socioeconomically advanced, was the country “with the most turbulent events over the entire inter-war period.”¹⁸ The very strong effect caused by the Great Depression finally led to a collapse of “an already very fragile democratic system and gave rise to the strongest active antisystem forces (more than 60 percent of the electorate!)” of all fifteen countries.¹⁹ A president with strong constitutional powers and antidemocratic

¹⁵ Berg-Schlosser’s 1998 analysis was based on the data of a large comparative project that led to a volume with country chapters, Dirk Berg-Schlosser and Jeremy Mitchell, eds., *The Conditions of Democracy in Europe, 1919-39: Systematic Case Studies* (London: Macmillan, 2000), and to another volume with comparative analyses, Dirk Berg-Schlosser and Jeremy Mitchell, eds., *Authoritarianism and Democracy in Europe, 1919-39: Comparative Analyses* (London: Palgrave Macmillan, 2002).

¹⁶ See Berg-Schlosser, “Conditions of Authoritarianism, Fascism and Democracy in Inter-War Europe.”

¹⁷ See, by way of comparison, John Higley and Michael Burton, *Elite Foundations of Liberal Democracy* (Lanham, MD: Rowman & Littlefield, 2006).

¹⁸ Berg-Schlosser, “Conditions of Authoritarianism, Fascism and Democracy in Inter-War Europe,” 370.

¹⁹ Ibid.

leanings, who already had curbed the powers of the Reichstag by keeping a minority government in office for over two years, finally dealt the deathblow to the Weimar Republic by appointing Adolf Hitler as Chancellor in January 1933.

Berg-Schlosser's analysis of the European inter-war experience is instructive because it identifies the crucial conditions under which economic crises may destabilize democracies. It confirms Lipset's thesis that consolidated democracies enjoying a high degree of legitimacy are largely immune to antidemocratic attempts at destabilizing a country. Such countries also tend to have a democratic party system with mostly moderate parties and loyal voters. All of this is bolstered by widespread support for democratic institutions and practices. As can be observed in Greece these days, the hardships associated with a deep recession may contribute to loosening traditional voter-party linkages and result in a breakup of party loyalties. This opens up the chance for new parties, which promise solutions to the economic woes of the country. The more desperate voters get, the more likely it is that they will be susceptible to the appeals of populist parties that make unrealistic promises.

Since the third wave of democratization has greatly increased the number of new democracies, studying the political consequences of the current recession for new democracies promises new insights into the dynamics of democratic consolidation and allows one to see whether the same factors that were responsible for the stability and vulnerability of democracy in the 1930s, also can be observed in the current economic recession. While the recession has led to a sharp decline in disposable incomes in democracies such as Spain, Portugal, Greece, and the Baltic states, other aggravating factors are less prevalent this time around. In the European democracies, unemployment benefits and social assistance for the poor secure a basic standard of living. Globalization and open markets have increased the options for mobility across national borders, so that people can move to other countries that offer better job opportunities. Moreover, instead of cutting public expenditures, governments have learned to better fight recessions by a mix of austerity policies and incentives for economic investment. This has enabled many countries to overcome the recession relatively fast, rather than letting the given country slip into a prolonged recession. On the other hand, the linkages between voters and political parties have loosened over the last decades, increasing the defection of dissatisfied voters from the established parties, so citizens are more likely to vote for old or new protest parties, some of dubious democratic credentials.

Database

Four different datasets will be used for tackling the research question. They constitute one pillar of a longitudinal comparative project studying the process of democratization and democratic consolidation in different world regions. The project is conducted by an international team of scholars associated with

the Transformation Research Unit (TRU) at the University of Stellenbosch in Stellenbosch, South Africa, and coordinated by Ursula van Beek.

The first dataset includes aggregate data on 187 countries compiled by the World Bank and other public agencies.²⁰ The economic data are GDP per capita in U.S. dollars, economic growth rates for the years 2000 to 2012, the growth impact of the recession,²¹ and the unemployment rate for the years 1996, 2007, and 2012. The dataset also includes the worldwide governance indicators provided by the World Bank. Two of these five governance indicators, “Voice and Accountability” and “Rule of Law,” have been combined to construct the TRU Index of Democracy. These two indicators can be considered central to and equally important measures of the quality of democracy. Their geometric mean was computed to ensure that a higher level on one of the two dimensions cannot compensate for a deficit on the other. As a geometric mean, the index has a range from 0 to 1. Where appropriate, it is broken down into four categories:

- Harsh authoritarian system: up through 0.34
- Soft authoritarian system: 0.35 - 0.54
- Fragile democracy: 0.55 - 0.75
- Consolidated democracy: above 0.75

In order to keep the tables more parsimonious and because authoritarian systems are included only as contrasting cases, the two authoritarian types have been collapsed into the category “authoritarian system.” Since the present analysis tries to determine the impact of the recession on democracy, the index values for 2007 are used.

The second dataset includes data on the thirty-eight countries that participated in both wave 5 and wave 6 of the World Values Survey (WVS). Wave 5 was conducted between 2005 and 2009, shortly before and during the beginning of the Great Recession, and wave 6 between 2010 and 2014, after the crisis had reached its global peak. These survey data provide the best available coverage of countries around the globe and supplement the aggregate country data with data on political attitudes. This aggregate dataset allows us to determine the impact of the crisis on the political attitudes of citizens, primarily on support for democracy, confidence in political institutions and political parties, life satisfaction, satisfaction with the financial situation of the

²⁰ The dataset was produced collaboratively by team members. Thanks are owed to Stan du Plessis and Andreas Freytag for taking the initiative to compile data on economic growth and the growth impact of the Great Recession. The dataset was later enlarged by Dirk Berg-Schlosser and this author with additional economic and governance data.

²¹ The growth impact of the recession was determined by subtracting the average annual economic growth rate between 2008 and 2010 from the average annual growth rate between 2000 and 2007.

respondent's household, and support for more income equality and progressive taxes. These aggregated indicators tap important attitudinal dimensions that can be expected to be influenced by an economic crisis.

The individual data for the thirty-eight countries of the World Values Survey constitute the third dataset. They can be used to determine statistical relationships within and between countries at the individual level. In the present context, they have been used primarily to determine the mean attitudinal scores per country.

Finally, the fourth dataset includes the data of two surveys of parliamentarians in seven democracies. These surveys were conducted in 2007 and 2013 by the members of the research team in their respective countries.²² The questionnaire of the parliamentary survey included many of the WVS questions. This permits one to determine attitudinal differences between parliamentarians and citizens in the seven democracies, as well as the degree of attitudinal stability and change in both groups of respondents by comparing the scores before and after the recession.

Five third-wave democracies, Chile, South Korea, Poland, South Africa, and Turkey, were selected for the TRU²³ project because the research team was interested in studying the relevance of varying historical and cultural backgrounds for democratization and democratic consolidation. These democracies have emerged from different autocratic systems and are examples of successful democratizations in their respective regions.²⁴ Two consolidated democracies, West Germany and Sweden, were selected as benchmark cases. Originally, East Germany was included as a peculiar case of a post-communist democratization. Meanwhile, however, the differences in political attitudes between East and West German respondents have largely disappeared, so the

²² The author gratefully acknowledges the generous support of three foundations that made these surveys possible. The first survey was funded by the Daimler Foundation and the Fritz Thyssen Foundation (for Germany), and the second one by the Swedish Riksbankens Jubileumsfond.

²³ The TRU project originally started as Transformation Research Initiative and previously published three edited volumes: Ursula J. van Beek, ed., *Democracy under Construction: Patterns from Four Continents* (Opladen, Germany: Barbara Budrich Publishers, 2005); Ursula J. van Beek, ed., *Democracy under Scrutiny: Elites, Citizens, Cultures* (Opladen: Barbara Budrich Publishers, 2010); and Ursula J. van Beek and Edmund Wnuk-Lipinski, eds., *Democracy under Stress: The Global Crisis and Beyond* (Opladen: Barbara Budrich Publishers, 2011).

²⁴ van Beek, *Democracy under Scrutiny*, 15.

²⁵ While some differences continue to exist, they are much smaller for the attitudes included in the present analysis and in any case smaller than the differences between the countries. See Ursula Hoffmann-Lange, "Political Culture in the Baltic Region," in *The Baltic Security Puzzle*, ed. Mary N. Hampton and M. Donald Hancock (Lanham, MD: Rowman & Littlefield, 2015), 68-91, and Everhard Holtmann et al., *Deutschland 2014: 25 Jahre friedliche Revolution und Deutsche Einheit* [Germany 2014: 25 years of peaceful revolution and German unity] (Berlin: Bundesministerium für Wirtschaft und Energie, 2014), <http://bmwi.de/DE/Mediathek/publikationen,did=689546.html> (accessed June 18, 2015).

present analysis no longer distinguishes between the two German regions.²⁵ Table 1 provides the sample sizes of the surveys in the seven countries.²⁶

Following is the presentation and a discussion of the first results of the analyses of aggregate economic and political indicators, as well as of aggregated social and political attitudes for the thirty-eight WVS countries. The analyses also encompass results for the seven countries for which comparisons between parliamentarians and citizens were possible. The two waves of surveys roughly can be interpreted as a before-after design. The analysis has been limited to the aggregate level and does not take into account within-country differences among population subgroups. Its main objective is to determine whether the depth of the current recession has undermined the stability of fragile democracies as much as the Great Depression did more than eighty years ago.

It should be noted at the outset that the thirty-eight WVS countries do not constitute a representative sample of all countries. Only two countries of the poorest quartile of the 180 independent countries for which information on GDP per capita is available, India and Rwanda, are represented in the WVS, compared to thirteen (36.1 percent) of the 25 percent richest countries. Among the world's regions, sub-Saharan Africa is grossly underrepresented, with only three countries included (7.9 percent). Finally, consolidated democracies make up nearly two-fifths of the WVS countries (38.9 percent), while only a fourth (26.2 percent) of all countries can be considered consolidated democracies. Conversely, only fifteen of the thirty-eight WVS countries (39.5 percent) compared to nearly three-fifths (57.2 percent) of all countries have authoritarian regimes. Since the focus of this essay is on the impact of the recession on democracies, however, while more than nine-tenths of the poorest countries have authoritarian regimes, this bias in the representation of countries is not a serious drawback for the analysis. Moreover, the good coverage of world regions, with the exception of sub-Saharan Africa, is a considerable asset of the World Values Survey and is therefore better suited for making generalizations than surveys limited to particular regions such as the European Social Survey.²⁷

Economic Development, Democracy, and the Impact of the Great Recession at the Aggregate Level

Table 2 confirms that Lipset's assumption about a democracy more likely

²⁶ A weight variable correcting for different sampling probabilities and response bias has been used for the analysis of the WVS data. A weight variable also was used for the analysis of the survey data of parliamentarians to ensure the correct representation of the different party delegations.

²⁷ Only the International Social Survey Program (www.issp.org) with a membership of altogether forty-eight countries offers better country coverage. However, the focus of the biannual ISSP varies from survey to survey and different modules are repeated only at long intervals. While the ISSP ran a module on the "Role of Government" in 2007, this module will be repeated only in 2016.

Table 1. Surveys of Parliamentarians and World Values Surveys in Seven TRU Democracies:
Number of Respondents

	Chile	Germany	South Korea	Poland	South Africa	Sweden	Turkey	Total
Parliamentarians 2007	99	101	100	99	100	101	148	748
World Values Survey, Wave 5	1,000	2,064	1,200	1,000	2,988	1,003	1,346	10,601
Parliamentarians 2013	105	112	105	150	142	107	152	873
World Values Survey, Wave 6	1,000	2,046	1,200	966	3,531	1,206	1,605	11,554

Sources: World Values Survey, Waves 5 and 6; TRU Parliamentary Surveys, 2007 and 2013.

Table 2. Type of Political Regime by GDP Per Capita 2007 (column %)

Type of Political System	GDP per capita 2007							Total
	Less than \$1,095	\$1,095 to \$3,850	\$3,850 to \$15,000	\$15,000 and higher				
Authoritarian system	N	43	35	18	6			102
	%	95.6%	77.8%	40.0%	13.3%			56.7%
Fragile democracy	N	2	6	17	4			29
	%	4.4%	13.3%	37.8%	8.9%			16.1%
Consolidated democracy	N	0	4	10	35			49
	%	0.0%	8.9%	22.2%	77.8%			27.2%
Total	N	45	45	45	45			180

Source: World Bank Economic and Governance Indicators.

to thrive in economically advanced societies still holds impressively true. The important results are highlighted in bold. Of the 25 percent poorest countries, only two (4.4 percent) are fragile democracies. Conversely, only six authoritarian countries can be found in the quartile of the richest countries. The table also shows that the second-richest quartile of countries has to be considered a transition zone. Sixty percent of the countries in this group are democracies, albeit more than half of these are not fully consolidated. These figures confirm Huntington's analysis of the third-wave democracies in the early 1990s, when he found that about half of the third-wave transitions took place in the second-richest category.²⁸ Huntington also found three long-standing democracies and eleven democratic transitions in his second-poorest category (fourteen of forty-one), which amounted to a fourth of all countries in that category. Despite the differences in categorization, his result is confirmed by the figures in table 2.

Table 3 shows the relationship between economic development and the impact of the recession. Important results are again highlighted. These figures reveal that the Great Recession has affected primarily the richest and second-richest group of countries, while the great majority of the poorer countries was hardly affected. This is due to the fact that the economies of the richer countries are more globalized than those of the poorer countries and are part of an intense network of global economic exchange relations. Since losses in income affect the standard of living of citizens more deeply in less well-to-do countries, we should expect the strongest effects on political attitudes in such countries, especially those that were severely affected by the recession, because previously they had high growth rates.

Table 4 confirms what could be expected because of the close association of economic development and type of political regime. The great majority of the consolidated democracies, but also more than half of the fragile democracies, have experienced at least a moderate recession compared to only somewhat more than a third of the countries with authoritarian systems.

Table 5 looks at the statistical relationships (Pearson's r) among central variables. It shows the long-term stability of the countries' economic and democratic development across the years 1996, 2007, and 2012, as well as the short-term impact of the recession (2007-2012). Highly significant groups of coefficients are shaded, while significant singular relationships are in bold print. The two rectangles in the upper left and the lower right corners indicate the high degree of stability of economic development on one side and the level of democracy on the other side for the sixteen-year period spanned by the data. The very high stability for level of democracy indicates that the third wave of democratization eventually came to an end with the collapse of the Soviet Empire in the late 1980s and early 1990s.

²⁸ Huntington, *The Third Wave*, 62.

Table 3. Impact of Recession by GDP Per Capita 2007 (column %)

Growth impact of recession	GDP per capita 2007					Total
	Less than \$1,095	\$1,095 to \$3,850	\$3,850 to \$15,000	\$15,000 and higher	Total	
Little evidence of recession	46.7%	31.1%	15.6%	4.4%	24.4%	
Mild recession	35.6%	31.1%	20.0%	13.3%	25.0%	
Moderate recession	8.9%	22.2%	31.1%	40.0%	25.6%	
Severe recession	8.9%	15.6%	33.3%	42.2%	25.0%	
N	45	45	45	45	180	

Source: World Bank Economic and Governance Indicators.

Table 4. Impact of Recession by Political Regime Type (column %)

Impact of recession	Political Regime Type			Total
	Authoritarian system	Fragile democracy	Consolidated democracy	
Little evidence of recession	37.4%	16.1%	4.1%	25.1%
Mild recession	27.1%	29.0%	16.3%	24.6%
Moderate recession	17.8%	29.0%	38.8%	25.1%
Severe recession	17.8%	25.8%	40.8%	25.1%
N	107	31	49	187

Source: World Bank Economic and Governance Indicators.

Table 5. Correlation Coefficients for GDP Per Capita, GDP Growth, and TRU Index of Democracy for 187 countries (Pearson's r)

	GDP p.c. 1996	GDP p.c. 2007	GDP p.c. 2012	GDP Growth 2000-2007	Impact Recession 2008-2010	TRU ID 2012
GDP p.c. 1996	1					
GDP p.c. 2007	.95 ***	1				
GDP p.c. 2012	.93 ***	.97 ***	1			
GDP Growth 2000-2007	-.20 *	-.10 n.s.	-.06 n.s.	1		
Impact Recession 2008-2010	.18 *	.29 ***	.22 *	.53 ***	1	
TRU ID 1996	.68 ***	.66 ***	.62 ***	-.39 ***	.17 *	1
TRU ID 2007	.66 ***	.66 ***	.61 ***	-.35 ***	.20 **	.93 ***
TRU ID 2012	.69 ***	.69 ***	.65 ***	-.32 ***	.21 **	.92 ***

Source: World Bank Economic and Governance Indicators.

Significance: *= $<.05$, **= $<.01$, ***= $<.001$

The values in the lower left rectangle show that the correlation coefficients between economic development and the level of democracy are consistently high. They range between $r = .61$ and $r = .69$. At the same time, they are far from perfect, which indicates that other factors besides economic development also may lead to democracy.

The coefficient of $r = -.20$ between GDP in 1996 and GDP growth between 2000 and 2007 confirms the well-known fact that economic growth has a ceiling effect and tends to be lower in rich countries. While many of the so-called emerging markets (e.g., the BRICS countries) experienced growth rates of 8 to over 10 percent annually, the rich democratic countries achieved only lower growth rates below 5 percent or even suffered from economic stagnation (e.g., Japan). The rectangle in the center indicates that this also implies a negative, albeit not a strongly negative, relationship between GDP growth from 2000 to 2007 and the TRU Index of Democracy.

The relatively high correlation coefficient of $r = .53$ between economic growth and the impact of the recession shows that countries that experienced higher growth rates in the first eight years of the 2000s experienced a deeper recession between 2008 and 2010. Taken together with the previous result of lower growth rates in the rich countries, this implies that the emerging markets were especially hard hit by the recession.

Finally, as was obvious from table 4, democracies tended to suffer somewhat more than nondemocracies from the recession. Overall, the four tables confirm previous results on the relationships among economic development, economic growth, and democracy, but they also provide additional insights on the impact of the recession that are relevant to answering the central question of the present analysis. They show that fragile democracies are mostly to be found in the transition zone of moderately wealthy countries (seventeen of twenty-nine). It can be assumed that democracy was not as firmly rooted in the political cultures of these emerging markets and was primarily based on instrumental considerations (i.e., the expectation of the citizens that their standard of living would continue to rise). At the same time, these countries tended to be more severely affected by the recession. Has the recession therefore contributed to undermining support for democracy in these fragile democracies and has it endangered the viability of their democratic institutions, as was the case during the Great Depression of the 1930s? This question is especially pertinent in the light of the unemployment figures provided in table 6, which show that the unemployment rates are considerably higher in the countries that have been harder hit than others by the recession. On the other hand, it also can be seen that the average rise in unemployment was higher in the consolidated democracies than in the fragile democracies.

The Impact of the Recession on Support for Democracy and Other Attitudes

Table 7 includes the country means for the thirty-eight countries that

Table 6. Change in Unemployment by Impact of Recession, All Countries

Type of political regime	*Impact of recession	Unemployment in % of labor force 2012	Percentage unemployment increase from 2007 to 2012	Number of countries
Authoritarian system	Low impact	7.3%	-0.2%	65
	High impact	9.3%	-0.2%	37
	Total	8.0%	-0.2%	102
Fragile democracy	Low impact	8.4%	-0.9%	10
	High impact	12.8%	1.8%	14
	Total	11.0%	0.7%	24
Consolidated democracy	Low impact	6.3%	-0.3%	6
	High impact	9.4%	3.9%	33
	Total	8.9%	3.2%	39
Total	Low impact	7.4%	-0.3%	81
	High impact	9.9%	1.8%	84
	Total	8.7%	0.7%	165

Source: World Bank Economic and Governance Indicators.

*The impact of the recession was dichotomized: low impact means no or mild recession, high impact moderate to severe recession. Cut-off points are explained in the appendix.

participated in the last two waves of the World Values Survey, broken down by type of political regime and impact of the recession. As was mentioned before, democracies and more economically developed countries are overrepresented among these thirty-eight countries, but the coverage of democracies in different world regions is fairly good. Unfortunately, the number of countries is not as large as desirable. For instance, the dataset includes only two consolidated democracies that hardly were affected by the recession. A comparison of the unemployment figures in the six subgroups of countries broken down by type of political regime and impact of recession with the figures in table 6 confirms that these are of similar magnitude, however, so that it seems justified to make cautious generalizations based on these survey data. They confirm once more that the increase in unemployment was much more pronounced in the countries suffering from a high impact of the recession.

The interpretation of the figures for support of democracy requires some explanation of how the index was constructed. It was based on the results for a question asking for independent ratings of three different types of political regimes on a four-point scale: “Having a strong leader who does not have to bother with parliament and elections”; “Having the army rule”; and “Having a democratic political system.” The simplest measure of support for democracy

Table 7. Means for Aggregate Economic Indicators and Political Attitudes by Type of Political Regime and Impact of Recession* for Thirty-Eight WVS Countries

Type of Political Regime	TRU Index of Democracy 2007	GDP p.c. 2007	Growth impact of recession	% Unemployment 2012	%age Increase in unemployment	% Support for democracy 2007	Percent age point change 2007-2012 in support for:				Number of countries
							Support for democracy	Confidence in political institutions	Life satisfaction	Satisfaction w. financial situation of household	
<i>Authoritarian regime:</i>											
Low impact of recession	.44	3,360.3	-0.3	7.5	0.0	58.4	-6.6	-9.4	5.0	6.5	8
High impact of recession	.44	5,395.7	6.1	7.4	0.2	46.5	-1.9	-1.7	6.6	3.2	7
<i>Fragile democracy:</i>											
Low impact of recession	.66	5,153.5	-0.1	6.0	-0.3	53.2	-8.2	2.4	3.5	2.7	5
High impact of recession	.61	9,999.3	5.1	13.1	0.4	51.4	-8.7	-2.2	2.7	5.6	4
<i>Consolidated democracy:</i>											
Low impact of recession	.85	23,994.5	-1.7	5.8	-1.0	71.6	-0.7	-1.9	-2.6	1.7	2
High impact of recession	.87	34,048.5	3.0	8.1	2.9	71.4	-2.6	-0.2	-1.6	-1.2	12
Total	.65	15,725.2	2.5	7.9	1.0	59.6	-4.5	-2.4	2.4	2.5	38

Sources: World Bank Economic and Governance Indicators and World Values Surveys, Waves 5 and 6.

*Impact of recession was dichotomized: low impact means no or mild recession, high impact moderate to severe recession. Cut-off points are explained in the appendix.

would be approval of the third item. However, Larry Diamond argued that there is “a broad desire for democracy in the world, stretching across regions.”²⁹ This is confirmed by the fact that close to 90 percent of the respondents in both waves of the World Values Survey evaluated democracy positively, nearly half of them very positively. At the same time, Diamond warned that “outside of the West, there is a stronger authoritarian temptation”³⁰ (i.e., a large minority of respondents also finds authoritarian alternatives acceptable). This suggests that a positive evaluation of democracy is not a sufficiently valid indicator, but needs to be gauged against support for types of regimes that are nondemocratic.

It was therefore decided to construct a more demanding index of support for democracy, which requires that respondents indicate an unequivocal preference for democracy over the two authoritarian alternatives “autocratic leadership” and “military regime.” This was achieved by subtracting the higher of the latter two scores from the score for democracy. Only positive scores are counted as support for democracy.³¹

As expected, support for democracy in 2007 was highest in the fourteen consolidated democracies and about 20 percent lower in the other twenty-four countries. It was exactly the same in the authoritarian countries as in the fragile democracies (52.4 percent).³² The high level of support for democracy in the consolidated democracies also has remained rather stable between the two waves of the survey, thus confirming that their citizens are able to distinguish between temporary output losses and the merits of a democratic system. The decrease in support for democracy was most pronounced in those fragile democracies that have been deeply affected by the recession. This confirms the assumption that a deep recession may negatively influence support for democracy in countries in which democracy has not yet had a chance to take root during an extended process of consolidation.

²⁹ Larry Diamond, *The Spirit of Democracy* (New York: Holt Paperback, 2008), 33.

³⁰ *Ibid.*

³¹ It should be noted that in the East Asian Barometer surveys a similar set of questions produced very low levels of support for the two nondemocratic regimes (2013). The same is true for the figures reported in Bratton et al., for African countries. See Michael Bratton, Robert Mattes, and Emmanuel Gyimah-Boadi, *Public Opinion, Democracy, and Market Reform in Africa* (Cambridge, UK: Cambridge University Press, 2005), 71-81. While the reason for these deviations are unknown, the WVS is the only comparative survey not limited to a single world region, so the figures reported here have the advantage of allowing comparisons on a global basis.

³² Since it is obvious that support for democracy in 2007 cannot be responsible for the impact of the later recession, the result that support in the authoritarian countries which later experienced a deep recession was so much lower in 2007 than in the other authoritarian countries is somewhat mysterious. An inspection of the fifteen nondemocratic countries revealed that support for democracy was particularly low in five of the seven nondemocratic countries that afterward experienced a deep recession (i.e., Malaysia, 40.5 percent; Mexico, 35.2 percent; Russia, 41.5 percent; Thailand, 39.0 percent; and Ukraine, 37.1 percent). At the same time, support for democracy was considerably higher in some nondemocratic countries in which the recession was not very pronounced, in particular, in China, 55.3 percent; Egypt, 63.3 percent; and Morocco, 71.7 percent.

At the same time, the drop in support for democracy was nearly as high in fragile democracies that have been only mildly affected by the recession. This suggests that respondents who support democracy primarily for instrumental reasons may perceive even small losses in income as disappointing. Moreover, such citizens may fear that the recession eventually might reach their own country. So the very fact of a global recession seems to have a detrimental effect on support for democracy in unconsolidated democracies. Finally, the fact that the recession was caused by reckless behavior on the part of investors in the richest democracies may have contributed to discrediting democracy in the eyes of many citizens in the poorer countries. This could explain why democracy has lost support even in authoritarian countries that hardly have been affected by the recession. The data thus suggest that the recession probably has damaged the global image of democracy as a promise for a better life. Such a conclusion, however, would need further corroboration by appropriate data.

The results for the three other attitudinal indicators in table 7, confidence in political institutions and political parties,³³ life satisfaction, and satisfaction with the financial situation of the respondent's household, have remained relatively stable across the two waves of the survey and do not show any systematic relationship with the impact of the recession. The changes for two additional attitudes (i.e., support for more income equality and for progressive taxes) were even lower and were therefore not included in the table. This implies that the recession has not had much effect on the social and political orientations of citizens, which probably can be attributed to the fact that citizen reactions to changes in aggregate economic indicators tend to be rather slow. Thus, the remarkable attitudinal stability may also be due to the fact that the period under investigation was too short for producing strong attitudinal reactions on the side of the citizens, while it cannot be ruled out that a prolonged recession eventually could produce a change in these indicators.

A Comparison of Parliamentarians' and Citizens' Support for Democracy in the Seven TRU Countries

The TRU Index of Democracy has been used to classify the political system of countries as authoritarian regime, fragile democracy, or consolidated democracy. But it may be legitimately questioned whether it is justified to consider the latter group of countries as "consolidated democracies" in Lipset's sense. The World Bank governance indicators not only are based on formal constitutional characteristics, such as those of the Polity Index of Democracy,³⁴ but also they rely on expert ratings and survey results by

³³ Based on the results of a principal component analysis of five items asking for confidence in parliament, government, political parties, civil service, and the police on a four-point scale, an additive index was computed and then dichotomized at its arithmetic midpoint of 2.5.

³⁴ Monty G. Marshall, Keith Jagers, and Ted Robert Gurr, *Polity IV Project: Data Users' Manual* (Fairfax, VA: Center for Systemic Peace, 2011), and Monty G. Marshall, Ted Robert Gurr, Christian Davenport, and Keith Jagers, "Polity IV, 1800-1999," *Comparative Political Studies* 35, no.1 (2002): 40-45.

a large number of public and private organizations. Nevertheless, the two indicators used to calculate the index measure primarily the degree to which constitutional rights (i.e., political participation rights, freedom of expression, and freedom of association) are effectively protected as well as the degree to which the rule of law is realized in a country.³⁵ With respect to its level of electoral integrity, guarantee of political participation rights, established party system, and well-developed rule of law, the German Weimar Republic of 1919 to 1933 would have achieved a high value on our index of democracy even by today's standards, yet it did not enjoy a broad base of legitimacy among German elites and citizens. It was the large number of enemies of democracy that eventually contributed to the breakdown of the first German democracy during the Great Depression. It is therefore obvious that such primarily formal criteria are a necessary, yet not a sufficient, condition for democratic consolidation. German history provides an illustrative example of how quickly democratic institutions can be dismantled by a totalitarian political leadership intent on destroying liberal democracy when basic principles and institutions are not deeply ingrained in the political culture of a country. This is why Lipset argued that liberal democracies need time for their consolidation, which he considered crucial for developing a firm legitimacy basis. However, Lipset did not specify the amount of time needed for such consolidation.

Broad support for a democratic system of government by the citizens is important for preventing antidemocratic movements and political parties from mobilizing public support among voters and powerful elite groups, a mobilization that might endanger the stability of the democratic institutions. The Weimar Republic again can serve as an example. Moderate parties were electorally successful and dominated parliamentary politics at the outset and in the economically successful years between 1924 and 1929. But their support quickly crumbled with the onset of the Great Depression when antidemocratic movements were able to mobilize support among voters and sizeable segments of the elites in business, public administration, and the media. The mobilization resulted in precipitous electoral gains for the antidemocratic parties. The National Socialist Party (NSDAP) increased its share of the votes from 2.6 percent in 1928 to 18.3 percent in 1930 and 37.3 percent in the summer of 1932. Together with the *Kommunistische Partei Deutschlands* (communist KPD), these antidemocratic parties won a parliamentary majority in the summer of 1932, which effectively blocked the formation of a democratic government. The fierce antidemocratic mobilization strategy of extremist movements had set in some years earlier, contributing to the formation of a

³⁵ Daniel Kaufmann and Aart Kraay, "Governance Indicators: Where Are We, Where Should We Be Going?" Policy Research Working Paper 4370 (Washington, DC: World Bank, 2010), and Daniel Kaufmann, Aart Kraay, and Massimo Mastruzzi, "Governance Matters VII: Aggregate and Individual Governance Indicators 1996-2007," Policy Research Working Paper 4654 (Washington, DC: World Bank, 2008).

party system of “polarized pluralism,”³⁶ which forced the moderate parties to increasingly move away from the center in order to stop losing voters to their extremist counterparts. In this way, the moderate parties lost their ability to form coalition governments with parties on the other side of the political spectrum. The current sovereign debt crisis in Greece has had a similar effect on the Greek party system. The Greek situation, of course, is not comparable to the problems of the Weimar Republic because the increasing polarization, as yet, does not seem to have damaged the chances to forge formal and informal coalitions, in spite of disagreements over specific policies. This confirms that Sartori’s theoretical insights have not lost their relevance.

The important role of political parties requires, moreover, that democratic consolidation not only depends on effective democratic institutions and a high degree of citizen support for these institutions, but also on what Higley and Burton³⁷ called a “consensually united elite,” which implies that the elites of major parties and powerful societal organizations agree on settling their conflicts of interest within the existing democratic framework. Broad support for democracy among elites—and particularly among the leaders of the parliamentary parties—is even more important than support among the citizens, because it is the elites and relatively small groups of politically active citizens who normally initiate democratic transitions. While especially revolutionary changes, of course, require mass support, such mass support rests on the mobilization efforts of political leaders. This is easily overlooked because these leaders need to invoke a democratic rhetoric for securing a mass following. In their analysis of historical democratizations, Higley and Burton even claim that successful democratizations require the previous formation of a consensually unified elite because otherwise democracy would not be able to thrive and would remain unstable.³⁸

The data on parliamentarians in the seven democracies therefore constitute a unique opportunity for studying whether democracy is universally supported in this crucial elite group. While a broad elite consensus may be sufficient for democratization, the consolidation of democracy also requires broad support for democracy among citizens, which is necessary for two reasons. First, it immunizes citizens against appeals by extremist movements and parties, and, second, it is also a precondition for effective democratic control of elites.

The surveys of parliamentarians conducted in the seven countries of the TRU project permit three types of comparisons: between five new and two old democracies, between parliamentarians and citizens, as well as over time (before and after the recession). Some basic data on the seven countries are

³⁶ This term was coined by Giovanni Sartori in his book, *Parties and Party Systems: A Framework for Analysis* (Cambridge, UK: Cambridge University Press, 1976).

³⁷ John Higley and Michael Burton, *Elite Foundations of Liberal Democracy* (Lanham, MD: Rowman & Littlefield, 2006).

³⁸ *Ibid.*, 181.

provided in the appendix. They show that only one of the five new democracies in our sample, South Korea, belongs to the richest group of countries, while four range economically in the transition zone with a GDP between about \$6,000 per capita (South Africa) and \$11,000 per capita in 2007. Two of them had already achieved a fairly high degree of democratic consolidation, with a score of .75 and higher on the index of democracy in 2007. These were Chile (.85) and South Korea (.77), while Poland (.72), South Africa (.65), and Turkey (.56) were still fragile democracies. Poland had crossed the threshold by 2012 when its index score had risen to .77, while South Africa (2012: .63) remained a fragile democracy and Turkey (2012: .53) a borderline case between democratic and mildly authoritarian.

Figure 1 shows that support for democracy is nearly universal among the parliamentarians of the seven countries and is also stable between the two survey waves. At the same time, however, it reaches similarly high levels of over 80 percent support among citizens only in Sweden and Germany, but considerably lower levels in Chile, Poland, and South Africa (50 to 70 percent) and even below 50 percent in South Korea and Turkey. The very low levels of support among citizens in the latter two countries indicate that the majority of citizens in these countries are primarily extrinsic democrats. While a large majority evaluates democracy positively, many do not really care whether they have a democratic or an authoritarian government. This makes democracy more vulnerable to economic downturns and political crises. In South Africa, for instance, support for democracy plummeted from 56 percent to 24 percent between 2006 and 2013. While 68 percent of South Africans still believed that democracy was a good thing, 58 percent also found the idea of having an autocratic ruler appealing. This, of course, may denote only a temporary dissatisfaction with the performance of South African democracy, but it still indicates that democratic consolidation has suffered a considerable setback and that the stability of South African democracy depends entirely on the presence of a strong elite consensus. This was, by the way, the deepest drop among the nine fragile democracies included in the World Values Survey, as can be seen in the appendix. The fact that citizen support of democracy has remained more or less the same in the other four new democracies of our sample, implies that democratic consolidation has not made much progress in recent years, but also has not suffered during the economic recession, albeit all of them with the exception of Poland experienced a moderate recession of 2 to 4 percent between the two waves of the World Values Survey.

Figure 2 presents an even more extreme pattern for confidence in political institutions and political parties. With the exception of Poland, South Africa, and Turkey, confidence in the democratic institutions is very high among the parliamentarians, while it is below 20 percent among the citizens of all six of the seven countries, with the exception of South Africa. One could suspect that these low confidence ratings are mainly due to the inclusion of political parties

Figure 1. Support for Democracy among Parliamentarians and Citizens in the Seven TRU Democracies

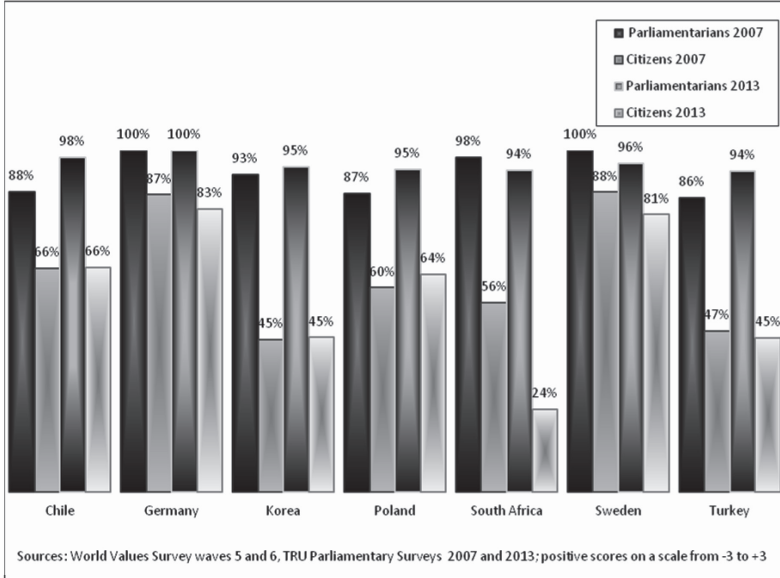
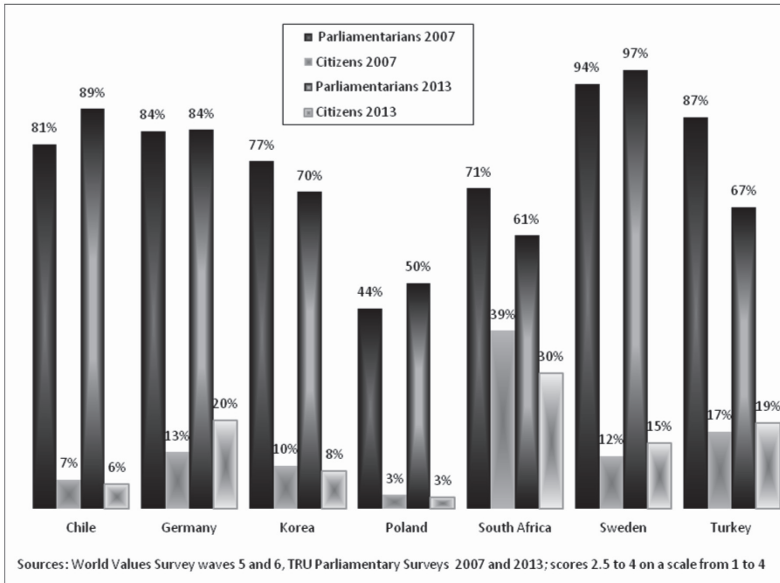


Figure 2. Confidence in Political Institutions and Political Parties among Parliamentarians and Citizens in the Seven TRU Democracies



in the index. But while confidence in parliament is indeed about 10 percent higher than confidence in political parties, the exclusion of the latter would not have changed the picture substantially. The results for this index are again rather stable over time and have not suffered much from the recession, at least much less than in some other democracies included in the appendix. On a more optimistic note, one could argue that the role of citizens in a democracy implies control of their political representatives, so skeptical citizens should not be considered a problem, but rather an indication that democracy is functioning well. This conclusion is supported by the fact that confidence in political institutions is equally low in the two benchmark democracies, Sweden and Germany. The very high confidence ratings by the parliamentarians instead should be considered more crucial because parliamentarians are the ones who work within these institutions and determine their proper functioning. In this respect, democratic consolidation already is advanced in South Korea and Chile, while Poland shows a promising increase. Although confidence among parliamentarians dropped significantly between the two surveys in South Africa and even more so in Turkey, it was still above 60 percent after the recession.

Conclusions

The main purpose of the analysis presented in the essay was to establish whether the Great Recession has had a negative effect on the consolidation of fragile democracies. The analyses were based on aggregate indicators for three different sets of countries. The comprehensive global data on 187 countries confirmed once more the close relationship between socioeconomic development and democracy. They also showed that the Great Recession has had a strong impact primarily in the two groups of countries that already had achieved high levels of GDP per capita by 2007. This implies that many democratic countries in the transition zone between poor and very rich were severely affected by the recession. At the same time, nearly two-fifths of these countries had not reached a high degree of democratic consolidation at the time the recession started.

The analysis of the thirty-eight countries that participated in the last two waves of the World Values Survey allowed determining whether support for democracy was affected by the recession. It showed that a decline in support, indeed, was considerable in fragile democracies, regardless of the impact of the recession in those countries. This result supports the notion that it is not so much the actual decline in standards of living and the rise in unemployment in one's own country that contributes to the decrease in support for democracy, as the perception of its potential threat to the standards of living. This confirms the results of electoral research that have shown the importance of *sociotropic voting* (i.e., that electoral choice depends more strongly on the perception of the general economic situation than on the economic situation of one's own

household).³⁹

The third part of the analysis was based on a comparison of parliamentarians and elites in the seven countries which have been the focus of the TRU project for the last two decades. The comparison of the five third-wave democracies with the two well-established democracies of Sweden and Germany confirms that support for democracy is much lower in the former five than in the latter two. Since support for democracy indicates how much legitimacy democracy enjoys in a country, the results indicate that the consolidation of democracy in South Korea, South Africa, and Turkey has not progressed very much since its inception. On the other hand, with the exception of South Africa, it also has not suffered during the course of the recession. While the aggregate data do not offer any explanation for the dramatic decline in South Africa between the last two waves of the World Values Survey in that country, 2006 and 2013, further development of South African democracy seems to depend entirely on its high elite consensus and requires continued monitoring. Support for democracy among parliamentarians is nearly universal, however, and also has remained stable over time.

Finally, confidence in political institutions shows an even more dramatic elite-citizen gap. Since this gap is about the same in the two established democracies, however, it should be considered an inevitable consequence of the division of labor between parliamentarians and citizens. Since the control of elected representatives is a crucial aspect of the defined role of democratic citizens, such a critical stance toward political institutions is not worrisome, as long as the mutual trust among the political actors that is needed for the smooth functioning of the democratic institutions remains high.

³⁹ Table 7 shows that satisfaction with the financial situation of one's own household has even increased in authoritarian countries and in all democracies, with the exception of consolidated democracies that have experienced a high impact from the recession. See Donald R. Kinder and D. Roderick Kiewiet, "Sociotropic Politics: The American Case," *British Journal of Political Science* 11, no. 2 (April 1981): 129-161.

Appendix: Changes in Political Attitudes in the Twenty-Three WVS Democracies

Country	TRU Index of Democracy 2007	GDP p.c. 2007	Growth impact of recession	Depth of recession*	% Unemployment 2012	% Increase in unemployment	% Support for democracy 2007	Percentage point change 2007-2013 in:			
								% Support for democracy	% Confidence in political institutions	% Life satisfaction	% Satisfaction w. financial situation of household
Australia	0.947	40,976.45	1.19	MR	5.2	0.8	76.2	-3.2	-4.9	-4.8	-3.6
Brazil	0.580	7,193.92	-0.58	L	6.1	-2.0	38.5	-7.9	-6.6	-0.1	4.0
Chile	0.849	10,378.99	2.03	MDR	6.4	-0.7	65.6	0.1	-1.9	7.1	8.1
Cyprus	0.832	27,860.28	2.78	MDR	11.8	7.9	70.6	6.2	-12.0	-4.9	-13.5
Germany	0.942	41,760.77	1.76	MDR	5.4	-3.2	87.0	-4.1	21.0	-0.8	3.2
Ghana	0.630	1,099.08	-1.51	L	4.2	0.5	80.3	-0.8	-3.2	-0.6	-15.1
Hong Kong	0.795	30,594.02	3.20	MDR	3.3	-0.7	63.8	-4.3	-2.4	6.1	5.9
India	0.641	1,068.68	-0.34	L	3.6	-0.1	41.3	-28.6	1.1	10.0	10.9
Japan	0.844	34,095.02	2.16	MDR	4.3	0.4	75.0	-10.5	1.9	-6.5	-9.5
South Korea	0.772	23,101.44	2.22	MDR	3.2	0.0	44.7	0.6	-0.8	-0.5	-1.8
Netherlands	0.973	50,858.46	2.31	MDR	5.3	2.1	63.1	10.4	4.9	-1.8	3.7
New Zealand	0.972	3,1997.4	3.90	SR	6.9	3.2	85.5	-4.6	8.0	-2.5	1.6
Poland	0.722	11,252.43	0.55	MR	10.1	0.5	59.8	3.9	-0.7	2.5	8.4
Romania	0.623	8,437.43	5.84	SR	-	-	38.2	-8.3	-2.4	17.7	18.9
Slovenia	0.808	23,841.32	5.47	SR	8.8	4.0	76.3	-8.1	-9.9	2.9	-3.0
South Africa	0.654	5,850.96	2.58	MDR	25.0	2.7	55.5	-31.3	-16.6	-3.8	6.1
Spain	0.843	32,707.72	4.67	SR	25.2	16.8	72.1	-6.4	-18.4	-11.8	-10.5
Sweden	0.981	53,324.62	3.06	MDR	8.1	1.9	87.8	-6.6	8.3	-4.1	-1.7
Taiwan	0.748	-	1.20	MR	-	-	46.2	-7.5	21.4	5.6	5.4
Trinidad and Tobago	0.609	-	8.54	SR	5.0	-0.5	64.6	6.8	8.2	-0.8	-2.9
Turkey	0.564	9,312.05	3.57	MDR	9.2	-1.1	47.1	-2.0	2.1	-2.3	0.1
United States	0.889	48,061.42	2.92	MDR	8.2	3.5	65.0	-4.2	-1.5	-2.2	3.7
Uruguay	0.758	7,012.54	-4.65	L	6.5	-2.7	67.0	1.8	1.1	-0.3	7.0

Sources: World Bank Economic and Governance Indicators and World Values Surveys, Waves 5 and 6.

* Cut-off points are quartiles: L=low impact (below -0.319), MR=mild recession (-0.319 to 1.718), MDR=moderate recession (1.718 to 3.573), SR=severe recession (above 3.573).