PART I

WAVES OF REGIME CHANGE: FROM DICTATORSHIP TO DEMOCRACY . . . AND BACK?
The Missing Variable

The “International System” as the Link between Third and Fourth Wave Models of Democratization

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The first transitions from communist rule in Eastern Europe and Eurasia at the end of the 1980s and the beginning of the 1990s did not resemble many of the transitions from authoritarian rule in the previous two decades. Why? Some have suggested that countries in the communist world shared distinguishing historical legacies or particular institutional configurations that made them different from countries in Latin America and Southern Europe, which had path-dependent consequences for the kind of transition they experienced. These differences are most certainly a major part of the explanation. However, this chapter argues that the configuration of the international system also played a causal role. The bipolar system of the Cold War constrained the kinds of transitions possible, both in the “East” and in the “West.” By 1989, this international system was in transition to a new global order anchored by one hegemon, the United States. This new system allowed a wider range of transitions than were possible in the previous era. The international system is the missing independent variable that helps unify theories about the third wave and the fourth wave, and moves us closer to a general theory of democratization.

To demonstrate the causal influence of the international system on regime transitions, the essay proceeds as follows. Section I outlines the basic elements of the third wave literature and then contrasts this paradigm with the basic elements of the fourth wave model. Section II outlines how the Cold War bipolar international system defined one set of conditions permitting regime

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1 Here, I emphasize the word first because some countries, such Serbia, Ukraine, and Georgia, have undergone more than one “transition” or “democratic breakthrough.” Likewise, one could argue that other countries in the region, such as Belarus and Russia, have undergone two “transitions” in the last twenty years, one that produced a more democratic regime, and another that produced a more autocratic regime.

change around the world. Section III outlines how the post–Cold War unipolar international system defined a different set of conditions permitting regime change. Section IV examines the American influence on regime change within the Soviet Union. Section V concludes.

I. COMPARING THE THIRD WAVE AND THE FOURTH WAVE

The Third Wave of Democratization

There is no single theory of democratization. There also is no unified theory of third wave democratization, defined here as the wave of transitions from autocracy in the capitalist world that began with Portugal in 1974. Most of the major theorists examining these transitions at the time explicitly rejected the idea that there could be a unified theory. Moreover, because these transitions were either just starting or still in motion when this literature was produced, analysts tended to emphasize contingency and uncertainty, concepts antithetical to the development of general theories or predictions.

And yet a paradigm or analytical model did emerge from this literature. First and foremost, the third wave literature rejected structural causes of democratization and instead focused on actors. They contended that individuals make history, not innate structural forces. Socioeconomic, cultural, and historical structures shaped and constrained the menus of choices available to individuals, but ultimately these innate forces have causal significance only if translated into human action. Cultural and modernization theories may provide important generalizations over time – in the long run Lipset is always right – but they are inappropriate for explaining variation over a short period of time.

Therefore, just as there are no uniform causes of democratization, there are also no necessary preconditions for, or determinants of, democracy.


5 Even if only temporary, the interregnums that interrupt the evolutionary march of economic and political modernization can be quite consequential for world history. On the fascist interlude in Germany, see Sheri Berman, “Modernization in Historical Perspective: The Case of Imperial Germany.” World Politics, 53, No. 1 (October 1990), pp. 5–43. Economic growth and then democracy also are not inevitable; countries on the path can diverge and take decades or centuries to get back on, as the trajectories of North American versus South America over the last hundred years suggest. See Douglass C. North, William Summerhill, and Barry R. Weingast, “Order, Disorder, and Economic Change: Latin America vs. North America.” In Governing for Prosperity, Bruce Bueno de Mesquita and Hilton Root, eds., pp. 17–58 (New Haven, CT: Yale University Press, 2000).

Second, the principal theoretical contribution from the literature on third wave democratization concerns the causal role assigned to the mode of transition in determining successful and unsuccessful transitions to democracy. The theory is based on temporal path dependence. Choices made at certain critical junctures influence the course of regime formation. The model identifies four choice-making actors in the transition drama: soft-liners and hard-liners within the ruling elite of the ancien régime emerge, as do moderates and radicals among the challengers to the ancien régime. The cause of the split within the ancien régime varies, but the appearance of such a split really starts the process of regime change, even when democratization is halted before a new polity emerges.

In some cases, moderates from the old order dominate the transition process and dictate the new rules of the game for a democratic polity. This mode of imposed transition occurred at earlier times in Europe and Asia but was not prevalent in the third wave in Latin America. During the third wave, a democratic outcome was most likely when soft-liners and moderates chose to negotiate, that is, to enter into pacts that navigated the transition from dictatorship to democracy. Conversely, if the transition was not accomplished through pacts, it was more likely to fail. As defined by O’Donnell and Schmitter, pacts are interim arrangements between a “select set of actors” that seek to “(1) limit the agenda of policy choice, (2) share proportionately in the distribution of benefits, and (3) restrict the participation of outsiders in decision-making.”

All three components are critical for success. Agreements that limit agendas reduce uncertainty about actors’ ultimate intentions. A pact “lessens the fears of moderates that they will be overwhelmed by a triumphant, radical, majority which will implement drastic changes.” If property rights, the territorial integrity of the state, or international alliances are threatened by a revolutionary force from below, then the leaders of the ancien régime will roll back democratic gains. During the wave of transitions to democracy in Latin America and Southern Europe in the 1970s and 1980s, the simultaneous negotiation of political and economic institutions rarely occurred. As O’Donnell and Schmitter concluded, “all previously known transitions to political democracy have observed one fundamental restriction: it is forbidden to take, or even to checkmate, the king of one of the players. In other words,

10 O’Donnell and Schmitter, *Tentative Conclusions*, p. 27.
during the transition, the property rights of the bourgeoisie are inviolable.”

More generally, negotiations over contested issues, in which the stakes are indivisible or the outcomes irreversible, are more likely to generate irreconcilable preferences among actors than issues with divisible stakes and reversible outcomes. Consequently, keeping such issues off the table was considered an important component of successful transitions. Limits on the agenda in question usually took place through the negotiation of pacts.

Further, sharing in the benefits of change provides both sides with positive-sum outcomes. Tradeoffs – which may even include institutionalizing non-democratic practices – are critical to making pacts work. As Daniel Friedman writes, “Negotiated transitions increase democratic stability by encouraging important interests to compromise on such basic issues as whether new democratic institutions should be parliamentary or presidential, when to schedule the first free elections, and whether to grant clemency to human rights abusers or attempt to ‘even the score.’ Without compromises on such fundamental issues, powerful interest groups can have less incentive to cooperate with the new democratic regime.”

Finally, these theorists have placed special emphasis on limiting the role of radicals in the negotiation process. Transitions based on pacts are elite affairs; mobilized masses are considered dangerous. The Jacobins must be sidelined to attain success. If the masses are part of the equation, then revolution, not democracy, results. As Karl posits, “no stable political democracy has resulted from regime transitions in which mass actors have gained control even momentarily over traditional ruling classes.” Huntington agrees:

Democratic regimes that last seldom if ever have been instituted by popular action. Almost always, democracy has come as much from the top down as from the bottom up; it is as likely to be the product of oligarchy as of protest against oligarchy. The passionate dissidents from authoritarian rule and the crusaders for democratic principles, the Tom

12 Elizabeth Jean Wood, Forging Democracy from Below, pp. 78–110 (Cambridge: Cambridge University Press, 2000); and Bunce, “Comparative Democratization.”
13 Karl, (Dilemmas of Democratization) has called these “birth defects.”
15 For an excellent and skeptical review of this argument, see Nancy Bermeo, “Myths of Moderation: Confrontation and Conflict During the Democratic Transitions.” Comparative Politics, 29, No. 3 (April 1997), pp. 305–22.
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Paines of this world, do not create democratic institutions; that requires James Madison. Those institutions come into existence through negotiations and compromises among political elites calculating their own interests and desires.  

In transitions from authoritarian rule in capitalist countries, trade unions, the left, and radicals in general must not play a major role in the transition process, and can only play a limited role in the new political system that eventually emerges. As O’Donnell and Schmitter warn, “Put in a nutshell, parties of the Right-Center and Right must be ‘helped’ to do well, and parties of the Left-Center and Left should not win by an overwhelming majority.” Elites guarantee such outcomes through the manipulation of electoral laws or other institutional tools.

But what causes pacts between moderate elites to materialize in the first place? Though often not explicitly stated, analysts of the third wave answer this question by examining the balance of power between the challenged and challengers. When the distribution of power is relatively equal, negotiated transitions are most likely. In summing up the results of their multivolume study, O’Donnell and Schmitter asserted, “political democracy is produced by stalemate and dissensus rather than by prior unity and consensus.” Roeder has made the same claim in his analysis of postcommunist transitions: “The more heterogeneous in objectives and the more evenly balanced in relative leverage are the participants in the bargaining process of constitutional design, the more likely is the outcome to be a democratic constitution.” When both sides realize that they cannot prevail unilaterally, they agree to seek win–win solutions for everyone. Democratization requires a stalemate – “a prolonged and inconclusive struggle.”

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22 Ibid., p. 72.
Przeworski has extended this argument to posit that uncertain balances of power are most likely to lead to the most democratic arrangements; “If everyone is behind the Rawlsian veil, that is, if they know little about their political strength under the eventual democratic institutions, all opt for a maximizing solution: institutions that introduce checks and balances and maximize the political influence of minorities, or, equivalently, make policy highly insensitive to fluctuations in public opinion.” 25 Uncertainty enhances the probability of compromise, and relatively equal distributions of power create uncertainty.

This approach emphasizes the process itself, rather than the individual actors, as the primary casual variable producing successful transitions. 26 When the process is more important than the individuals or their ideas, it becomes possible to produce “democracy without democrats.” As Roeder argues, “democracy emerges not because it is the object of the politicians’ collective ambition but because it is a practical compromise among politicians blocked from achieving their particular objectives.” 27 The dynamics of the strategic situation, not the actual actors or their preferences, produce or fail to produce democracy. As Dan Levine excellently summed up, “democracies emerge out of mutual fear among opponents rather than as the deliberate outcome of concerted commitments to make democratic political arrangements work.” 28 Moderate, evolutionary processes are considered good for democratic emergence; radical, revolutionary processes are considered bad. Cooperative bargains produce democratic institutions; noncooperative processes do not. 29 Similarly, Przeworski concludes, “Democracy cannot be dictated; it emerges from bargaining.” 30

Such processes work best when they are protracted, slow, and deliberate. Drawing on earlier experiences of democratization, Eckstein has asserted that postcommunist “democratization should proceed gradually, incrementally, and by the use of syncretic devices... Social transformations is only likely to be accomplished, and to be accomplished without destructive disorders, if it is spaced out over a good deal of time, if it is approached incrementally (i.e. sequentially), and if it builds syncretically upon the existing order rather than trying to eradicate it.” 31 Advocates of this theoretical approach assert that “conservative transitions are more durable” than radical transformations. 32

27 Ibid., p. 208.
29 See Hardin’s review and then rejection of this approach in Russell Hardin, Liberalism, Constitutionalism, and Democracy (Oxford: Oxford University Press, 1999).
30 Przeworski, Democracy and the Market, fn. 25, p. 90.
This set of arguments has a close affinity with positivist accounts of institutionalism that have emerged from cooperative game theory. The crafting of new democratic institutions is framed as a positive-sum game in which both sides may not obtain their most preferred outcome, but settle for second-best outcomes that nonetheless represent an improvement over the status quo. Uncertainty during the crafting of rules plays a positive role in producing efficient and/or liberal institutions. These approaches to institutional emergence also emphasize the importance of shared distributions that result from the new institutional arrangements. Above all else, the transition to democracy is a bargain from which everyone gains. In the metaphorical frame of a prisoner’s dilemma, it is settling for the payoffs of cooperation, rather than gambling to obtain the higher gains from confrontation.

The “Fourth Wave”

Actor-centric, cooperative approaches to democratization offer a useful starting point for explaining postcommunist regime transformations. This framework rightly focuses on actors, rather than structures, and offers an explanation for both democracy and dictatorship. Many of the actors in the region even claimed that they were attempting to navigate a transition from communism to democracy; the literature on transitions to democracy, therefore, offered appropriate metaphors and analogies to compare to these postcommunist transitions.

When the third wave hypotheses are applied to the postcommunist world, some stand the test of time and new cases. Rustow’s observations about preconditions seem relevant to the postcommunist transitions. Though consensus about borders was not necessary to begin political liberalization processes, and some transitions have continued along a democratic trajectory without firmly resolving borders issues, the resolution of major sovereignty contests was a precondition for new regime emergence in most of the region. Most importantly, three multiethnic states had to collapse before democratic or autocratic regimes could consolidate. Twenty-two of the twenty-seven states in the postcommunist world did not exist before communism’s collapse. Rather than an extension of the third wave of democratization that, as noted earlier, first started in Portugal, this explosion of new states is more analogous to the wave of decolonization and regime emergence after World War II throughout the British, French, and Portuguese empires. And as in this earlier wave of state emergence, the importance of shared distributions is emphasized.

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35 This said, most work in this tradition has focused on successful democratic transitions, and not on failed cases. Edited volumes on democratization rarely incorporate cases such as Angola, Saudi Arabia, or Uzbekistan.
emergence, the delineation of borders may have been a necessary, but certainly not a sufficient, condition for democratization. Most of the new postcolonial states that formed after World War II claimed to be transitioning to democracy, but only a few successfully consolidated democratic systems. In Africa and Asia, disputes about the borders of the states were a major impediment to democratic consolidation. Similarly, in the postcommunist world, the emergence of democracy has been the exception, not the rule, and border disputes figure prominently in several (though not all) stalled transitions.

After Rustow’s observation, further application of the transitions metaphor begins to distort rather than illuminate. The central cause of political liberalization in the postcommunist world was not elite division. In most cases, as discussed in greater detail below, and to some degree by Bunce and Wolchik in the next chapter in this volume, it was the initiative of reforms by an outside agent – Mikhail Gorbachev. Even within the Soviet Union, Gorbachev did not emerge as leader as the result of elite divisions. On the contrary, he was the consensus candidate to assume dictatorial power as the General Secretary of the Communist Party of the Soviet Union in 1985. For the first two years after becoming General Secretary, he consolidated political power to a greater extent than any Soviet leader since Stalin. It was his reforms that later spawned elite divisions as a response. Explaining the original causes of liberalization, however, has never been a robust part of any transition theory and therefore does not deserve extensive scrutiny here.

Explaining outcomes of transitions (rather than the causes of transitional moments themselves) has been the central project of transitology and positivist institutionalism. Upon closer examination, however, these analytical frames seem inappropriate to explaining postcommunist regime change. Most importantly, the preponderance of dictatorships in the postcommunist world and the lack of democracies raise real questions about why postcommunist transitions should be subsumed within the third wave at all. In the long run, all countries may be in transition to democracy. In the short run, however, the differences between the third wave and the postcommunist fourth wave should be recognized and explained. Besides a somewhat loose temporal relationship,

38 One could make the same claim about theories of revolution, especially those that introduce actors into the equation – for instance, Timur Kuran’s “Now Out of Never.” World Politics, 44, No. 1 (October 1991), pp. 7–48, which offers a compelling account of a revolutionary process without ever explicating how the process got underway in the first place. Likewise, Tilly has distinguished between revolutionary situations and revolutionary outcomes as two independent outcomes that may have different causal variables producing them. Such distinctions allow research programs that focus on the latter while treating the former as a constant or an exogenous shock.
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Portugal’s coup in 1974 and the Soviet collapse in 1991 have little in common.  
By framing the question in terms of democratization, the study of transitions in the postcommunist world becomes a search for negative variables – what factors prevented democracy from emerging – which may not generate an effective research agenda for understanding these regime changes.

Yet, even if one accepts that the postcommunist transitions are a subset of the more general phenomena of democratization – that is, both successful and failed cases of democratization – the dynamics of transition in the fourth wave have many characteristics that are different from, if not diametrically opposed to, the third wave transitions. Most importantly, regime change in the postcommunist world only rarely resulted from negotiations between old elites and societal challengers. Confrontation was much more prevalent. The rules of the game in the new regime were dictated by the most powerful – whether old elites or anti-regime social movements. Pacts, or the conditions that make them, appear to be unimportant in determining the success or failure of democratic emergence in the postcommunist world.

In the third wave literature, pacts were assumed to limit the scope of change, and particularly to prevent a renegotiation of the economic institutions governing property rights. In looking at the postcommunist transitions, therefore, third-wave analysts presupposed that economic and political reform could not be undertaken simultaneously. The danger of multiple agendas of change, frequently trumpeted in the earlier literature on democratization, has not seen clear empirical confirmation in the postcommunist world. Because communism bundled the political and the economic, and the challenge to communism occurred so rapidly, sequencing proved impossible and simultaneity was unavoidable. Generally, the reorganization of economic institutions did not undermine democratic transitions. On the contrary, those countries that moved the fastest regarding economic transformation also have achieved the greatest success in consolidating democratic institutions.


41 For most elites in the region, “state-building” – not regime making, be it democracy or dictatorship – is the central enterprise under way.

42 Przeworski, Democracy and the Market.

43 For a study confirming the dangers of simultaneity for democratic emergence, see Michael McFaul, Russia’s Unfinished Revolution: Political Change from Gorbachev to Putin (Ithaca: Cornell University Press, 2001).