Sovereignty and Democracy Promotion

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The Permeability of Sovereignty

Conventional wisdom holds that states are autonomous, independent from any external authority. Efforts at democracy promotion, or for that matter any other kind of attempt by one state to influence domestic authority structures in another, can be seen as anomalous, inconsistent with the way in which the international system is supposed to, and usually does, function. One state is not supposed to intervene in the internal affairs of other states.

In theory and practice, the situation with regard to external efforts to influence domestic authority structures in other states is much more complicated than the rule of non-intervention suggests. The idea of state autonomy is often traced back to the Peace of Westphalia of 1648, which is cited as a transition point or beginning for the modern state system. The idea of non-intervention was not explicitly articulated until more than 100 years later by Emmerich de Vattel, a French international jurist. The United States did not formally accept the principle of non-intervention until the 1930s. Every major international treaty from Westphalia to the Dayton accords has had provisions that violated notions of non-intervention.

More important, in practice, efforts by one state to influence domestic authority structures in another have been pervasive. In some cases, such efforts have taken place through imposition, situations in which one state moves to impose its preferences for domestic authority on others with force. In a paper published in 2002, John Owen identified 198 cases of forcible efforts by one country to change domestic institutions in another between 1555 and 2000. These efforts have usually taken place after major power conflicts like the Napoleonic Wars and the Second World War. Such periods have been characterized by high levels of ideological conflicts. Powerful states have tried to create regime types in weaker states that mirror their own institutional structures. The Holy Alliance sought to suppress the spread of liberal regimes after the Napoleonic wars because such regimes were seen as a threat to the conservative monarchical order that Prussia, Russia, and Austria had sought to preserve in fighting against revolutionary and Napoleonic France. The Austro-Hungarian Empire made a series of demands on Serbia for domestic regime change after the assassination of Archduke Ferdinand in 1914 because it saw Serbian nationalism as an existential threat to the Empire’s security. When Serbia refused to accept all of these demands, the Empire invaded. After the Second World War, the allies were not about to allow a Nazi regime to continue to exist in Germany. The Soviet Union was committed to the persistence of communist regimes once they were established, hence the invasions of Hungary, Czechoslovakia, and Afghanistan, because the collapse of a communist regime would bring into question the Marxist proposition that communism

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would ultimately triumph as the only final and rational way to organize human society. All of the forcible interventions undertaken by the United States during the Cold War, both overt and covert, were designed to thwart the spread of communism. The United States overthrew the Taliban regime in Afghanistan because it harbored a terrorist organization that had perpetrated 9/11.

In other cases, efforts by one state to influence domestic authority structures in another have taken place through contracting. The target state voluntarily accepts intrusions into its own domestic affairs. In recent times, the most striking example of this phenomenon is the expansion of the European Union into central Europe. Membership in the European Union involves substantial concessions of domestic autonomy. New member states have had to accept the European Court of Justice, whose decisions have supremacy and direct effect in the national court system of all of the member states. They were obligated to join the European Monetary System although not necessarily immediately. They had to accept qualified majority voting for some issues that are part of the competence of the European Union itself such as trade and competition rules.

The Helsinki Accords, signed by 35 countries in 1975, also involved a bargain or contract between the Soviet bloc on the one hand and Europe, the United States and Canada on the other. The Accords, formally the Final Act of the Conference on Security and Cooperation in Europe, provided for, among other things, the recognition of existing borders in Europe and the acceptance of human rights principles. The leaders of the Soviet Union expected the human rights provisions of the Final Act to be inconsequential. In fact, they provided a focal point for organized opposition to the Soviet control of central Europe and contributed to the collapse of the Soviet Empire.4

In 2003, the government of the Solomon Islands, confronted with the possibility of state failure, invited neighboring countries led by Australia to assume executive responsibility for major areas of governance including some aspects of policing, the judicial system, and finance. The Regional Assistance Mission for the Solomon Islands (RAMSI) must be, at the insistence of Australia and other participating countries, authorized every year by the government of the Solomon Islands. In 2003, the government of Liberia signed a contract with International Contact Group of Liberia, whose members included the EU, AU, ECOWAS, the UN, the US, and the World Bank, to create the Governance and Economic Management Assistance Program (GEMAP). GEMAP provided, among other things, that an outside expert had co-signing authority for actions taken by the Central Bank. Outside contractors were to bid for the management of five state-owned enterprises, revenue from state-owned enterprises was to be deposited into an escrow account, the customs service was to be managed by an external contractor, bidding for public contracts was to take place on-line and a corruption commission was to be created.5

The bargaining power of the signatories to a contract that alters the domestic authority structure of a state may not always be symmetrical. For instance, as a condition of international recognition by the major European powers, all of the successor states of the Ottoman Empire, beginning with Greece in 1832 and ending with Albania in 1913, or even Turkey in 1923, accepted provision for minority rights in their own domestic laws. At the end of the First World War, more than 30 countries accepted such provisions as a condition of recognition or membership in the League of Nations. Some of the countries that were signatories to these agreements, such as Czechoslovakia and Hungary embraced them; others, such as Poland, did not. Similar de-

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mands were made on the successor states of Yugoslavia by the European Union in the early 1990s. For the targets of minority rights treaties over the last 170 years, the choice essentially has been non-recognition, which would have been fatal for the prospects of the targeted states, or recognition and a loss of autonomy. They chose the latter.

Efforts by external actors to promote democracy or freedom more broadly can also be a form of contracting, albeit sometimes implicit, if it involves the flow of resources from external actors to entities or individuals within the targeted states. Targeted states could block such flows. External support for party development, a free media, the rule of law, civil society groups, legislative effectiveness, election monitoring, property rights, human rights, and economic openness could be severely impeded or halted altogether if the targeted state chose to do so. The initiating state may want to engage in activities that it thinks will expand democracy or freedom but would not be able to do so without the explicit or implicit approval of the government of the targeted state.

Finally, there are some kinds of support for democracy or freedom more generally which are hortatory. These do not involve either imposition or symmetrical or asymmetrical contracting. States in one country may express their disaffection for political developments in another. They may, for instance, condemn elections as being rigged. They may praise particular reforms. They may condemn declarations of emergency. For instance, in June of 2005, Secretary of State Rice said in her speech at Cairo University that:

“The Egyptian Government must fulfill the promise it has made to its people—and to the entire world—by giving its citizens the freedom to choose. Egypt’s elections, including the Parliamentary elections, must meet objective standards that define every free election.

Opposition groups must be free to assemble, and to participate, and to speak to the media. Voting should occur without violence or intimidation. And international election monitors and observers must have unrestricted access to do their jobs.

Those who would participate in elections, both supporters and opponents of the government, also have responsibilities. They must accept the rule of law, they must reject violence, they must respect the standards of free elections, and they must peacefully accept the results.”

That external actors have tried to influence the domestic authority structures of other states through imposition, contracting, and exhortation ought not be surprising. The international system is an anarchy. There are disagreements among states about appropriate norms and principles. Indeed major documents embrace contradictory principles. The UN Charter, for instance, endorses both human rights and non-intervention. When such disagreements occur, there is no accepted authority that can resolve them. Each state, in the final analysis, makes its own decisions. When different states have different views about which principles ought to define behavior, the stronger will prevail. Norms and principles are not irrelevant for international politics. In fact, they may be the driving force behind the foreign policies of states. But when there is disagreement, Thucydides observation in the Melian dialogue still holds: “the strong do what they can and the weak suffer what they must.”

States may attempt to influence the domestic authority structures of other states for many different reasons. One state may only be able to enhance its

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6 Secretary Condoleezza Rice, Remarks at the American University in Cairo, June 20 2005 at http://www.state.gov/secretary/rm/2005/48328.htm
7 Thucydides, History of the Peloponnesian War, Ch XVII.
own security by changing the regime in another. At the end of the Napoleonic Wars, the victors sent Napoleon to Saint Helena and restored a Bourbon monarch to the throne. At the end of the First World War, the victors abolished the monarchy in Germany, and broke up the Austro-Hungarian Empire. At the end of the Second World War, the Soviet Union, Britain, and the United States ended Nazi rule in Germany. After 9/11, the United States and its allies displaced the Taliban regime in Afghanistan.

Some states may encourage or coerce others to adopt regime types like their own because they believe that their system has universal validity that would improve the lives of individuals everywhere and promote international stability. The United States has a long history of pressuring and cajoling other states to accept democracy. The major states of Western Europe were committed to promoting democracy in central Europe after the collapse of the Soviet empire. The Soviet Union pushed for the adoption of communist regimes around the world.

States may also press for authority structure changes in other states because it would further other material interests. The United States, for instance, supported the independence of Panama from Colombia because it wanted to build a canal that would link the Atlantic and Pacific oceans. In the Ottoman Empire, Greece, and elsewhere major European lenders established, with the agreement of borrowing countries, independent tax authorities such as the Ottoman Council of the Debt, which collected specific taxes to repay foreign loans.

In sum, the almost taken for granted notion that states are independent and autonomous, free from external authority, is fallacious. Throughout the history of the modern state system, stronger states have tried to change the domestic authority structures of weaker ones. To accomplish this objective, they have engaged in imposition, contracting, and exhortation.

What Works?

The fact that some states have intervened in the internal affairs of others says nothing about how successful they have been. There is little systematic evidence available on this score; no study that looks at all of the available examples of intervention, both forcible and otherwise, and assesses their effectiveness. The record is clearly mixed.

The efforts in the Peace of Westphalia and other major treaties in the 17th and 18th century to limit religious conflict by guaranteeing some degree of religious toleration were successful. This was not because the leaders of Europe were committed to religious toleration, but rather, because they had come to recognize that it was impossible to manage the intrusion of religion into politics. The religious wars in France at the end of the 16th century, the Thirty Years War and English Civil War in the middle of the 17th century, had been devastating with regard to loss of life and political disorder.

In contrast, the Holy Alliance formed after the Napoleonic Wars was not successful in stopping the spread of liberal regimes. The minority rights treaties, which the successor states of the Ottoman Empire felt compelled to accept, did not lead to peaceful multiethnic societies in the Balkans. The minority rights treaties after the First World War also had limited impact. Indeed, rather than a continent of toleration, Europe got Hitler’s Germany.

Intrusions after the Second World War were more successful. The efforts of the United States and its allies to create democratic regimes in Germany and Japan succeeded. The Soviet Union was also able to impose, for more than forty years, communist systems in Central and Eastern Europe. And after the fall of the Soviet Union these same states successfully transitioned into democratic regimes under the tutelage of the European Union.

There are very few generalizations that can be made about what works and what does not. Incentives
work. In the contemporary era, the most successful effort at democracy promotion has been the expansion of the European Union. The new member states of the Union essentially transformed their domestic authority structures by implementing thousands of laws and regulations that were a condition of membership. Even the Baltic states, which had been part of the Soviet Union for fifty years, were transformed in little more than a decade. There was no coercion involved in the expansion of the EU. The new member states were anxious to join. The Union offered economic support, access to its markets, and a firm identity with the west rather than the east. And all of the new member states also became members of NATO providing them with assurance against any future Russian efforts at expansion.

Efforts to create religious toleration in Europe also worked because the treaties in which these provisions were embedded were self-enforcing equilibria. The signatory states signed these contracts and honored them because they had no better option. The political leaders of Europe realized that the suppression of religious freedom, at least between Catholics and Protestants, would be politically destabilizing and would leave them worse, rather than better off. In contrast, the efforts to trade recognition for the establishment of minority rights in the Balkans and elsewhere did not work. These were not self-enforcing deals. Once recognition was offered, it could not be withdrawn. Countries that had accepted minority rights provisions in their legal systems only because they wanted recognition stopped providing these rights at some point after recognition was granted.

Imposition has also sometimes worked. The victors in the Second World War did put Japan and Germany on the path to liberal democracy. The underlying socio-economic conditions in both these countries were more conducive to democracy than elsewhere because of their level of development. More generally, in military interventions where the United States explicitly supported democracy, it was often successful.8

There have been a few recent studies that look directly at assistance and the development of democracy. Some studies have found no relationship between aid and democracy. Some have expressed skepticism about whether true liberal democracy would ever be the objective of assistance given the uncertainty that democracy presents for the interests of donor countries.10 One recent study, the most detailed to date of American assistance specifically targeted at promoting democracy, does find a positive relationship between funding and democratic development.11

FOREIGN AID AND ECONOMIC DEVELOPMENT

A comparison between efforts to change authority structures in other states, of which democracy promotion is now the most prominent example, and efforts to promote economic development through foreign assistance is instructive and sobering. Development assistance only began after the Second World War. Before then, richer states might make loans to poorer ones, but only in exchange for direct commercial or strategic benefits. After the war, there was a commitment first toward Europe and then to poorer countries more generally to provide assistance to promote economic growth.12 More than two trillion dollars has been provided as foreign assistance. Thousands of studies have been conducted. Many Ph.D. economists at the World Bank, the IMF, other IFIs (International Financial Institutions), universi-

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8 Mark Peceny, Democracy at the Point of Bayonets, (University of Pennsylvania Press, 1999).
ties, and think tanks have committed their careers to this problem.

The results with respect to both outcomes and understanding are sparse. Some have argued that development assistance has actually been counterproductive because it makes recipient country governments dependent on satisfying external donors rather than eliciting trust and taxes from their own citizens. Some studies have actually found a negative relationship between growth and development assistance. Still others have found a modest, but hardly dramatic, positive relationship.

Dani Rodrik, an economist at Harvard, elegantly framed the problem of how challenging it is to get policies right. In his book, One Economics, Many Recipes: Globalization, Institutions, and Economic Growth, Rodrik argues that general economic principles can provide some guidance for policy, but that outcomes are highly dependent on often-unique local conditions. There are general principles including reasonable levels of macroeconomic stability, acceptable levels of protection for property rights, reliance on economic incentives to some extent, integration into the global economy, acceptable levels of social coherence, and economic diversification. These principles are, however, very general. They can be accomplished in many different ways. Whose property rights, for instance, should be protected? To what extent? What do property rights entail with regard to use, purchase, and sale? The way in which these issues can be successfully resolved can vary dramatically from one country to another. For instance, China has had spectacular economic growth with weak rule of law. Initially, property rights were invested in township and village enterprises (TVEs). Local officials protected the TVEs. These local officials had an interest in TVEs because they were an important source of revenue. They also had power, more power and authority than the courts. Property rights could be protected in China, but the nature of these property rights, township and village enterprises, not conventional private corporations or partnerships, and the way in which local political actors not courts protected them, was very different from standard practices.

Rodrik argues that the Washington consensus, a list of conventional wisdom with regard to economic policy that reflected the views of developments experts, IFIs, and other donors in the 1990s does not explain the variation in economic growth across countries. The Washington consensus stipulated that to achieve sustained economic growth countries needed to have: tax reform, fiscal discipline, interest rate liberalization, uniform and competitive exchange rates, trade liberalization, direct foreign investment, privatization, deregulation, and secure property rights. However, the biggest success stories had only some of these attributes. China had perhaps five out of ten. Korea, which also had five out of ten in its period of rapid economic growth, restricted direct foreign investment and heavily regulated industry. In contrast, the countries of Latin America enacted most elements of the Washington consensus, but they experienced not only slower growth than some East Asian countries in the 1980s and 1990s, but also slower growth than in Latin America itself before 1980.

Rodrik’s message is not that we know nothing about how to promote economic development, but rather, that there is no easy and direct translation from general principles to specific policies in specif-
ic countries. In specific situations, Rodrik advocates what he calls diagnostics, a close examination of the specific factors that are inhibiting growth in a particular country, and the implementation of policies that are likely to have the largest impact.  

The present state of knowledge about how to promote economic growth is humbling. Economists have identified general principles, but applying them in specific circumstances has been challenging. They have established the fact that it is not that difficult for a country to initiate a growth spurt, sometimes only modest policy changes are needed, but it is much harder to sustain one. Many development economists are now engaged in experimental design, trying to identify specific factors that have improved conditions in specific places by differentiating initiatives in similar situated environments. For instance, using different approaches to increasing water cleanliness in a set of Kenyan villages and then seeing which is most effective in decreasing diarrhea, a major health threat to children. These efforts are a far cry from the optimism of the 1950s and 1960s, when policy makers and academics alike assumed that economic growth would almost automatically flow from closing the financing gap.

**Democracy in the Middle East**

Since the 1970s, there has been a general movement toward more democratic governance at a global level. According to Freedom House numbers, the percentage of free countries in the world increased from 27 percent in 1977 to 47 percent in 2007. The percentage of not free countries fell from 43 percent to 23 percent. This overall trend was a reflection of developments in most parts of the world. The percentage of free countries in the Americas increased from 38 to 69 percent and the percent of not free fell from 17 to 6 percent from 1976 to 2006. In Africa, the percentage of free countries increased from 7 percent in 1977 to 23 percent in 2007 and the percent not free fell from 57 to 31.

The Middle East and North Africa has been the exception to this trend. In this area, there has been no movement towards greater democracy. In 1976, Freedom House data did not identify any country as free. In 2006, there were still no countries that were free. In 1976, 12 countries were classified as not free out of 17; the figure was the same in 2006. The other four countries were classified as being partially free. Between 2001 and 2006, there was some improvement in Freedom House scores for 6 out of the 17 countries but in no case were these changes large enough to have a country classified as free. Regardless of the reason, the democracy deficit in the Middle East is long standing, and there is little indication that it is changing.

Why is the Middle East different? Socio-economic arguments, which contend that democracy is most likely to flourish in countries where the underlying conditions are propitious, provide some insight. In his seminal 1959 article, Lipset argued that industrialization, urbanization, wealth, and education were all strongly associated with democracy. With greater wealth, the stakes of politics are lower and the acceptance of differing views greater. Intermediate organizations, civil society in today’s parlance, are easier to organize when individuals have more resources. Education, Lipset argued, was a necessary if not sufficient condition for democracy because it discouraged extremism, encouraged tolerance, and made it easier to make rational electoral choices. Lipset noted that the socio-economic factors that he had examined were so strongly associated with each other as “to form one common factor.”

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20 Rodrik Chapter 3. This approach is very similar to one advocated by Paul Collier in *The Bottom Billion*. Collier identifies what he calls key poverty traps such as poor governance, resource dependence, and land-locked and suggests specific policy initiatives appropriate for each trap.


23 All figures derived from Freedom House, *Comparative Scores for All Countries from 1973 to 2006* at http://www.freedomhouse.org/template.cfm?page=15

In a recent study, perhaps the closest that we have for a matching bookend to Lipset, Przeworski and his colleagues systematically examine the evidence related to democracy and development. They find that there is no significant relationship between the initiation of a democracy regime and a country’s level of per capita income but a very strong relationship between the longevity of a democratic regime and levels of wealth. Perhaps most striking, they find that no country with a per capita income above $6055 in 1975 dollars that has become democratic has ever reverted to dictatorship.25

Measures of socio-economic development for the Middle East are mixed. Literacy rates in the Arab world in 2003 were 64 percent compared with 90 percent for Latin America and for East Asia and the Pacific, 59 percent for South Asia, and 61 percent for sub-Saharan Africa.26 Per capita gross national income for the entire region was $2481 in 2006, but this masks very large variations from Kuwait with more than $30,000 and Yemen with less than $1,000.27 The wealth of the high-income countries in the region, however, comes from oil which multiple studies have shown is negatively correlated with democracy.28

Democracy Promotion in the Middle East

Given this set of circumstances, it ought not to be surprising that efforts to promote democratic development in the Middle East and North Africa have been something of a grab bag. (I ignore here for the moment Iraq.) The Middle East Partnership Initiative (MEPI) has been the signature program for the United States; BMENA for the G-8. Both MEPI and BMENA are examples of targeted democracy assistance that are in one way or another committed to greater openness or democratization. Aid is designed to strengthen or alter the incentives for specific actors in the target country rather than to change underlying structural conditions.

MEPI has provided more than $400 million in funding in the area of politics, economics, education, and women’s empowerment. Specific projects have provided funding for political parties, parliamentarians, the media, rule of law, small and medium enterprises, micro-finance, entrepreneurship, primary education, and economic opportunities for women.29 The Foundation for the Future, an outgrowth of the BMENA process, has provided funding, albeit at far lower levels, for similar kinds of project. The Forum for the Future, also an outgrowth of BMENA, has supported Democracy Assistance Dialogues. Turkey, Yemen and Italy initially took the lead in this effort.

Aggregate measures of democracy do not show that any of these efforts have had much impact on overall developments to date. The time frame may be too short. Larger events like the rise in oil prices, negative attitudes toward the United States, and regional conflicts may overwhelm specific democratic promotion programs. These projects ought to be thought of not as conventional investments with an expected rate of return, but rather as venture capital in which a relatively small percentage might succeed, but many will fail.

Conclusion

Efforts by some states to influence domestic authority structures in others is a long standing, but not well-recognized phenomenon in the in-

28 See, for instance, Ross, Michael Lewin, “Does Oil Hinder Democracy?,” World Politics 53 (April 2001), and Collier, Bottom Billion, Chapter 3.
29 http://mepi.state.gov/
ternational system. Such efforts have taken place in a number of different ways including coercion, contracting, and exhortation. The most dramatic example of success in democracy building in recent years is the European Union. Aspiring member states had both high incentives to join, both material and ideational, and once they had joined, no incentive to defect. Incentives and self-enforcing bargains are the most obvious paths to success.

The European Union experience will not be replicated in other parts of the world. Autocratic leaders in targeted states do not usually have a reason to embrace democratic changes that could remove them from office. If change does occur, it is most likely to be the result of longer term structural developments within a country that alter the incentives of individual citizens, such as the growth of a large, well-educated middle class. Targeted democracy assistance, which empowers specific actors within a polity, such as civil society organizations, judges, parliamentarians, or educators, may also promote change, but the conditions under which this might take place are not well understood and almost certainly depend on the haphazard convergence of a number of different developments; luck, rather than planning. Given oil wealth and the lack of democratic experience, greater openness in the Middle East is more challenging than in any other region in the world.