

Resenha

Democracy and development:

political institutions and well-being in the world, 1950-1990

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I *Democracy and development* is one of the most important books on the relationship between political regimes and material well-being, the winner of the 2001 Woodrow Wilson Foundation Award for the best book published in 2000 in the United States in government, politics, or international affairs. Indeed, the book represents an astonishing achievement and deserves attention. Its ambitious goals, its quantity of data, and its sophisticated statistical analysis are noteworthy. Its purpose is no less than to study the impact of political regimes on material well-being, broadly defined as economic growth rates, investment, factor productivity, population growth, birth and death rates and per capita income. The book uses a database of 141

countries from 1950 to 1990, covering 1645 years of democracy and 2482 years of dictatorship, with 39 transitions from democracy to dictatorship and 49 transitions the other way around. It is also a remarkable achievement because of its main finding: political regimes have no impact on development. Accordingly, although political institutions probably matter for development, it seems that thinking in terms of political regimes will not help us to increase our knowledge about the mechanics of development.

At the beginning of the book, the authors point out how tricky it can be to ask the wide-ranging question about the relationship between material well-being and political regimes: are dictatorships more effective in leading underdeveloped nations toward

material-well being than democracies? This problem notwithstanding, they believe that this question is unavoidable. In fact, from the huge amount of articles and books written about this question since the end of the Second World War, it does seem inevitable. The first famous article about this question, written by Lipset, dates back to 1959. Since then, political scientists have been spending a great deal of ink on it.

So, how original is the work of Przeworski and his colleagues? According to the authors, most, if not all, of what is written about the subject suffers from a serious methodological problem - selection bias, and thus most of their answers are fundamentally flawed. The authors persuasively argue that the often observed correlation between democracy and high income is due in part, if not entirely, to the fact that after a certain level of income, democracies are less likely to die and become dictatorships. In fact, a democratic regime has never fallen after a certain income level is reached (\$ 6,055 *per capita* in PENN World Table dollars). On the other hand, dictatorships follow a strange pattern: they are very likely to survive in both very poor (less than \$ 1000 *per capita* a year in PENN World Table dollar) and very rich (more than

\$ 7000) regimes. However, dictatorships are more likely to die in countries between these income levels (p. 92-95). Nevertheless, there are other possible explanations for the observed “correlation” between rich countries and well-established democratic regimes, besides the affirmation that economic development brings about democracy. Indeed, the main attack on their work is their interpretation of modernization theory.¹ According to them, modernization theory has a clear line of reasoning: dictatorships can bring economic development to underdeveloped nations and economic development can bring, quite naturally, democracy. This line of reasoning also has many policy implications, and one of them is the prescription that any political order is always preferable to political instability for the sake of the improvement of material well-being. In particular, dictatorship would be preferable to democracy since it provides order, as democracy is regarded as a very unstable regime in underdeveloped nations. Moreover, some authors stated, against a previous literature,² that democracy will not always bring prosperity to developing nations and thus dictatorships may be needed at some point of their development.³

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¹ Here the question is whether their interpretation of modernization theory is correct. For instance, the temporal scale involved in most analyses made by Modernization theorists are far longer than the one made by Przeworski and his colleagues. At the end of this review I will discuss this point in greater detail.

² For instance, Lipset (1959).

³ See, for example, Huntington (1968). Note, also, that Huntington’s argument is a negative one: as democracies might not bring prosperity to developing nations, for instance, because of its instability in these countries, dictatorships might be helpful, at least until developing nations reach a certain level of material well-being.

Thus, *Democracy and development* is also a manifesto against these views that were, and still are, influential among intellectuals and policy makers alike. The aim of the book is to find “simple facts,” avoiding interpretations.⁴ According to the authors, the findings of their work, although incomplete, can be the start of a new agenda of discussions about the phenomena of development. They hope they have found “what one should reasonably believe about the experience of the 40 years we examined, the ‘facts’”.

II

In order to avoid selection bias, Przeworski and his colleagues adopted the counter-factual methodology: they used a two-stage regression model developed by Nobel Prize winner James Heckman. This model is well known in econometrics, though seldom used in comparative politics, where selection bias is a common problem. Counter-factual methodology asks the following question: what would the outcomes have been if other institutions had been observed under the same conditions? Selection bias is caused by a non-random selection of political regimes. The authors provide an interesting

thought experiment to illustrate the point. Suppose that we have several countries whose growth rates differ only by random error. However, the countries have different political regimes: some are dictatorships and others are democracies. Suppose, further, that the democratic regimes are more likely to fail when they undergo an economic crisis. What will we observe, then? Using standard statistical methods, we can conclude that democracies are correlated with economic growth. However, that conclusion will lead us astray. As democracies fall when they face economic crises, we will never observe democracies under bad economic conditions and, thus, we can wrongly conclude that democracy is related to economic prosperity. The counter-factual methodology is designed to avoid such mistakes as it helps us to avoid a non-random choice of cases.

In general, the book follows this line of reasoning: we would like to study the impact of an institution on some aspect of material well-being – *i. e.* the impact of dictatorship on GNP growth. Thus, we should proceed in the following way:

1. choose a given country – A –, verify its growth rate and political regime;

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⁴ A certain kind of naïve empiricism, what philosophers call “naïve realism”, is present throughout the book. Though unjustifiable, it does not harm their analysis.

2. look for another country – B – which matches A in all aspects except the political regime;
3. study the growth rate of B;
4. eventually, we'll be able to see if political regimes matter for GNP growth or not.

Nevertheless, the problem is that such a country would be impossible to find. If the growth rate of country A is related to its political regime (democracy, for instance), then we will not find any other country with the same variables as in country A that has a different political regime from country A. Thus, if political regimes, in fact, matter for growth, we are unable to do the kind of comparative exercise recommended by many people who study these questions.

The other important part of their methodology is the adoption of the minimalist definition of political regimes in the first chapter of their book. Here we find both the strengths and weaknesses of the book. In order to advance their arguments, the authors develop a classification that allows them to make extensive coverage. In fact, they try to avoid philosophical debates and interpretations, intending that their classification rely exclusively on

“observable facts”. Therefore, they adopt the following definition of democracy: a government is democratic if and only if the following criteria are met:

1. executive selection: the executive must be elected;
2. legislative selection: the legislative must be elected;
3. alternation: the opposition must have a real possibility of both winning and taking office.

The basic philosophy behind such a classification is the idea that a government is democratic if it has any kind of competitive, open election and, hence, we can observe a real possibility of change in political powers. Thus, for the sake of their analysis, democracy is a system in which incumbents lose elections and leave office when rules so dictate. Dictatorship is a residual category: if a government is not democratic, it is a dictatorship. This first chapter has many pages discussing the extensive data gathered by the authors but, as the authors point out, it is very difficult to find patterns. Yet, some patterns are worth reporting. For example, the authors point to an interesting regional pattern during the observed period: Western Europe was mainly democratic; Eastern Europe was communist; Middle

Eastern countries were all dictatorships, with the exception of Israel; Far Eastern countries except for Japan were also dictatorships; in Africa only Mauritius was democratic during the entire period; Latin America was by far the most unstable among the global regions, with a huge alternation of regimes – 25 transitions to democracy and 19 transitions to dictatorship. They also made the following observation: democratic frameworks are very stable – between 1950-1990 they observed only three regime changes within democracies. On the other hand, dictatorships are very unstable. In particular, autocracies – dictatorships governed by despots, without any other governmental body fixing rules, such as a legislature or a party – do not endure. It is worth noting that their final model performs astonishingly well, correctly classifying 97 percent of nearly 4000 country-years covered by the study. However, the inclusion of six oil-exporting countries may have disturbed their model: these countries were excluded in their preliminary analysis and it is not clear if they are reintroduced in their final model. On pages 275-276 we can observe their model, which performs fairly well.

In the second chapter, the authors turn to the question of the relationship between democracy and economic development. In particular, they try to answer the following questions: Why do we observe a larger incidence of democratic governments in more developed nations? Are underdeveloped nations less likely to become developed under democracy than under dictatorship? Before attempting to answer these questions, the authors advance another explanation for the fact that democracies are more frequently observed in opulent societies: once democracies emerge, for whatever reasons, they are more likely to survive in more developed nations. Accordingly, the emergence of democracy is not a necessary consequence of economic development, but it might help democracies to survive.

The authors find that the best indicator of whether a democracy will survive or not is per capita income. As previously mentioned, after a certain income level (\$6,055 per capita in PENN World Table 1985) we never observed a democracy falling. After an extensive examination of the data, the authors conclude that rich countries tend to be democratic not because of

economic development, but that democracies are much more likely to survive in affluent societies, regardless of the reasons for their emergence. In fact, the authors find the survival of a democracy easy to predict on the basis of the economic development of the country. These strong findings notwithstanding, there was no indication that economic development, by itself, brings democracy. In fact, from their analysis it seems quite difficult to find any general explanation for the rise and fall of political regimes. Therefore, the main target of this chapter is the idea that development can bring about democracy, the idea the authors attribute to Modernization Theory. In addition, the authors uncovered an interesting “fact” as well, at least for those who are interested in Latin America: it may be that democratic regimes are not so unstable in Latin America; instead, what may be unstable are the dictatorships. Accordingly, if one compares a sample of all Latin American countries with a sample of all countries, the Latin American nations have a 12% higher probability of being democratic, given the same level of per capita income.

Chapter three discusses the relationship between economic growth

and political regimes. Since economic growth is a clearer variable than economic development, it is easier to avoid some controversy that may have been present in chapter two. Chapter three begins with the following questions: Are dictatorships a necessary step towards higher rates of economic growth in developing countries? Is democracy hostile to economic growth? Are dictatorships the only regime capable of implementing the necessary reforms for economic growth in underdeveloped nations? Many authors claim that democratic governments in underdeveloped nations are not strong enough to implement the necessary reforms towards growth, as these reforms may erode their electoral support. Others argue that the enlargement of franchise in developing countries implies a diversion of resources from investments to consumption.

First, the authors find that total income growth is higher under dictatorships (4.42) than under democracy (3.95), meaning that it doubles in 15.8 years under dictatorship and 17.7 years under democracy. However, it seems that higher total income growth under dictatorships is not due to the political regime, but to the fact that dictatorships occur more

frequently in poor countries. In fact, poor countries generally have higher rates of growth and, thus, that seems to be the explanation for the observed differences. The authors also find no support for the claim that democracy undermines investment (Table 3.1A p. 146). Very poor countries (annual incomes below \$ 3000) invest little regardless of regime type. Indeed, poor regimes cannot afford a strong state and thus their states are not able to have any productive role in their economy. In poor countries, regime type may matter for everyday life but has no impact at all on the economy. Extreme poverty appears to leave no room for politics.

Nevertheless, each regime has a clear pattern of growth. As one might expect, dictatorships are more labor-extensive and more labor-exploitative. The workforce grows faster and earns lower salaries, meaning that the average worker produces less. Democracies pay better, employ better and allow free association among workers. Therefore, affluence is what differentiates regimes: dictatorships grow using a lot of labor, pay very little for it, and use their labor force very inefficiently. They do so since their political regimes allow the state to repress labor.

Thus, the main conclusion of the chapter is at odds with the claim that democracy has a significant impact on growth: according to their findings, political regimes neither foster nor hinder growth. Yet the conventional wisdom is correct: life is far more difficult under dictatorships, a point elaborated on in chapter five.

Chapter four is perhaps the most interesting chapter of the book. It is also less descriptive than the first two, as the authors advance many possible explanations for their findings. Again, this chapter also begins with some questions: does political instability matter? If yes, what kind of effect we can expect from it? Is any political order always preferable to political instability for the sake of development? Since the end of the Second World War, a huge amount of literature has discussed the relevance of political order to development: many scholars claim that political order is a key variable for development. One important policy conclusion from this literature is that stable dictatorships are by far preferable to unstable democracies. These views are frequently combined with anti-communist ideology; hence, they have offered important intellectual

support for American policies in the cold-war period.

Przeworski and his colleagues begin this chapter by pointing out that this literature suffers from important problems. Before he ventures into an empirical analysis, the author shows that the very concept of “instability” should be clarified. Accordingly, many political events that are normal routine in democratic regimes – *i. e.* alternations in office, strikes, peaceful demonstrations against government, *etc.* – represent political trouble in dictatorships. Thus, before analyzing whether political instability matters, we must first clarify what it means. In addition, the authors discuss the impact of political instability on development in three distinct ways: current (present) political instability, past political instability and anticipated (future) instability.

First, the authors discuss current instability. They find that in the long run, wars have no impact on growth, even though in the short run, they do affect it. Dictatorships suffer more from war than democracies: they are more likely to experience war, and its effects on their economies are worse. In turn, countries recover faster from war under dictatorships. Overall, war brings

disaster to dictatorships in the short run, but in the long run, it does not have much effect on either regime. Regime transitions can also impose serious economic costs but, again, their damage is short-lived, occurring mostly during the transition period. It also seems that political transitions are equally costly, regardless of political regime.

Alternation in the head of government is a trickier variable. What is a normal routine in democracy represents a serious threat to the government under dictatorship. Statistical analysis confirms this: a change in the head of government has no impact on GNP growth in democracies, but it does affect the economic performance of dictatorships. Indeed, in dictatorships, any change in the head of government wreaks havoc upon regime’s economic performance (see page 191 for detailed data). Social and political unrest – anti-government demonstrations, riots, strikes – are also normal routines in democracies, representing political instability only under dictatorships as the numbers show (Table 4.1 p. 192). Hence, contemporary political upheavals do matter for current development, although what represents an upheaval will depend on the regime in question.

Another way in which instability matters is how it behaves over time: do past events, or the expectation of some future event, affect present economic performance? The authors find no effect of past political instability, whether of regime or of government, upon economic growth (see p. 199). Political upheavals do retard the accumulation of the stock of physical capital (the authors do not study its effect on human capital) but these effects wane as time passes and they are not relevant in the long run. These findings go against some results of the current literature. For instance, Alesina and Perroti (1996) find that past instability propagates present instability, but also claim that past instability retards growth. Przeworski and his colleagues find that both regime transition and the turnover of the heads of government increase the probability that such changes will occur again, but they do not affect growth. There are other rival hypotheses, by Olson (1982), that state that long lasting democracies ossify interest groups and, thus, increase pressure for redistribution at the expense of economic growth. If that hypothesis is correct, then the age of a regime, a proxy for interest group

influence, should have a negative effect on growth. Although several empirical studies have contended that old democracies grow slower, Przeworski and his colleagues do not find such an effect. They do find this effect when considering only OECD countries, but when they consider the full sample of democratic countries, these effects are no longer observed. One possible explanation is that the growth rate tends to decline as per capita income increases in developed nations. However, once we include the democracies from underdeveloped countries these effects vanish. Thus, they concluded that the age of the current regime does not affect economic growth in the long run (p. 196-197).

Now the authors turn to an even trickier question: the effects of the expectations of future political events on current economic performance. The first difficulty is to define how people make expectations about the future. The authors opted to assume that actors know everything that can be learned from statistical analysis about observable patterns and, then, that the actors expect from the future more or less what was observed from the past. In addition, the authors advance the

hypothesis that the lower the probability of a rule remaining in effect, the greater the probability of predatory behavior and, thus, of bad economic performance. In doing so, the authors found the following results: threats to regimes have no effect on growth in either democracy or dictatorship; threats to the heads of government affect the economy only under dictatorships. The basic explanations for these findings are quite intuitive: dictators are less constrained than heads of democratic government and thus they are more able to steal from their own countries. In discussing the impact of political expectations on the economy, the authors also found a surprising pattern: if dictatorships are likely to fall, we observe a reduction in the level of investment; the rates of investment will probably increase when democracies are expected to fall. This is an amazing finding, as it challenges the conventional wisdom about the relationship between democracy and capitalism, as democracy is generally regarded as the only regime able to protect property rights and, thus, to nourish capitalism. Accordingly, dictatorships may be an even friendlier political regime to capitalism than democracy.

To summarize this chapter, events regarded as instances of political instability are dangerous only under dictatorships, although they are far more frequent under democracies. Once we have in mind that the “same” political events have different meanings under different regimes, these findings are quite natural. Yet, the relationship between dictatorships and capitalism is a strange one and calls for further analysis.

In the last chapter, the authors discuss the relationship between political regimes and demography and they do find a strong relationship between them. They found the following patterns: under democracies, we observe lower birth rates and lower death rates; women under democracies have fewer children and more of them reach adulthood. It is important to notice that under dictatorship, birth rates are higher, not because of a different age within the population structure, but because of higher fertility rates. The difference in death rates between both regimes is smaller than the difference in birth rates; thus, populations grow slower under democracies. The effect of regime on life expectancy is also huge: in stable dictatorships, the average life of a

citizen is 51.3 years against 71.7 year in stable democracies, quite an amazing result. Moreover, the average growth rate of per capita income is higher under democracy, even though total income grew faster under dictatorships. Besides, poverty also matters regardless of regime type: people in very poor countries – income below \$ 1000 – live 46.5 years on average, but in rich countries – above \$ 6000 – they live 72.9 years. Poor people also have many more children, much higher death rates and mortality rates. However, political regimes matter even in poor countries. Indeed, the authors find a measure for it: dictatorship is equivalent to a drop of \$1000 in per capita income. Thus, political regimes do matter for people's standard of living.

III

We will now make some general remarks about this book, first examining its strengths. At the risk of being repetitive, it is worth recalling that the whole enterprise, particularly the goal, is quite remarkable. The work is both comprehensive and bold. The authors employ a scrupulous and thorough approach: sample selection, fixed and

country effects, randomness, *etc.* The results are very provocative and most of them are quite compelling, calling for a broad revision of the related literature. They also made a parsimonious model specification and classification of regimes. Many questions and research areas stem from their analysis. At the end of this section, I will comment on some of these open questions.

Nevertheless, the work has some controversial points that are worth reporting. First, it is noteworthy that one of the main attacks of their book, the one against modernization theory, might be misplaced.⁵ In fact, Modernization Theory is concerned with far longer periods of time than the one studied by the authors of the reviewed book. For instance, the argument developed by Lipset (1959) in his famous article does not emphasize annual rates of growth but broad levels of economic development instead. Likewise, when the reviewed authors attack the property rights literature, most of it based on the work of Douglass North, one must be careful, as most property rights literature relies on a very broad time horizon, not just a few years or decades, as the work of Przeworski and his colleagues assumes.

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⁵ I would like to specially thank the anonymous referee for making me aware of this and other related points.

Indeed, the fact that a dictatorial government may diminish uncertainty in the short run, thus making investors more confident and fostering economic growth is not at odds with Property Rights literature. However, one must bear in mind that this possible short-term outcome does not imply that in the long run dictatorships foster economic development better than democracies do. That is to say, as Przeworski and his colleagues experiment is clearly focused on the short run, its findings do not necessarily represent an attack against either property rights literature or the modernization theory, as they sometimes claim.

The second controversial point is related to the classification of regime type. As I said before, such a classification is at the same time, the strength and weakness of the book. On the one hand, without the adoption of a minimalist classification, it would be impossible to perform such a broad analysis of so many countries, using data from many decades. On the other hand, a classification in terms of degrees of democratization could have been adopted, instead of defining political regimes in binary terms, as democracies or dictatorships. As one might argue, a classification in terms of

degrees of democratization could better capture the level of institutionalization of democratic practices in each country.⁶ However, it would make the analysis performed by Przeworski and his colleagues far more difficult, or even impossible, to carry out. Moreover, there is little consensus in the political science literature about the proper variable for measuring levels of political institutionalization. Thus, a minimalist classification, of one kind or another, is mandatory for the kind of analysis done in *Democracy and development*. Nevertheless, it is noteworthy that at some points the authors incurred in strange classifications. For instance, they classify the Brazilian government from 1979 to 1984, which was a military government, as a democracy. That classification is still stranger if we remember that two of the four authors are Brazilians. Other surprising democracy classifications included Guatemala's government during 1966-1981, a period of harsh military repression and generally fraudulent elections; to name but two examples of misclassification. These problems notwithstanding, the capacity to successfully cope with such a huge amount of information is an amazing achievement.

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⁶ This may be done either by considering democracy as a continuous variable or a discrete one but with more categories.

Thirdly, the authors do not take into account the effects of neighboring regimes. It is a well-known fact that bordering countries interplay and, thus might have some influence on observable patterns. For instance, a dictatorial neighbor might positively affect the survival of dictatorial regimes. Conversely, a democratic neighbor might help the entire region to maintain democratic regimes. Thus, further studies are warranted.

There is also a fourth point: sometimes the book is excessively descriptive, throwing facts at the reader; these facts, including interesting findings, are frequently introduced in a very loose way, without a more extensive analysis about what binds them, identifying causes and consequences. Putting it differently, at times the book is excessively factual at the expense of substantial explanation. For instance, the second and third chapters are extremely descriptive. In addition, many discussions in these chapters demand a sound knowledge of economics – in particular, development economics – and statistics in addition to political science. Thus, it is not easy to evaluate how well established these conclusions are without such knowledge, even

though it is very clear what the authors' conclusions are: economic development matters for the survival of democracy but not for the emergence of any specific political regime. On the other hand, in these chapters we also observe a lack of conceptual distinctions. The concept of economic development, which is the object of analysis in the second chapter, is a controversial one and thus there are many ways to measure it. Although *Democracy and development* is not a place for a conceptual discussion, sometimes it is not totally clear what they call economic development. At times, it seems that economic development amounts to income distribution, as when the authors talk about the survival of political regimes (*i. e.* Fig. 2.1 p. 81). At other moments, it seems that other factors – *i. e.*, level of education, whether a democracy is presidential or parliamentary – also play a role. However, the relative importance of each factor is hazy. That point is worth noticing, as different measures of economic development might lead to quite different conclusions.

Surprisingly enough, chapter five has more substantial analyses. This chapter is about political instability,

where the authors find some observable patterns that contradict the related literature. For instance, they find that the rate of investment does not fall when democracy is likely to die, but it does fall when dictatorships are likely to die. This finding contradicts basic assumptions of an important branch of literature that argues that the security of property rights is critical for growth.⁷ Accordingly, rulers must credibly commit themselves if they want potential investors to be interested in investing in their country. The basic line of reasoning of that literature is that a state that is strong enough to guarantee the enforcement of property rights (and thus investment and growth) from an attack by private agents is also strong enough to encroach upon private property. As a result, the ruler must credibly commit himself to guaranteeing that he will not use his power to breach contracts. This literature regards democracy as the best way for rulers to commit themselves. Because of this, Przeworski and his colleagues see their finding as an attack, or even a refutation, on the entire literature. However, this is not necessarily the case. Indeed, the fact that dictatorships and capitalism are more

compatible than is supposed by this literature may be an attack on the idea of democracy as the only means to guarantee the enforcement of property rights. Yet, it is not an attack on the idea that rulers must commit themselves.

For instance, in the contemporary world, dictators of underdeveloped countries may not be constrained by elections but they do need financial resources as a means to remain in power. They are also unable to fight wars against developed countries, as they are far weaker on military grounds. Thus, underdeveloped countries are unable to breach contracts with capitalists from abroad as they are unable to face the consequences. On the other hand, democracy introduces some level of uncertainty as the opposition can always change policies toward investments. Democracy also means the existence of several mechanisms of checks and balances and accountability. Thus, governments under democracy are always more constrained in pursuing their objectives; including entering into contracts and choosing policies toward capitalism. Hence, once investors are sure that governments are unable to breach contracts, they may prefer to make them with dictatorial governments

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⁷ The body of this literature is huge now. See, for instance, North and Thomas (1973); North (1990).

as it means more freedom for both sides and, at times, even more money because of corruption. Once we keep these possibilities in mind, it is not that strange to find that the rate of investment is likely to rise when democracies are falling: depending on the dictatorship, it may mean new business for foreign investors. Hence, these questions need further investigation from a micro-level perspective.

There is still a last point to make which concerns the very nature of the comparative method, closely related to the remarks above. Although the authors find many patterns in their study, the main question receives no answer at all. In fact, judging by the comprehensiveness and sophistication of their analysis, it seems that that question might have no answer. Perhaps it is worth thinking about the very nature of this question, which has been asked countless times by other authors. In addition, many important studies in comparative politics have tried to answer similar questions employing broad labels such as: democracy or authoritarianism; presidential or parliamentary governments; systems of plurality and of proportional representation. These questions include

– Are democratic governments more likely to adopt liberal policies? Are parliamentary governments more stable than presidential ones? In most cases, these labels are correctly applied and thus the question is not to look for a better application of them. The problem is that systems that can be labeled in the same way may have totally different micro-features. For instance, the identity of the agenda setter, gatekeepers, and veto players may be very different within two parliamentary systems and, thus, the macro-consequence of these micro-features can be different, even though both systems receive the very same label. Conversely, a presidential system and a dictatorship may have similar economic policies insofar as, say, veto points are in the hands of those with the same economic interests – *i. e.*, people interested in low inflation rates, undervalued exchange rates, *etc.* Indeed, it seems the problem is the very nature of these labels: they are too comprehensive. Perhaps we have here an explanation of why it is possible to advance multiple lines of reasoning once we employ broad labels:⁸ the state, or any other political organization, is not a unitary actor with a coherent set of objectives, choosing policies in order

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⁸ For instance, former works by Przeworski and colleagues show that political scientists have been advancing several lines of reasoning about the question of political regimes and development. See Przeworski and Limongi (1997).

to advance these objectives. Policies seldom result from deliberations of a single entity; rather, they emerge from a competitive process within the state. Indeed, states are composed of people who have very different interests and will compete for them. Even autocracies rarely have the unity presumed by most analyses that employ broad labels. Therefore, in order to advance our understanding of how political institutions work, we must take into account these kinds of micro-features: the preferences of relevant actors; competition within bureaucracies and the rules by which these individual preferences aggregate into collective outcomes.⁹

From the first pages of this book, it seems that Przeworski and his colleagues agree with all of this. On page 1 they say:

Political regimes, however one thinks about them, are complex. They combine many institutional features that can have emergent effects and that may work at cross-purposes. They may, at the same time, encourage economic rationality but hinder economic initiative, grant government the authority necessary to promote development but also allow them to evade popular control, and foster long term thinking at the cost of short term disasters, and vice-versa.

However, even though they believe this, they advance their analysis. Perhaps the main lesson we can draw from this is that such comprehensive work, although important, has its limitations as a means to understand political phenomena. There is also a need for more studies based on institutional micro-features.

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⁹ It is based on such considerations that Robert Bates advances the defense of what he calls a neo-classical approach to comparative politics. See, for instance, Bates (1999).

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