

The Case for Democracy:

Democracies Produce More Transparent and Higher-Quality Data

Scientific Evidence Shows:

- **Democratization leads to an increase in supply of data to the World Bank by 13 percentage points.**
- **Democratic governments are substantially more transparent with data and their policy making processes than autocratic ones.**
- **Autocratic countries often manipulate data and overstate their performance across a range of economic development and public health indicators, including COVID-19 deaths.**

Democracies Supply More, and More *Transparent* Data than Autocracies

A series of studies now evidence that democracies report and provide more data than autocracies. For example, when a country transitions from autocracy to democracy, the reporting on World Development Indicators increases by 13 percentage points, even taking into account countries' state capacity (Hollyer et al., 2011).

Scientific evidence also shows that data transparency increases with democratic accountability. Rosendorff and Doces (2006) demonstrate in democracies, voters are 70% better informed about policy decisions and the policy making process (e.g. if, and if so why, the government repudiates contracts, or expropriates certain actors) than citizens in autocracies. Taking many factors into account, they show that more democratic institutions explain at least 1/3 of this rather large difference in transparency.

Similarly, Wehner and de Renzio (2013) provide evidence that switching from autocracy to democracy improves fiscal transparency by 18 percentage points. They attribute this difference to one particular aspect of democracy: free, fair and competitive elections.

Lack of data and transparency is a hallmark of authoritarian governance. Modern autocrats strategically use information manipulation and limitations on freedom of expression to maintain control (Lührmann and Lindberg, 2019, Hellmeier et al., 2021). Such tactics are evident today in countries such as Russia under Putin, Hungary under Órban, and Turkey under Erdoğan, among others.

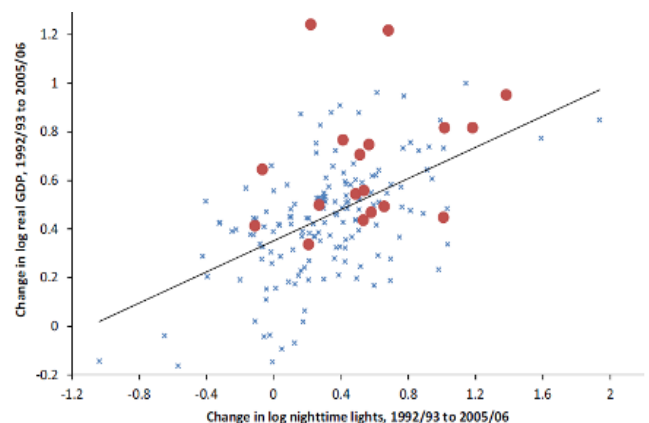
Autocracies Manipulate Data

Scientific studies now demonstrate that democracies also report higher quality data while autocrats manipulate data to appear more competent than they really are (for example, Guriev and Treisman 2019).

Critically, many authoritarian governments exaggerate their economic growth. For instance, a study by Magee and Doces (2015) demonstrates

that autocrats overstate GDP growth figures about 1.5 percentage points (Figure 1). Martínez (2021) finds evidence that autocracies overstate GDP growth by at least 0.7 percentage points. With their authoritarian control over national statistic bureaus, authoritarian leaders have a special capacity to twist realities.

FIGURE 1. COMPARISON BETWEEN OFFICIAL GDP FIGURES AND ESTIMATES FROM NIGHT LIGHTS.



Note: Comparing official GDP statistics reported by authoritarian regimes (red dots, potentially manipulated), to nightlight data (observable). Source: Magee and Doces (2015)

Rigorous evidence also shows that self-censorship leads to false data reporting in autocracies. For example, Tannenber (2021) demonstrates that self-censored responses to survey questions about support for government and trust in state institutions inflates figures by upward of 20 percentage points. The reasoning behind this is that self-censorship could be influenced by people's fear of repercussions if their true beliefs are reported.

Autocracies Fake Figures on Pandemic Deaths

Autocracies also under-report data on deaths from the COVID-19 pandemic. Some studies suggest that democracies had relatively high COVID-19 deaths. However, recent evidence demonstrates that this is mainly because autocracies falsify reports of COVID-19 deaths (Annaka 2021). Similarly, Kapoor et al. (2020) provide evidence of statistical manipulation of COVID-19 cases and deaths in autocracies¹.

¹ Specifically, relative to democracies, autocratic countries show (1) significantly less variation in the 7 day moving average of COVID-19 cases and deaths and (2) data that does not follow Ben-ford's law, which predicts the random distribution of leading digits.

Aside from manipulated death statistics, rigorous evidence in Adiguzel et al.'s study (2020) shows that countries which do not hold free and fair elections, also misreport statistics on both new and cumulative coronavirus infections.

Broader Implications

Autocrats manipulate data to improve their image on economic performance, public health, and other aspects. Transparency, access, and quality are essential for accurately comparing performance across regimes and should be treated accordingly (Jerven 2013). Official statistics from autocracies should be treated with skepticism to avoid false conclusions.

Transparency, access, and quality in reporting is also a public good and essential for good governance. Data access and quality impacts policy decisions, both domestically as well as internationally. Citizens also rely on access to high-quality and transparent data to evaluate their country's performance on a range of policies.

If we could correct fully for statistical manipulation in autocracies, the evidence for democracy's dividends would likely reveal an even stronger case for democracy than the robust body of scientific studies already shows.

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To contribute to building a scientific evidence base for democracy, the European Union signed a contract with University of Gothenburg/V-Dem Institute to develop "The Case for Democracy", and make it available to the European Union as well as its collaborating partners. On November 30th to December 1st, 2021, 26 scholars and over 400 policymakers and practitioners participated in a hybrid onsite/virtual conference held in Brussels on the Case for Democracy. Scholars presented scientific evidence on the dividends of democracy across six broad areas. This is one of a series of eight policy briefing papers summarizing the collated evidence.



Co-funded by
the European Union



Department of Political Science
University of Gothenburg
contact@v-dem.net
+46 (0) 31 786 30 43
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