Cooperating across Crises: Patterns of Elite Interaction in Predicted and Unpredicted Cases of Democracy and Autocracy

Gretchen Casper and Claudiu Tufis

Pennsylvania State University

Introduction

Why are some countries democratic and others are not? Why are some countries more democratic than others? Why does democracy exist in "least likely" cases? To answer these questions, this project considers the effects of three contending factors: socioeconomic environments, political institutions, and elite interaction during crises. In this paper, we offer a brief review of the first stage of the project, which found that a baseline model of democracy incorporating socioeconomic and political factors explains almost half of the variance between 114 countries' actual versus predicted levels of democracy, from 1951 to 1992. Then, we present case histories for a subset of countries to see how elite interaction during crises can raise or lower a country's level of democracy compared to the baseline model predicted by socioeconomic environments or political institutions. In the end, we identify patterns of elite interaction during crisis situations that help explain the building of trust, thus allowing democracy to develop in "least likely" cases, and those patterns of behavior that breed mistrust and mis-communication, making the consolidation of democratic institutions difficult or impossible even in countries with favorable socioeconomic environments or institutional structures.

Democracy Model

The first stage of this project reconsidered two contending theories of democracy: modernization and new institutionalism. We identified a baseline model, selecting factors that represent the debates in the literature and that were used by more than one researcher. This model, labeled the democracy model, includes socioeconomic and institutional explanatory variables. The six socioeconomic variables are income, growth, trade dependence, inflation, primary education, and secondary education. The two institutional variables are types of executive systems and level of party fractionalization.

We tested the democracy model in 114 countries, from 1951-1992. Because the dataset pools across countries and years, OLS results may report incorrect standard errors due to potential problems with heteroskedasticity, contemporaneous correlation, and serial correlation. Because of these issues, we applied regression analysis with panel-corrected standard errors (PCSEs).

Table 1 presents the results. Looking at the socioeconomic variables, the results support previous findings that higher levels of economic development are associated with higher levels of democracy. The results from the institutional variables support the findings of several theorists regarding party fractionalization and parliamentary systems, as well as scholars on the other side of the presidential-parliamentary debate. In summary, these findings offer support for each side of the debate regarding types of executive systems, as well as reinforce previous work regarding the effect of income on levels of democracy.

Countries and Crises

This section considers the relative explanatory effect of the third contending factor: elite interaction during crises. Do certain patterns of elite interaction reinforce or undermine democracy? We focus on elite interaction during crises because crises signal that a country's condition is "acute", entailing a "sequence of interaction" between actors in "a noisy, dangerous, and unavoidable learning process".

We considered four types of crises, ranging from mild to severe: riots, anti-government demonstrations, revolutions, and guerrilla warfare. The data consist of annual event counts by type of crisis and country, from 1951 to 1992. We divided the countries into five categories, based on their levels of democracy across time: stable democracies, countries that switched from autocracy to democracy, unstable cases, countries that switched from democracy to autocracy, and stable autocracies.

Next, we checked to see whether the patterns of crises vary across the five types of countries. The results indicate that they have different patterns of crises. Stable democracies experience a greater number of mild crises to severe crises, while countries in the other four categories have a lower ratio. The fact that the democracies are stable suggests that political elites have not only mastered tolerating opposition (given the high number of mild crises) but have also succeeded in cooperating with each other and encouraging actors to work within the system (given the low number of severe crises).

The other four types of countries have a significantly different profile. The low levels of mild and severe crises in the stable autocracies are not surprising since leaders of such countries do not tend to tolerate dissent or cooperate with opposing political elites. We would also expect to find high levels of both mild and severe crises in unstable countries since by nature these are the countries that experience the greatest incidences of regime change, across time. It is not surprising that the switching categories have similar levels of mild and severe crises, since these countries were ruled for some period of time by nondemocratic elites, who would be less likely to tolerate opposition, and experienced regime change, which is often attained through revolution or guerrilla warfare. Taken as a whole, the lower ratios of mild to severe crises in these four types of countries suggest that their political elites have not learned to cooperate across time. To the extent that these countries try to minimize opposition rather than manage conflict, they encourage actors to work outside of the system. The next section discusses the case selection and the identification of series of crises in our subsample of countries.

Case Selection and Series of Crises

After identifying the pattern of crises present in 114 countries, from 1951-1992, we selected a sample of countries to see whether different patterns of elite behavior are associated with different types of countries. To answer our first and second questions, why some countries are democratic and others are not and why some are more democratic than others, we selected countries that represent each of the five categories: stable democracies, switching to democracy, unstable, switching to autocracy, and stable autocracies. To answer the third question, why democracy exists in "least likely cases," we identified countries with levels of democracy that are predicted by the democracy model as well as countries that are not predicted. Cases were selected to represent their category; to offer predicted and unpredicted cases within each of the five categories; and to represent different regions of the world.

To begin investigating elite behavior during crises, a dataset was created for each of the twelve countries identifying crisis events from 1950 to 1999. Once crisis events were collected across the time period for each case, we then grouped the events, as appropriate, to form series of crises in each country. While individual crisis events offer a general overview of a country's experiences (showing the number, type, and magnitude of crises across time), series of crises highlight flashpoints (i.e. the most difficult crises that recur in a country's history). Crises were identified as belonging to a series if they shared similar actors and demands.

After the series were identified, each series was then coded as either within the system or against the system. This procedure led us identify ten within-system and thirty-one anti-system series of crises. Table 3 lists the series of crises for each case. Looking from top to bottom, we can see that the incidence of crises against the system increases as one moves from stable democracies to stable autocracies. Second, the countries that switched to democracy experienced a change away from efforts to overthrow the government and toward working within the system. While these new democracies evince patterns of crises similar to the stable democracies, the countries that switched to autocracy are similar to the stable autocracies in that all of their crises are against the system. Finally, comparing the predicted and unpredicted cases within each category of country, we see that they experience similar patterns of crises within and against the system.

Now that we see that different types of countries have different patterns of crises associated with them, in the next section we investigate elite interaction during series of crises across the twelve cases to see the additional leverage that elite behavior can offer.

Democracy score (Polity IV)	Democracy Model
GDP per capita, logged	2.955 ***
	(.192)
Real GDP per capita growth	-0.006
	(.005)
Trade openness	-0.006
	(.003)
Inflation	-0.010
	(.006)
Primary education	-0.012
	(.029)
Secondary education	-0.004
	(.054)
Presidential	0.525 **
	(.197)
Parliamentary	1.595 ***
	(.348)
Party fractionalization	7.090 ***
	(.370)
Constant	-14.671 ***
	(1.400)
N	2865
R^2	.47
Wald Test	1325.05
Prob > Chi-squared	0.000

Note: ***p<0.001, **p<0.01, *p<0.05. All tests are two tailed

Table 1. How well or poorly does the democracy model explain levels of democracy? The democracy model, incorporating both socioeconomic and political factors, explains around half of the variance between countries' actual and predicted levels of democracy. So, considering the first two of our three contending theories, we see that modernization and new institutionalism give us almost half of the explanation of why some countries have higher or lower levels of democracy than others. On the other hand, it also misses half of the explanation.

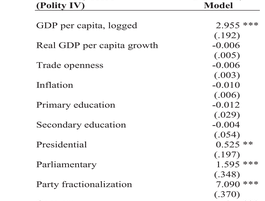


Figure 2. The ideal game of cooperation indicates the decision an actor is facing on the cooperation dimension. From this perspective an actor that values democracy should always prefer cooperation to weak cooperation to no cooperation.
We coded an actor as cooperating if it accepted the demands of its counterpart in the series and/or if it participated in sincere negotiations that ended up with agreements that were respected. An actor was coded as weakly cooperating if it accepted at least some of its opponent's demands and/or if it took part in negotiations that failed to reach an agreement. An actor was coded as not cooperating if no negotiations took place or the opponent's demands were not accepted.

	Predicted	Unpredicted
Stable democracies	**Italy:** • Terrorism • Corruption • Northern League	**India:** • Separatist activity • Indira Gandhi • Strikes
Switching to democracy	**Mali:** • Coup attempts • Rebels • Transition /\/\/\ • Student violence • Elections	**Portugal:** • Salazar • Transition /\/\/\ • Strikes
Unstable	**Ecuador:** • Political unrest • United Workers' Front • Rebels **Bolivia:** • Military takeover • Transition to Banzer • Banzer • Transition to democracy • Labor unrest	**Philippines:** • Elections • New People's Army • Muslim insurgency • Transition • Coup attempts **Brazil:** • Transition • Labor unrest
Switching to autocracy	**Myanmar:** • Civil war /\/\/\ • Rebels • Transition • Aung San Suu Kyi	**Indonesia:** • Rebellion /\/\/\ • Communist purge • Separatist movements • Transition
Stable autocracies	**Zaire:** • Mobutu • Transition	**Ivory Coast:** • Houphouet-Boigny • Elections

Notes: Based on *Keesing's Record of World Events*. /\/\/\ indicates a transition to democracy or autocracy. Crises against the system are marked with green. Crises within the system are marked with blue.

Table 3. We can see that the incidence of crises against the system increases as one moves from stable democracies to stable autocracies. The countries that switched to democracy experienced a change away from efforts to overthrow the government and toward working within the system. The countries that switched to autocracy are similar to the stable autocracies in that all of their crises are against the system. Finally, comparing the predicted and unpredicted cases within each category of country, we see that they experience similar patterns of crises within and against the system.

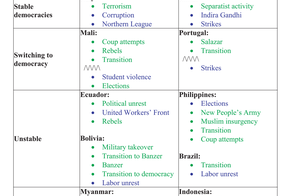
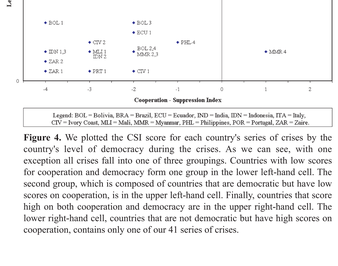


Figure 3. In a similar manner to the cooperation game, the ideal suppression game indicates the decision an actor is facing on the suppression dimension. Ideally, an actor that values democracy should always prefer no suppression to weak suppression to suppression.
On the suppression dimension we coded an actor as not suppressing if there were no incidents involving threats or the use of violence. An actor that used force against its opponent sporadically or threatened its opponent was coded as weakly suppressing. Finally, an actor that systematically used force against its opponent throughout the series was coded as strongly suppressing.

	Democracy Model 1	Democracy Model 2
GDP pc, logged	2.441 **	1.320
	(.901)	(.824)
Real GDP pc growth	-0.023	-0.022
	(.021)	(.019)
Openness	-0.038	-0.032
	(.025)	(.023)
Inflation	0.036	0.048
	(.028)	(.025)
Primary education	-0.310	-0.400 *
	(.168)	(.161)
Secondary education	0.811 **	0.744 **
	(.282)	(.275)
Presidential	0.643	0.532
	(.655)	(.594)
Parliamentary	1.366 *	1.440 *
	(.694)	(.585)
Party Fractionalization	2.372	1.370
	(1.400)	(1.249)
Cooperation-Suppression		2.042 ***
		(.394)
Constant	-7.471	6.761
	(6.527)	(5.679)
N	220	220
R^2	0.487	0.511
Wald Test	169.79	165.83
Prob > Chi-squared	0.000	0.000

Note: ***p<0.001, **p<0.01, *p<0.05. All tests are two tailed

Table 1. We retested the democracy model in our subsample of 12 countries and added the CSI to the set of independent variables. The coefficient for CSI is highly significant and positive, indicating that higher levels of elite cooperation during periods of crises are associated with higher levels of democracy. The percentage of variance explained by the updated model increased from .48 to .51, suggesting that the addition of elite cooperation to socioeconomic environments and political institutions factors does offer additional leverage in explaining levels of democracy.



Legend: BOL = Bolivia, BRA = Brazil, ECU = Ecuador, IND = India, IDN = Indonesia, ITA = Italy, CIV = Ivory Coast, MLI = Mali, MMR = Myanmar, PHL = Philippines, POR = Portugal, ZAR = Zaire.

Figure 4. We plotted the CSI score for each country's series of crises by the country's level of democracy during the crises. As we can see, with one exception all crises fall into one of three groupings. Countries with low scores for cooperation and democracy form one group in the lower left-hand cell. The second group, which is composed of countries that are democratic but have low scores on cooperation, is in the upper left-hand cell. Finally, countries that score high on both cooperation and democracy are in the upper right-hand cell. The lower right-hand cell, countries that are not democratic but have high scores on cooperation, contains only one of our 41 series of crises.

Measuring Elite Cooperation

In order to capture elite interaction within each crisis, we coded each of the 41 series of crises on two dimensions: cooperation and suppression. For each series we identified the actors (which can be generically called government and opposition) and then coded their behavior during the series. The interaction of both actors was compared for each series to the ideal games of cooperation (Figure 2) and suppression (Figure 3). The two games indicate the ideal behavior of two actors that have the installing / maintaining / deepening of democracy as their main objective.

The two dimensions of the interaction (cooperation and suppression) were then combined into a cooperation - suppression index (CSI), by adding the cooperation and suppression scores for each series. The CSI can take values between -4 (indicating that both actors suppressed and did not cooperate) and 4 (showing that both actors cooperated and did not suppress).

We plotted the CSI score for each country's series of crises by the country's level of democracy during the crises. Figure 4 shows the results. As we can see, with one exception all crises fall into one of three groupings. To understand the placement of these countries in these groupings, and to start answering our three research questions, we offer a more focused discussion of six of our cases, in the next section.

Comparative Statics

Within each case, we focused on elite interaction across the crises to identify patterns that explain how cooperation emerges or collapses and why some countries are more successful than others in installing and maintaining democracy. We selected six countries to investigate - three pairs of cases addressing different research questions. The countries were chosen to highlight comparative statics: while both countries had similar starting points, regarding their levels of democracy and cooperation-suppression index scores, they followed different paths across their crises and ended up with different levels of democracy or cooperation.

We coded elite interaction across three dimensions at the beginning stage of each crisis: encapsulation of conflict, shared interests, and unity of the elite. For encapsulation of conflict, we looked to see whether both sides tried to bridge their disagreements. To code shared interests, we looked for common ground regarding the actors' goals. Finally, unity of the elites concerns the extent to which a group's leader is supported by her members. Elite unity can affect how much influence the actor will have during negotiations and whether the actors will comply with any agreements that they reach. These three dimensions they inform us of the country's environment of cooperation. At the beginning of each series, we can see whether the environment was conducive to elite cooperation. Looking across the series of crises, we can chart whether the environment improved across time, creating the opportunity for a norm of cooperation to emerge.

To answer our first question - Why are some countries democratic while others are not? - we selected **Mali** and **Zaire**. While both countries started as non-cooperating autocracies, Mali was able to install democracy. At the beginning of the 1990s, Zaire experienced a failed transition. Although the government and the opposition began talks, the negotiations broke down and the agreements reached during these negotiations were not followed. The two actors had conflicting interests. Moreover, both the opposition and the government failed to act as unitary actors. As a result, the transition failed and Zaire remained an autocracy. In Mali, the transition was successful. In a context similar to the transition in Zaire, characterized by the lack of negotiations and conflicting interests, the opposition remained united and kept pressuring the government for democracy. Unlike in Zaire, however, the united opposition was able to attract the military into a pattern of cooperation.

Although both countries started as non-cooperating autocracies, Mali succeeded in its transition to democracy. The first series in both countries (coup attempts in Mali and Mobutu in Zaire) are characterized by the lack of an environment of cooperation. During their transitions, however, the two countries had different trajectories: while cooperation was not achieved in Zaire, in Mali the opposition cooperated with the new government, laying the basis for future cooperation during the 1997 elections.

For the second question - Why are some countries more democratic than others? - we turn to **Brazil** and the **Philippines**. While both countries have experienced fluctuating levels of democracy across time, Brazil was able to install a cooperating democracy, while the Philippines ended up as a non-cooperating democracy. Both Brazil and the Philippines experienced successful transitions to democracy, installing democratic governments in 1985 and 1986, respectively. However, the characters of these regime changes were different: while Brazil showed moderate levels of cooperation, there was no cooperation in the Philippines.

After the transitions in both countries, we see that these levels of cooperation continue. During the labor unrest in Brazil, we see strong encapsulation of conflict as both the government and the unions agreed to negotiate. The two sides did not have shared interests -- they did not agree on which policies should be implemented to end the economic crises. However, both actors had united support. Unlike in Brazil, where cooperation continued, in the Philippines it is the lack of cooperation that characterized subsequent crises series (coup attempts, New People's Army, and the Muslim insurgency).

The third question -- Why does democracy exist in "least likely" cases? - is illustrated by **Indonesia** and **Portugal**. While both started off as non-cooperating autocracies, Indonesia remained a non-cooperating autocracy for most of this time period, only becoming a non-cooperating democracy by the late 1990s; in contrast, Portugal became a cooperating democracy in 1976.

During the period of time when Portugal and Indonesia were autocracies, the environment of cooperation was similar in both countries. The transition series indicate, however, significant differences between the environments of cooperation in the two countries. Indonesia had an environment completely unfavorable to the emergence of cooperation and this may explain in part why its democratization process has been less successful, compared with Portugal. In Portugal the transition crisis offers a different image. The positive scores on the encapsulation of conflict dimension and on the shared interest dimension seem however to have been sufficient to allow for a successful transition to democracy in Portugal and to indicate a change in the pattern of cooperation between elites, which was evident during the labor unrest crisis.

Conclusion

In the first stage of this project we tested the effects of socioeconomic and political factors on 114 countries' levels of democracy, from 1951-1992. We showed that the democracy model missed half of the explanation. Then, we turned to the types of crises experienced by the countries and showed that the patterns of crises that different types of countries experienced were significantly different. These results suggest that elite interactions during crises can raise or lower a country's level of democracy, compared to the effects of socioeconomic environments or political institutions.

Next, we selected a subsample of 12 countries grouped on two dimensions (predicted/unpredicted and type of political system) in order to analyze whether different patterns of elite behavior are associated with different types of countries. We retested the democracy model in the subsample including the new index and the results of the analysis suggested that the addition of elite cooperation to socioeconomic environments and political institutions factors does offer additional leverage in explaining levels of democracy.

This paper has identified the importance of elite actors creating an environment of cooperation to successfully install a democratic government that experiences fewer crises under conditions previously thought to be inhospitable to democracy. The next stage of the project is to research elite interaction during series of crises across the twelve countries. For example, how do virtuous cycles emerge in stable democracies and vicious ones in stable autocracies? How are these cycles reinforced across time? What are the mechanisms whereby elites change their norms of behavior, leading the country to switch to democracy or autocracy? Why do some countries experience unstable cycles, leading to regime instability across time? How does cooperation emerge and collapse? Answers to these questions will identify the additional leverage that elite behavior can offer beyond explanations based on socioeconomic conditions or political institutions to explain when democracy is reinforced versus undermined.