Conclusion: Good and Defective Democracies

WOLFGANG MERKEL and AUREL CROISSANT

‘Transitology’ and ‘consolidology’ have only rarely emphasized the importance of defining democracy in a normatively and theoretically sophisticated manner. Almost without discussion they accepted the parsimonious definition and elegant but simple concepts of Schumpeter, Dahl and Przeworski. They reduced democracy to the question of free and general electoral competition, vertical accountability and the fact that the most powerful political and social actors played the political game according to democratically institutionalized rules. At least implicitly, democracy was conceived as an elitist electoral democracy. Neither the structural question of prerequisites for democracy nor the conditions for sustainable legitimacy played and could play a relevant role within this minimalist concept of the sustainability of democracy. But not only the external ‘embedding’ of democracy, but also the ‘internal’ embeddedness of the democratic electoral regime was neglected. Rule of law, civil rights and horizontal accountability were excluded from the concept of democracy. Guillermo O’Donnell (1993) was the first to criticize that conceptual flaw of the mainstream of transitology and consolidology. Thirty years after the beginning of the third wave of democratization empirical evidence revealed the theoretical shortcomings of the minimalist ‘electoralists’. It became evident that it is misleading to subsume Denmark, Sweden or France under the same type of regime – an electoral democracy – as Russia, Thailand or Brazil. Political science ran the risk of even falling behind the analytical capacity of daily newspapers in differentiating between different types of democracy.

It became clear that the majority of new democracies could not be labelled ‘liberal democracies’. General, competitive and free elections turned out to be insufficient in guaranteeing the rule of law, civil rights and horizontal accountability. Between elections many of the electoral democracies were not government by, of or for the people. It became obvious, again, that democratic elections need the support of complementary partial regimes, such as the rule of law, horizontal accountability and an open public sphere in order to become ‘meaningful’ elections. Democratic theory has once again met up with research on democratization. Since the mid-1990s studies...
investigating and discussing the quality of democracy and the character of hybrid regimes have become more visible.\textsuperscript{5}

This special issue of Democratization aims to contribute to the theoretical debate and empirical research on the quality of democracy and hybrid regimes. The concept of embedded democracy (root concept) and defective democracy (diminished subtype) should enrich the post-transition debate on democracy. We argue that defective democracies are the most frequent type of democracy found among the almost 100 new democracies which emerged during the third wave of democratization. We therefore need a clearer conceptual understanding of the character, sources of legitimacy, institutions and mode of reproduction of this regime type in order to analyse, explain and predict the emergence, durability and trajectory of defective democracies.

Four complex questions were formulated in the introduction to this issue:

1. What is a good and what is a defective democracy?
2. What are the structural and functional commonalities of defective democracies?
3. What are the causes and paths leading to the emergence of defective democracies?
4. How stable are defective democracies and what trajectories can be expected for them in the future?

The contributions in this special issue have presented theoretically and empirically grounded answers to these questions.

**What is a Good and What is a Defective Democracy?**

Leonardo Morlino reformulated in an almost Aristotelian fashion the old and recently often forgotten question ‘What is a good democracy?’ What appeared to be old-fashioned in empirical political science during the last decades now seems to be at the core of research on democracy again. Not only the numerous new democracies that emerged in the course of the third wave, but also the development of Berlusconi’s Italy, Sharon’s Israel and the United States after September 11 have put this question back on to the political and social science agenda. The sustained boom in measuring democratic quality of political regimes in general and democracies in particular\textsuperscript{6} offers empirical proof. Morlino’s answer to the above question is as follows: ‘I consider a good democracy to be one presenting a stable institutional structure that realizes the liberty and equality of citizens through the legitimate and correct functioning of its institutions and mechanisms’ (see Morlino in this volume). According to Morlino, the quality of a
democracy has to be evaluated in terms of its procedure, content and results. Five dimensions in which actual regimes vary should be at the core of each empirical analysis about the quality of democracy: the first (procedural) dimension is the rule of law, the second is accountability, the third concerns the responsiveness of elected officials, the fourth dimension focuses on the realization of equal political rights and civil liberties, whereas the fifth dimension is ‘substantive in nature’ – it concerns the progressive reduction of social and economic inequality. These arguments have already been brought forward with different emphasis by Herrmann Heller, Guillermo O’Donnell and Amartya Sen. Solid economic and social security and the absence of absolute poverty empower citizens to participate on more equal terms in political affairs. Extreme inequality and poverty of the kind that can be found all over Africa, Latin America and Asia entail the risk of the poor not only being economically and socially marginalized, but also being excluded from effective political participation and the full use of their civil rights. O’Donnell convincingly described this phenomenon – widespread (not only) in Latin America – as ‘low intensity citizenship’. In bringing the actual amount of social inclusion back into research on democracy we are drawn to observe the tremendous socio-economic differences across old and new democracies. If democracy is also government ‘for’ the people and certain social standards lead to more equal and meaningful political participation, then social inclusion certainly allows us to distinguish between the quality of democracy in Denmark, the United States or Brazil with regard to social and political inclusion – even though it may not be a necessary defining element of democracy itself. If a democracy does not prevent the permanent exclusion of the poor from equal societal (output dimension of democracy) and political participation (input dimension), then it does not meet the essential democratic requirement of political equality and cannot be called a ‘good democracy’. Note that this relates to the input dimension of democracy and the output dimension as well. The deficiency certainly applies to Brazil and to many Afro-Americans in the case of the United States, but not to Denmark.

But even more important than social inclusion is the proper functioning of the rule of law, which distinguishes good democracies from defective ones. The rule of law is not only a supplementary partial regime to free, general, pluralist and fair elections but it is the conditio sine qua non of each good democracy. Rule of law, accountability, responsiveness, freedom and only low levels of income inequality are the elements of an effective, responsible, free, equal and egalitarian democracy. The more these five elements are firmly institutionalized and guaranteed, the more one can speak of a ‘good democracy’. The greater the lack of the rule of law, the lower the accountability, responsiveness, freedom and political equality,
then the more we find ineffective, irresponsible, illegitimate and reduced, low quality democracies or, even, autocratic regimes.

Wolfgang Merkel takes up the question of the quality of democracy again. In explicit contrast to the ‘electoralist minimalists’ in democratic theory and empirical research on democracy he challenges the normative substance and the analytical potential of the notion of electoral democracy. Starting from the empirical observation that many of the new third-wave democracies exhibit severe normative and functional shortcomings he argues for an analytical distinction between a root concept of democracy and diminished subtypes of democracy. The root concept, made up of five partial regimes, is called embedded democracy, the diminished subtypes defective democracies. The former does not represent an ideal vision of democracy but rather a polyarchy firmly based on democratic elections, the rule of law and an effectively institutionalized system of horizontal accountability. However, the main task of the concept of embedded democracy is not to present another normative ‘Dahl plus’ version of democracy. Instead, the intention is to provide an analytical concept that allows for the differentiation of liberal embedded democracies from a diminished subtype of democracy. It also makes it possible to locate more precisely where the defects of actual democracies lie, which factors contribute to the emergence of defects, whether and how one defective partial regime infects other partial regimes, and what are the actual and possible trajectories towards consolidated or open autocratic regimes.

What are the Common Grounds of Defective Democracies?

In spite of the immense benefits that the three decades of the third wave brought to many countries in the world in terms of political and civil freedom, democracy and rule of law, most regions also experienced the emergence of defective democracies. Nonetheless, there are significant differences between these defective democracies with respect to the degree of their defectiveness, the profile of defects and their impact on the mode of governance, as well as the prospects for their future. Data-sets such as those from Freedom House, Polity IV and the Political Regime Change data-set support the view that defective democracies have been a frequent outcome of regime changes in the last three decades. However, the recently launched ‘Bertelsmann Transformation Index (BTI) 2003’ appears to be the most appropriate and detailed for determining the common grounds and patterns of defective democracies at present.

The BTI 2003 investigates (possible) regime changes towards liberal democracy and market economy in 116 states in Africa, Asia and Oceania, Latin America and the Caribbean, central and southern eastern Europe,
the Commonwealth of Independent States (CIS) and central Asia, as well as the Middle East and North Africa. The established democracies in north America, western Europe and Japan, as well as the early third-wave democracies in southern Europe, are not included in the survey. The BTI survey analyzes five dimensions of political transformation separately: stateness, political participation, rule of law, institutional stability and socio-political integration.

According to the BTI data-set, 71 of the 116 countries in the BTI are democracies (61 per cent), while the remaining 39 per cent are countries under autocratic governance. However, most relevant is the fact that, according to the assessment of the BTI, only 19 out of these 71 are democracies without almost any serious defects. Defects are clearly evident in 32 countries, while in another 20 countries defects are particularly severe.

A glance at the world regions reveals that democracies remained intact only in central eastern and southern Europe, whereas in the Middle East and North Africa, in the CIS and central Asia, as well as in Francophone Africa, there are no ‘working’ liberal democracies at all. Only two non-

**FIGURE 1**
THE QUALITY OF DEMOCRACY IN REGIONAL COMPARISON
(NUMBER OF COUNTRIES)

Source: Bertelsmann Transformation Index (BTI), (http://www.bertelsmann-transformation-index.de/).
Defective liberal democracies can be found in Africa (Botswana and South Africa) and likewise in Asia (South Korea and Taiwan), whereas there are four in Latin America (Costa Rica, Uruguay, Jamaica and Chile). By and large, the BTI data-set confirms the findings of some of the essays in this volume. For as the analyses of Schneider/Schmitter, Dimitrova/Pridham and Henderson in this volume have already suggested, central Europe is considered the success story of democratic transformation in the BTI rating. The CIS and the Near East, including the Middle East, are mostly autocratic or, at best, laggards in democratization. The latter is true for Asia-Pacific, apart from South Korea and Taiwan that are successful outliers from the regional trend (Figure 2).

For the trend of democratic development, the BTI data show that a distinction must be made between three different kinds of defective democracies:

Defective democracies where a noticeable strengthening of both political and civil rights, of stateness, of institutional stability, and/or of rule of law was observed between 1998 and 2003 (61.9 per cent of all electoral democracies).

Defective democracies that could not improve the quality of democracy and thus have diminished defects. They account for 29.5 per cent. In most of these cases, defects manifest themselves in persistent political instability and high vulnerability to political crisis (as in Bolivia and Bangladesh).

Defective democracies where the level of democratization even decreased. These make up 25.3 per cent of all defective democracies (examples are Nepal, Venezuela, Russia and the Ivory Coast).

What do these 52 defective democracies (45 per cent of all countries monitored by the BTI) have in common, and what are their prospects for democratic consolidation? Four common aspects should be emphasized.

FIGURE 2
TRENDS IN DEMOCRATIC DEVELOPMENT (NUMBER OF COUNTRIES)
First, it seems that most defective democracies can feasibly accomplish the institutionalization of political rights and, most significant, of free and fair elections in a democratic transformation. Notwithstanding the low quality of the electoral regime in some new democracies (such as Russia and the Philippines), the struggle for meaningful democratic elections was successful in most transition countries. Even where problems of electoral quality remain, ‘less-than-democratic-elections’\textsuperscript{16} seem to contribute positively to democratic transformation.

The introduction of a meaningful and stable electoral regime constitutes an important step towards crossing the threshold from autocracy to (defective) democracy. Nevertheless, it does not guarantee democratic progress in other partial regimes of the democratic system.

A second aspect defective democracies have in common is the deficient implementation of the rule of law and of horizontal accountability. This is usually accompanied by large-scale abuses of political authority, by corruption and misuse of constitutional enactments, or by using other legal loopholes for the personal benefit of political stakeholders. This phenomenon of defective democracy can be found in all regions: prominent cases are Venezuela and Argentina, Russia and Ukraine, the Philippines and Indonesia. It is not an accidental coincidence that these countries are presidential democracies.

A third aspect common to all defective democracies is the existence of powerful political groups that occupy reserved political ‘domains’, thus excluding certain issues from the democratic agenda and curbing the effective power to govern of democratically legitimized authorities. This applies first and foremost to the armed forces which, in many countries, are still demanding special privileges, political prerogatives and power. However, comparing the present situation of defective democracies with the situation in the 1950s or 1960s, it is obvious that the military in most countries are politically much weaker now. This is particularly true for Latin America and east Asia.\textsuperscript{17} In central and eastern Europe and the CIS, the military have not developed any strong political profile of their own after the end of communism.

A fourth common feature of defective democracy is low-intensity citizenship. This ‘syndrome’ of illiberal democracy is widespread among defective democracies of the third wave. Low-intensity citizenship is often linked with weak stateness. In many defective democracies, weak stateness poses a fundamental obstacle to successful democratic transformation. This is obviously the case in some failing states in Africa and in civil-war-torn countries such as Nepal and Colombia. But in most countries, problems of stateness do not reach such a visibly high level of political instability and violence, but rather form a ‘new syndrome’, a mixture of privatized state, disorganized bureaucracy, ineffective state power and weak rule of law.
Which Causes Result in Defective Democracies?

Empirical research based on the root concept of democracy shows there is no single outstanding cause of the emergence of serious defects in young democracies. Rather, specific combinations of structural causes and institutional incentives create structures and windows of opportunities for political actors (particularly in the executive, and mainly presidents) to usurp power, suspend constitutional norms and circumvent checks and balances. It is, above all, these causes that lead to those critical moments for democracy:

Semi-modern paths of modernization generating a strongly asymmetric distribution of economic, social and political power; such an asymmetry complicates the enforcement of democratic constitutional standards against the powerful groups or individuals, and endangers the loyalty of the marginalized classes to democracy. This is a major problem of many Latin American, Asian and African electoral democracies.

Economic crises offer situational incentives for the executive to govern by decree and special emergency legislation. Argentina, Peru, Bolivia and Albania during the 1990s are obvious examples.

Social capital accumulated along ethnic or religious cleavages enforces cultural-political polarization and entails the risk of discriminating against the civil and political rights of minorities, as is evident in Croatia, Bosnia and Russia.

The longer autocratic rule has been institutionalized and has influenced the political culture of a country, the greater the chances that the citizens nowadays will appreciate the delegative practices of strong leaders. The case of Putin’s Russia empirically supports this hypothesis.

Weak civil societies provide electoral incentives for populist-charismatic presidents and executives to circumvent horizontal checks and balances, since bypassing complex and time-consuming legislative procedures is often perceived as ‘strong political leadership’ in such underdeveloped civic cultures. Latin America’s democracies are particularly susceptible to these temptations.

The more fragile and exclusive the ‘elite settlement’ is at the founding of a democracy, the higher is the probability that enclaves and domains emerge beyond the democratic constitution. Indonesia, the Philippines and Thailand have provided examples during the last two decades.

The deeper and more widespread clientelism, patronage and corruption are, the greater is the probability that these social and political habits will undermine the effectiveness of formal democratic institutions. The defects of almost all young democracies in Asia and Latin America lend empirical support to this hypothesis.
Problems of state- and nation-building can lead to discrimination against minorities, violation of civil rights or even armed repression. Indonesia, the Philippines, Croatia and Russia serve as examples.

The less a young democracy is surrounded by stable democratic countries and the less well-established are the mechanisms of regional integration among democratic states, the lower are the costs of semi-democratic rulers to violate constituent rules of liberal democracy. This is especially true for countries at the eastern fringe of eastern Europe and for young democracies in Africa.

These hypotheses are necessarily schematized under the rule of *ceteris paribus*. They cannot be considered as isolated relations, but are interdependent. Moreover, these causes do not automatically and directly generate the defects of democracies, but they provide specific incentives for political actors, influence their strategic preferences and shape political options. They constitute the opportunity structure within which rational political elites act. Attempts to establish simple correlations between the independent variables and specific defects of democracy fail to take the influential variable of political action into account, which finally generates the outcomes. The contributions in this collection show that both structural preconditions and political action matter. Their specific impact can only be determined by the thorough analysis of concrete cases.

**Consolidated or Defective Democracies: What are the Prospects?**

The third wave of democratization turned out to be the most powerful and abiding wave in the twentieth century. It touched virtually all regions. Almost 100 political regimes transited from autocracy to (electoral) democracy. However, most of them did not become consolidated as liberal democracies based on the rule of law. At the beginning of the twenty-first century the prospects for such a ‘second transition’ are not so bright. Many of the new democracies seem to stabilize themselves as diminished subtypes of democracy, that is, as defective democracies. The structural causes that provided manifold incentives for political action leading to serious defects of electoral democracies have not disappeared. Moreover, they are unlikely to disappear in the foreseeable future. Empirical evidence suggests that structural incentives and political action will lead to a rather stable equilibrium of diminished subtypes of democracy. However, the equilibrium of defective democracies is not the only trajectory that might describe the future. Three distinct scenarios can be outlined, and in reality they can already be observed.

**The Regression Scenario**

Caught in a ‘cycle of political crises’,¹⁸ the maintenance of democratic norms and structures through liberalism and the rule of law diminish in defective
democracies. At the same time, there is an increased concentration of political power in the executive, damaging the principle of the rule of law and leading to further ‘informalization’ of political procedures and decisions. A formally democratic shell remains but important political decisions are made outside of it. Belarus is the prime example for this scenario as Timm Beichelt shows in his article. In the same year that President Lukashenka won the presidential election against the old communist regime’s nomenklatura he moved to disregard the constitution, when he appointed and dismissed local leaders by presidential decree. 1996 was the turning point of Belarus’ democratization, when Lukashenka finally succeeded in autocratizing the electoral democracy with the consent of the people in a ‘war of referenda’. Though there is still political space for the opposition – as the low figures of Freedom House suggest – and civil rights are by no means completely abolished, Belarus can no longer be called a defective democracy. It has left this grey zone and has become an openly authoritarian regime. There the partial regimes of free and fair elections, political rights, civil rights and horizontal accountability are damaged to such a degree that the logic of the ‘democratic game’ is not only disturbed or diminished, but substituted by authoritarian rule.

Russia under Putin is different. As Beichelt notes, ‘Whereas Yeltsin had tolerated opposition and decentralization, Putin “turned to the principle of subordination, hierarchical submission, quelling opposition, control over alternative ways of thinking of the elite, centralization of the Federation and the strengthening of its unitarian character”.’ Many of the partial regimes that embed the electoral regime are increasingly diminished in their democratic character: Political rights are certainly not granted in Chechnya. And the colonization and instrumentalization of the electronic media by the presidential executive severely restrict the fairness of electoral competition. Civil rights are sometimes not respected and horizontal accountability has been reduced by the skilful political management of the Kremlin and the landslide victory of Putin’s party Edinaja Rossija (United Russia) in the parliamentary election of 7 December 2003. Due to the partially democratic character of the elections and fewer restrictions on political and civil rights or horizontal accountability, Russia, unlike Belarus, could still be defined as a defective (delegative) democracy. However, the sum of defects in various partial regimes hints at the possibility of Russia being another case of breakdown in the future.

*The Stability Scenario*

The defects of democracy prove to be more effective than open authoritarian rule in securing the system’s stability, with respect to the government’s problem-solving ability and based on the underdeveloped nature of the
civic culture and the ‘decisionism’ of relevant political elites. The web of formal democratic institutions and informal semi-autocratic decision making leads to a self-perpetuating equilibrium of power. The status quo of a defective democracy is stabilized accordingly. It is stable as long as the specific defects of the democracy contribute to strengthening the elites and satisfying the interests of those sections of the population who support the system. The Philippines, Thailand, Ukraine, Russia (a border case) and most central American countries serve as examples. The case of the Philippines appears to be emblematic. Almost two decades after the fall of the Marcos regime (in 1986) the new electoral democracy is far from being a consolidated liberal democracy. Defects can be found in four of the five partial regimes (except horizontal accountability). The defects remain particularly severe in the areas of civil liberties, human rights, and corruption of the judiciary and police. The stateness of the country is challenged by communist guerrillas and ethnic militias. Large portions of the population and ethnic minorities enjoy only a ‘low-intensity citizenship’ at best. The democratic institutions paradoxically still serve as a guarantee for the predominance of the old oligarchy in Philippine society (see Croissant in this issue). The low level of socio-economic development, a weak civil society, asymmetrical dispersion of economic power and the instrumentalization of the new democratic institutions by the old oligarchy reached a rather stable equilibrium. We can expect to see neither a trajectory towards a consolidated democracy in the near future nor a regression to an open, autocratic regime, as long as the old oligarchic elites can protect their economic interests and dominant political position.

The Progression Scenario

The democracy’s informal structures turn out to be incompatible with the formal democratic structures and are a hindrance for the fulfilment of the demands of society. Learning processes set in among the relevant elites, resulting in increased resistance to the informal arrangements that restrict democracy, and increasing compliance with the constitutional rules of decision making. In this best-case scenario the ‘defects’ are transformed into a consolidated democracy based on the rule of law. Taiwan, Chile and the Slovak Republic may serve as examples. Although, the Slovak democracy under Mečiar (1994–98) was classified as an ‘illiberal democracy’ or ‘ochlocracy’ the Slovak Republic may be characterized as a defective democracy only for a short period of time (if that), as Karen Henderson argues. However, the Slovak case appears to suggest some generalizations about the conditions in which an apparently defective democracy can become consolidated as a liberal democracy. Henderson and Dimitrova/Pridham, in their respective contributions, stress how much international factors can matter. Joining the
European Union (EU) turned out to be a powerful incentive for many economic and political elites to fulfil the requirements for membership in the EU. By locking Slovakia into a permanent integration process on the one side and threatening to exclude it from accession to the Union on the other, the EU made it extremely difficult for Mečiar and its fragile right–left coalition to reverse the process of democratization. In its ‘combination of top-down and bottom-up mechanisms’ (see Dimitrova/Pridham in this volume) the prospect of entering the European Union worked as a push and pull factor on the reluctant Mečiar government and the democratic opposition. It was the people who made Mečiar pay for this reluctance in the 1998 election.

However, it was not only international factors that mattered in Slovakia. The comparatively high socio-economic development and particularly the high level of education are not typical structural conditions for the persistence of severe defects of democracy. Confirming Lipset’s thesis of the socio-economic prerequisites of stable democracy these qualities worked against the deepening of an authoritarian style of governance. In addition to the international and socio-economic factors, the institutional design of the political system and elite behaviour proved to be important. Slovakia has a parliamentary system, which never gave as much power to the prime minister as Mečiar would have held in a semi-presidential or presidential system. The power of the premier was checked by the president. In fact, President Kovác acted as a staunch opponent against Mečiar’s attempts to usurp extra-constitutional power. Also, the multi-party system never provided Mečiar with a strong and homogenous parliamentary majority. His coalition with right-wing nationalists and orthodox communists was fragile and challenged by a strong democratic opposition. International factors such as the EU, financial and logistic support for Slovak non-governmental organisations (NGOs) and the democratic opposition, and the absence of economic crises were critical in preventing Mečiar from perpetuating his power. Pro-democratic structural factors turned out to be stronger than anti-democratic political action. The importance of these structural factors excludes Slovakia from becoming a role model for overcoming the defects of a democracy, since most of the other defective democracies do not enjoy similar levels of socio-economic development and nor can they hope for democratization through integration.

The empirical findings of measuring the components of democratic consolidation by Schneider/Schmitter confirm to a large extent the importance of structural and regional factors for the success of democratic consolidation. These factors played an important role for the unexpected, rapid democratic consolidation experienced in most of the post-communist countries in central and eastern Europe. Structural factors such as relatively high levels of socio-economic development, the high level of education and professional skills, and the prospect of becoming a member of the European
Union, turned out to be much more relevant than any ‘dilemma of simultaneity’ – a consideration that might be thought to restrict meaningful rational action by political elites to introduce capitalism and consolidate democracy. Most countries of central and eastern Europe achieved not only a higher level of democratic consolidation than almost all Latin American countries (except Uruguay), but they also did this in a much shorter time; some of them even faster than the three southern European countries since the mid-1970s.

It is uncertain which of the three hypothetical scenarios will develop in the majority of the new democracies. However, most of the third-wave electoral democracies have turned out to be defective after one or two decades. Nevertheless, the experiences of the first and second waves of democratization in this century demonstrate that ‘sustainable’ and ‘working’ democracies are inherently durable in the long run only when they are constitutionally underpinned liberal democracies based on the rule of law. The experiences of the third wave empirically confirm this point of view. If this is true, then ‘electoralists’ will have to give up their minimalist concept of democracy: it is analytically weak and it is misleading in its capacity to predict the future of democracies.

NOTES


8. Sen (note 7).


11. Polity IV ((http://www.cidcm.umd.edu/insct/policy/)).


14. The BTI data-set was created through standardized expert country reports of the period from 1998 through Spring 2003. The results of these reports were then summarized numerically. In a comprehensive, multi-step review process, the data from the reports were considered and made comparable with the help of seven regional coordinators and the BTI Board. The examination measures states and processes against the goal of a consolidated, market-oriented democracy. It looks at the fulfillment of necessary conditions and evaluates the management results of responsible actors based on the goal. Logically, this approach gives a poor rating to states that lack important elements of a market-oriented democracy and that do not have a policy of transformation in that direction, even if the state in question appears to be stable. Development and transformation processes were evaluated with the help of 23 criteria. Each criterion is constructed from several indicators that fit together for sensible evaluation. The complete results of the study are analyzed from different perspectives: The status index is a precise indicator that shows what the 116 states have attained on the way towards democracy and market economies, and where problems or deficiencies remain. For details of the conceptual framework and methodology, see Bertelsmann Stiftung (ed.), Auf dem Weg zur marktwirtschaftlichen Demokratie: Bertelsmann Transformation Index 2003 (Gütersloh: Bertelsmann Stiftung, 2004). Data-sets and country reports can be downloaded from (http://www.bertelsmann-transformations-index.de).

15. Each criteria rates on a scale of 0 to 5, with 0 representing that the criterion as not been met and 5 that the criterion has been fully met. Based on the country surveys, BTI assigns each country a Status Index of Political Transformation by averaging the ratings of all five criteria. The score of the status index of political transformation therefore is between 0 and 5. Within the sample of democracies, those whose status ratings average below 3.0 are considered strongly defective, 3.0 to 3.9 defective and 4 to 5 are working liberal democracies. Political regimes whose status ratings average 2.9 to 2.0 are rated as ‘moderate autocracies’ and 1.9 to 1.0 as ‘autocracies’.

212 DEMOCRATIZATION
20. Zakaria (note 5).
22. Though Schneider and Schmitter themselves do not give these explanations, their figures and numerous empirical case studies on east central Europe suggest such an interpretation. This may also modify the strongly actor oriented explanations of Philippe Schmitter’s conceptual writings on democratic consolidation.

Manuscript accepted for publication June 2004.

Address for correspondence: Wolfgang Merkel, Social Science Research Center (WZB), Reichpietschufer 50, D-10785 Berlin, Germany. E-mail: merkel@wz-berlin.de