

I

V-Dem Reconsiders Democratization

Michael Coppedge, Amanda B. Edgell, Carl Henrik Knutsen,
and Staffan I. Lindberg

Why do some countries manage to escape autocratic rule and become democratic, whereas others remain trapped? And why do some democracies remain stable or improve their level of democracy while others “backslide” or even die? These are the big questions this book seeks to answer.

Advances and setbacks in democracy are among the most important events in modern world history, as consequential as wars, economic recessions, and pandemics. Democracy is the only political regime that is designed to foster human dignity and individual freedoms for all citizens. Recent studies also provide rigorous evidence that democracy promotes economic growth (Acemoglu et al. 2019), helps prevent catastrophic economic outcomes (Knutsen 2021), and lowers infant mortality (Wang et al. 2019). Transitions to democracy more than double spending on poverty alleviation (Murshed et al. 2020), increase life expectancy, reduce child mortality, and lower deaths from noncommunicable diseases (Bollyky et al. 2019). In contrast, autocratizing countries have substantially lower estimated life expectancy, less effective health service coverage, and higher levels of out-of-pocket health spending than they would have had without erosion of democratic rights and freedoms (Wigley et al. 2020). Furthermore, the democratic peace axiom – that democracies do not fight wars against each other and that the spread of democracy reduces armed disputes and wars – is soundly confirmed by recent rigorous studies (e.g., Altman et al. 2021; Hegre et al. 2020); and other studies demonstrate that democracies are less prone to civil war and domestic volatility compared to less democratic regimes (Fjelde et al. 2021; Hegre 2014). In short, advances and setbacks have real implications for the well-being and freedom of millions of people.

As we write this book, the world is experiencing a “wave of autocratization,” with a third of the population living under “autocratizing” conditions (Lührmann and Lindberg 2019). People across the world currently endure severe deterioration of civil liberties and political rights. Given the inherent

normative importance of democracy as well as its wider implications for the well-being of citizens, it is important to understand why these processes happen. However, sixty years of scholarship on democratization has produced an immense, unwieldy, and bewildering literature. By one count, there are at least fifty-five competing explanations in the literature on democratization (Coppedge 2012, Chapter 4). It is especially difficult to make sense of so many arguments because they emerged from varied and incompatible research programs and methodologies, including historiography, comparative sociology, macroeconomics, institutionalism, geography, game theory, statistical analysis, and dozens of influential case studies.

This volume proposes a series of tests and eventually a synthesis of the leading explanations for why democracy develops and declines. We develop a unifying framework by (1) distinguishing among democratization outcomes, (2) ruling out explanations that are incompatible with the best empirical evidence, and (3) regarding explanations as complementary rather than competing. Following the lead of Teorell (2010) and theory going back at least as far as Rustow (1970), we are persuaded that conditions that explain levels of democracy are often different from those that explain change; and that explanations for advances in democracy are probably different from those that explain setbacks. We believe that treating levels of democracy as essentially the same as positive change, and treating negative change as nothing more than the absence or negation of positive change, has been a frequent source of confusion in the literature. The empirical analyses in this volume confirm this approach. High levels of democracy, upturns in democracy, and downturns in democracy often require different explanations.

We rely on wide-ranging empirical testing to winnow the relevant explanations down to a manageable number. After a series of detailed descriptive analyses of trends in democracy and autocracy since 1789 in Chapter 2, our testing proceeds in two phases. First, the five thematic chapters examine groups of related hypotheses: geography and demographics (Chapter 3); international influences (Chapter 4); economics (Chapter 5); institutions (Chapter 6); and social forces (Chapter 7). Each of these chapters begins with a thorough survey and critique of its family of hypotheses, then tests them using the best available measures (including Varieties of Democracy data) on global samples, typically covering most countries in the world sometimes for more than two centuries of history.

Although these analyses confirm many familiar beliefs about democratization and democratic reversals, they cast doubt on others. Gerring (Chapter 3), for example, rules out population and small territory as explanatory factors of variation in levels of democracy. Coppedge et al. (Chapter 4) report that although democracy is internationally “contagious” in the long run, ignoring its effects does not appear to exaggerate the short-run influence of domestic conditions. Knutsen and Dahlum (Chapter 5) add to the evolving debate about income and democracy: while per capita income correlates positively with level of democracy and makes downturns less severe, it does not boost upturns. Hicken et

al. (Chapter 6) find no consistent support for the perils of presidentialism or party-system fragmentation. Bernhard and Edgell (Chapter 7) report evidence that right-wing anti-system movements harm democracy but left-wing anti-system movements do not.

Second, in Chapter 8 we test the most promising remaining hypotheses from each school of thought, reducing the number of viable hypotheses further by using a multi-equation path analysis. Because we are open to the possibility that many of the relevant explanatory factors represent complementary rather than competing explanations, we consider more complex causal chains and distinguish between direct and indirect effects. This contrasts with most prior quantitative research that pits these factors against one another in additive single-equation models. Multi-equation path analysis gives us the freedom to stipulate that some variables mediate the effects of others on democracy outcomes. In this way, we can test the causal sequences of all the promising factors where some have direct effects on the outcome while others only affect the outcome indirectly through their influence on factors with direct effects. The very different timescales in which the processes tested in Chapters 3–7 operate suggest a theoretical framework centered on causal sequences.

Some explanatory factors are “distal” in that they assumed their values long ago, in a pre-democratic era, and changed very little in subsequent years. Distal factors that remain significant in the conclusion include distance from natural harbors (a measure of difficult communication and trade, which hurts democracy), Protestant and European-descended population (which help democracy, although we regard them as proxies for some kind of long-run European influence), and economic dependence on exports of natural resources such as oil and minerals (a harmful influence).

Distal variables can also have indirect effects through intervening or “intermediate” variables, which do change, but only incrementally or episodically. Some of them are well-known elements of modernization theory: literacy, the share of national income produced by agriculture, and income level. We find that agricultural income share negatively and directly affects electoral democracy levels, upturns, and downturns; but literacy and income matter only indirectly for these outcomes.

The other intermediate variables that matter are a healthy civil society, the rule of law, and institutionalized political parties. We find that these features of organizations, institutions, and the state form a “protective belt” that tends to keep a country’s level of democracy from changing very much, regardless of whether it is high or low. These three factors are sticky and tend to reinforce one another. They are influenced by development variables such as income and literacy, which are also sticky. In turn, practically invariant, distal variables such as natural harbors, natural resources, and European influence condition these development variables. The relationship between levels of democracy and these mutually reinforcing slowly or barely changing intermediate and distal variables help explain why most countries’ democracy levels change very little in

most years. Most of the time, an equilibrium prevails. Chapter 4 suggests that neighboring countries with similar democracy levels tend to reinforce the equilibrium, too, although we do not model international influences in Chapter 8.

Other forces, however, can punctuate the equilibrium. Occasionally, some countries do experience large upturns (democratization) or downturns (autocratization) in electoral democracy. Proximate variables that are much more dynamic are most useful for explaining the upturns and downturns of electoral democracy. Upturns tend to be larger after nonviolent opposition campaigns and when the global economy is growing strongly. By contrast, downturns in electoral democracy tend to be more severe when there is a strong anti-system movement and when national economic growth is weak or negative. These scenarios are powerful enough to disrupt the protective belt and overcome the equilibrium sustained by intermediate and distal variables. Our models also suggest that long-term reversals of development or of the strength of civil society, the state, and party organizations can upset the equilibrium as well, making a large downturn or upturn possible.

In the remainder of this introductory chapter, we address the motivations for this volume and give a brief overview of the democratization research program, including its many achievements, limitations, and impasses. Next, we describe the Varieties of Democracy dataset and the methodology underpinning the data collection. We discuss some limitations but also several of the advantages associated with using these data to study democracy. Thereafter, we discuss methodological aspects of the empirical analyses conducted in this book, acknowledging threats to causal inference and describing the specific dependent variables that are used throughout the volume. Then, we provide an overview of the main argument by summarizing the remaining chapters of the volume.

1.1 MOTIVATIONS FOR THIS VOLUME

Variation in countries' political systems and regime change is among the oldest and most studied fields of political science. Numerous theories provide explanations of how different geographic, demographic, international, economic, social, and institutional factors influence democratization and reversals.¹ Thousands of empirical studies assess these theories with methods ranging from country-specific case studies to statistical analyses on global samples (see Pelke and Friesen 2019 for a recent overview).

Despite these efforts, political scientists are still uncertain, and often in disagreement, about the direction or even existence of key relationships that

¹ Because our methodological approach requires large-sample historical data, we cannot retest explanations from at least two schools of thought: political culture (Inglehart and Welzel 2005) and strategic bargaining among elites (Acemoglu and Robinson 2006; O'Donnell et al. 1986).

help explain regimes and regime transitions. For example, debates over the effects of economic development on democratization remain unresolved. Some studies indicate that higher income levels make countries more likely to democratize, whereas others find no relationship and yet others a negative one (see Chapter 5). There are especially few robust findings on the determinants of democratic decline and breakdown, (see, e.g., Gassebner et al. 2013; Rød et al. 2020). For instance, researchers strongly disagree on whether presidential forms of government make democracies more vulnerable to breakdown when compared to parliamentary regimes (see Chapter 6). Even after several decades of systematic research (see, e.g., Coppedge and Kuehn 2019; Geddes 1999; Munck 2019), democracy researchers are far from reaching any full understanding or consensus on the key drivers of democratization and democratic decline.

The described state of knowledge in democracy research provides two motivations for this volume. First, inconclusive findings on key relationships call for an up-to-date, critical, and comprehensive reassessment. The chapters in this volume provide such summaries and discussions, focusing on the various clusters of proposed determinants of democracy. Second, methodological differences often explain why previous studies have diverged so dramatically. Some studies may come to different conclusions, for instance, on the relationship between economic development and democratization, simply because of a short time series, low-powered tests, imprecise or inconsistent measures, and/or the omission of relevant variables. When equipped with more precise measures, long time series covering most countries in the world, and an appropriate model specification, we can develop more credible conclusions about the general relationships between the various proposed causal factors and democratic outcomes (Coppedge and Kuehn 2019).

To achieve the second ambition of this volume, the contributing authors – after having reviewed the relevant literatures – conduct empirical analyses that draw on extensive samples and new measures from the Varieties of Democracy (V-Dem) dataset (Coppedge et al. 2019b; Pemstein et al. 2019). As a disclaimer, most of the contributors to this book were involved in the development of the V-Dem dataset. Naturally, we and the other contributors want to use our data. However, the motivation for this book should not be misconstrued as data-driven. Rather, we created the V-Dem data so that we could explore answers to important questions about, among others, the determinants of democratization and the survival of democratic regimes.

The V-Dem dataset has unprecedented detail, as well as geographic and temporal coverage, which allows us to test key hypotheses about democratization across a wide range of contexts and to obtain more precise estimates of these relationships. The long time series – covering more than 200 political units (including both countries and colonies) from 1789 to 2018 – allows us to account for several sources of possible confounding, including country- and time-specific global factors that influence democratization or

democratic survival. The contributors to this book typically draw on more than a century of global data, sometimes more than two centuries, in the search for robust, general relationships.

One caveat, however, is that this type of analysis masks substantial heterogeneity in some relationships, if they differ across or operate only in certain geographical contexts or particular periods. When such heterogeneity is theoretically expected, researchers can benefit from focusing their analyses on more limited but relevant samples despite the loss in statistical power. Oftentimes, theoretical expectations are less clear, but there is still a good reason to expect, for instance, time-varying effects. Then, researchers will probably also gain from using the extensive samples offered by V-Dem data to carefully assess the extent and nature of heterogeneous treatment effects. Given the large number of theories and relationships already covered, we do not engage in such extensive testing here, but limit our discussions and tests mainly to assessing the robustness of general relationships. However, we refer readers to Chapter 7 in Coppedge et al. (2020) for methodological discussions on how V-Dem data can be used to assess heterogeneous relationships.

Drawing on the V-Dem data, the contributors to this book revisit key proposed determinants of democracy – geographic and demographic, international, economic, social, and institutional – in separate chapters. Finally, we build on these different results and develop an empirically informed and coherent theoretical framework for understanding democratization in the concluding chapter. We begin our investigation by detailing what V-Dem data tells us about the trajectories of (different aspects of) democratization over the past 230 years. Chapter 2 of this volume describes the broad historical and regional trends in democracy since 1789. It mainly draws on the V-Dem Electoral Democracy Index (EDI), which is constructed to capture Robert Dahl's (1971) concept of "polyarchy" and its core institutional guarantees. However, the chapter also drills down into the institutional components of polyarchy to depict what drives global and regional changes in particular time periods and considers the trajectories of non-electoral aspects of democracy.

The second, and principal, issue of the volume centers on empirically testing different types of determinants of democracy measured with the EDI. This question occupies the bulk of the book and entails investigating which aspects of societies and their institutions hinder or trigger democratization, as well as what factors lead to or prevent erosion (or "autocratization") and breakdown. Hence, most of the chapters in the book take an incremental approach using four dependent variables, building on the approach taken in Teorell's (2010) *Determinants of Democratization*: (1) level of democracy, (2) annual change in democracy, (3) annual upturns, and (4) annual downturns. Chapter 6 also takes a more discrete approach, modeling the effects of institutions on the likelihood of regime change.

We organize the investigation by testing clusters of variables, one at a time, associated with the established dominant schools of thought regarding key

explanations. Importantly, these proposed explanations are often not orthogonal and may be causally related. For example, different chapters discuss how access to natural harbors and economic development may independently enhance democracy levels, but natural harbors may also influence economic development, such as, by facilitating trade (another proposed determinant of democracy studied in this volume). Hence, we order the chapters from those determinants that are relatively exogenous and placed early on in the proposed causal chain (geography) to fairly endogenous factors placed later in the causal chain (social forces and institutions) that culminate in regime outcomes. We discuss this ordering and assess it in more detail in the concluding chapter, which serves as a theory building exercise drawing on the extensive reviews of theories and empirical analyses of the preceding chapters.

1.2 SETTING THE STAGE

We do not intend to provide a comprehensive overview of the field often referred to as “democracy research” here, but rather highlight some key developments in order to set the stage for clarifying how the current volume contributes to this literature.² Several researchers note how the field has moved from being centered on qualitative single and comparative case studies to increasingly including statistical studies on global and regional samples, supplemented by survey and experimental projects.³ This, we surmise, reflects the reality that many, if not most, phenomena of interest to democratization scholars, such as national-level political institutions, are difficult to research without drawing on observational data. Substantively, the field has moved from

² Other books (Coppedge 2012; Geddes 2003; Mainwaring and Pérez-Liñán 2013; Møller and Skanning 2011; Przeworski et al. 2000) and articles (e.g., the special issue of *Democratization* edited by Coppedge and Kuehn 2019; Geddes 2007) describe the history and (methodological and substantive) trends of democratization research. Teorell (2010) summarizes the literature on several types of determinants of democracy and provides a comprehensive empirical analysis of these various factors under a common framework. Recent works also provide extensive sensitivity analysis (Gassebner et al. 2013; Rød et al. 2020) and meta-analysis (Saghaug Broderstad 2018) with systematic and condensed overviews of the state of knowledge for several empirical relationships. For some of the subliterations in this field, including on the widely studied modernization hypothesis discussed in Chapter 5, there are also available accounts on the development of the literature (e.g., Munck (2019) and the recent issue edited by Dahlum (2018)).

³ A recent analysis of published articles in three top comparative politics journals (*Comparative Political Studies*, *Comparative Politics*, and *World Politics*) and the two top subfield journals (*Democratization*, *Journal of Democracy*) show that the use of statistical analyses in democratization-related topics increased from around 11 percent in 1990–1995 to 24 percent in 2010–2016 (Pelke and Friesen 2019). While the share of articles using experiments has also increased in recent years (to about 3 percent according to Pelke and Friesen (2019)), most empirical studies in democratization research still draw on observational data. In fact, according to the same article, over 70 percent of the sampled articles using experiments focused not on regime change but on democratic consolidation, with a secondary emphasis on ethnicity, citizen attitudes, policies, electoral behavior, and clientelism.

an early focus on democratic transitions from the 1970s, to studies of democratic consolidation, to a recent focus on authoritarianism (Pelke and Friesen 2019). This field of research remains one of the most heterogeneous within political science in its geographic scope and the diversity of national contexts from which data are drawn (Wilson and Knutsen 2020).⁴

The field is also eclectic in the types of theories that researchers develop to explain the emergence, functioning, and effects of democratic or autocratic institutions. While some theories focus on particular actors, notably leaders and regime elites, or particular social classes, others focus on how structural conditions shape political outcomes. Some theories highlight the relevance of economic factors in shaping regime outcomes, whereas others point to historical and institutional legacies, and yet others emphasize features of the international system. This richness in theoretical accounts, and the many different types of explanatory factors under focus, is reflected in this volume. Yet, the richness and variety in theoretical accounts also implies particular challenges. As noted by both Gassebner et al. (2013) and Rød et al. (2020), this theoretical heterogeneity results in a lack of consensus about the appropriate empirical models for large-N cross-national studies of democratization and autocratization. For statistical tests of theories in the field, this often means that models fail to account for alternative arguments about why democracies arise, erode, or break down.⁵

This issue speaks to the importance of thinking carefully about how different theories of democracy-related outcomes complement each other or pose contrasting explanations, and the implications for research design and specifying appropriate tests. Avoiding the compartmentalization of democracy research is thus important not only for diffusing results and insights from certain parts of the field to other parts but also for achieving consistent estimates, across the board, of the different determinants and effects of democracy. This suggests that more comprehensive treatments incorporating multiple families of causal factors in one study have advantages for understanding democracy-related outcomes.

Nevertheless, quantitative democracy research over the last forty years has benefited from methodological advances and new measures with improved validity, reliability, and coverage. Such developments have allowed researchers to test more nuanced hypotheses on an extensive number of countries in a careful manner. Next, we give a brief history of the type of empirical democratization research that we are conducting in this book: research that uses statistical tools to analyze data from a broad range of countries over time. We thus describe a

⁴ For instance, studies of democratic transitions frequently feature cases from Eastern Europe and sub-Saharan Africa, democratic consolidation research often draws on Western Europe and Latin America contexts, and the study of authoritarian politics commonly addresses countries in the Middle East and North Africa (MENA) and East Asia (Pelke and Friesen 2019: 149).

⁵ To take one example, geographic and political-historical factors may be omitted confounders in designs constructed to study the influence of, say, domestic political institutions such as presidentialism on democratic breakdown (see Cheibub 2007 and Chapter 6 of this volume).

central part of the research agenda on democratization and democracy-related topics, and in doing so, clarify our own contribution to this literature using V-Dem data.

1.3 IMPROVING DATA

The development of datasets incorporating democracy measures with extensive coverage across countries and over time has contributed greatly to understanding the causes of democracy and different types of regime change. Consider, for example, the modernization hypothesis, which is detailed and retested in Chapter 5 of this volume.⁶ For several decades, quantitative tests of the relationship between economic development and democracy consisted of cross-sectional associations between levels of development (often measured as GDP per capita) and levels of democracy, following Lipset (1959). The development of annual cross-country measures of democracy covering a fairly long time series, beginning in the 1980s, opened up opportunities to empirically disentangle the underlying links that generated this correlation and thus, to test more specific theories about the mechanisms linking development to democracy (Burkhart and Lewis-Beck 1994). Notable in this regard were the Freedom House Political Rights and Civil Liberties measures (updated annually since 1972), the Polity Democracy and Autocracy indices (going back to 1800), and the ACLP (after the original authors, Alvarez, Cheibub, Limongi, and Przeworski (1996); later called DD – Democracy and Dictatorship) binary measure of democracy with time series coverage (initially from 1950 to 1990) across a large sample of countries. These datasets resulted in seminal contributions highlighting how income may correlate with democracy not because it enhances the probability of democratization but because it greatly mitigates the danger of democratic breakdown (cf. Boix and Stokes 2003; Przeworski and Limongi 1997; Przeworski et al. 2000).

Binary democracy measures are well suited for studies that consider autocracies and democracies as qualitatively distinct categories and that investigate the transition between such categories as discrete events (see, e.g., Przeworski and Limongi 1997). Yet many democracy scholars consider democracy to be a matter of degree. In their view, regimes often become slightly more or less democratic over a limited period of time, even if no change occurs on a binary democracy measure. In other instances, regimes can become much more or less democratic but do so through a protracted and gradual process rather than in one discrete event. Therefore, for those who

⁶ Another important example is how the dataset on autocracy types and autocratic breakdown provided by Geddes (1999), and subsequently updated by Geddes et al (2014), has helped shape the study and understanding of how autocratic politics works in, for example, party-based, military, and personalist regimes.

conceive of democracy as a continuous dimension, there are limits to the types of analysis that can be conducted using binary regime indicators.

The development of interval measures of democracy has further refined our knowledge of democratization processes. For example, Kennedy (2010) demonstrates how the Polity2 index (from Marshall et al. 2013) can improve our understanding of the development–democracy relationship. By leveraging small changes on the Polity scale as indicators of institutional change, Kennedy makes the key distinction between those factors that influence whether a regime breaks down and those factors that influence whether the new regime that replaces the old one is more or less democratic. He finds that rich autocracies are less likely to experience regime change, but when they do, they typically move toward democracy. This may contribute to explaining the null relationship between income and democratization reported by Przeworski and colleagues (1997, 2000) using the binary democracy measure.

To finalize the illustration of how refined measures of democracy with more extensive time series coverage can provide new insights into substantive causal relationships, we turn to Knutsen et al. (2019a). This recent study utilizes V-Dem data to consider even more nuanced relationships between development and different aspects of democracy. The authors theorize that economic development may have distinct effects on different aspects of democracy, highlighting the particular institutional and other features of electoral democracy that may facilitate a strong link. Testing the related expectations by drawing on various V-Dem measures, the authors find a clear link between development and *electoral* democracy but not with several other varieties of democracy, such as participatory and deliberative democracy. The relationship between development and electoral democracy survives even when accounting for time-invariant, country-specific factors that may confound the relationship (cf. Acemoglu et al. 2008), and the relationship is stronger when considering how income mitigates democratic downturns, as opposed to facilitating democratic upturns. This is just one illustration of how rich, disaggregated democracy data with extensive coverage has helped democracy researchers achieve more nuanced and empirically founded insights into the determinants of democracy.

We could also turn this presentation on its head and focus on the limitations placed on our understanding of the causes and consequences of democracy in the absence of datasets such as V-Dem. Increasingly, one might argue, the limitations of extant democracy measures were responsible for impasses in this research program. Even the most widely used cross-national measures of democracy are problematic (see, e.g., Coppedge et al. 2020, 149–158; Munck and Verkuilen 2002). It has, for example, never been very clear what concept of democracy the alternative graded measures are capturing. They are highly aggregated and the procedures for aggregation are opaque (for Freedom House) or are of murky variables (for Polity). Further, the reliability and precision of these measures is unknown, aside from those generated by