

The Business Case for Democracy: Democracies Deliver

Is democracy the best form of government from a normative and citizen perspective? High-performing autocracies like China and Singapore challenge defenders of democracy to come up with a convincing and coherent business case for democracy. Varieties of Democracy (V-Dem) Institute in collaboration with the Directorate-General for International Cooperation and Development of the European Commission, the German Federal Ministry for Economic Cooperation and Development (BMZ) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) therefore started a process to gather evidence on what democracies deliver, towards building a coherent narrative in defense of democracy. Clear evidence is needed to build a strong case for policy makers and other development actors to continue their engagement for promotion and protection of democracy. This policy brief summarizes the findings of a first round table on the topic.

The panelists discussed the performance of democracies in the following five key areas:

1. Human Health & Sustainable Development. A recent study building on the past 25 years of research shows unambiguously that countries transitioning to democracy perform much better when it comes to human health, greater life expectancy, and lower incidences of various diseases (Bollyky et al 2019). Similarly, a study by the V-Dem team demonstrates that countries that increase their level of democracy get significantly lower infant mortality rates in the following years (Wang et al. 2018). A report from International IDEA further supports this by showing that democracy can be an enabler for sustainable development across a number of areas such as providing basic welfare, inclusion of minorities and for doing business (GSoD 2019).

2. Gender Equality. Studies and practice both provide evidence that women's rights, inclusion, and security is better provided for in democracies compared to non-democracies. For example, research shows that increased levels of democracy substantially improve women's civil liberties (e.g. Sundström 2017). This is supported by the report from IDEA demonstrating that greater gender equality is more prevalent in democracies (GSoD 2019). Tellingly, we only find women as head of government in democracies, and when democracy is derailed it comes with worsening of women's access to reproductive rights, less protection from abuse and violence, and increasing xenophobia against LGBTI persons.

3. Economic Development. Robust, empirical analyses now confirm that democracies deliver on economic growth.

While autocratic regimes can experience rapid growth, it typically only lasts for short periods while the vast majority of autocracies exhibit pitiable performance. Therefore, focusing on a selected few and unique cases like China, does not tell the full story. The fact that GDP data from autocracies cannot always be trusted further speaks to this. Scholars on the topic argue that democracy can be considered as an economic safety net, ensuring stable growth, less fluctuation, as well as lower probability of economic crises. Critically, autocracies have a much higher probability of severe economic crises with disastrous consequences for human development. While growth in autocracies typically is investment driven, democracies tend to focus on technological developments and education, which enable sustainable growth. In effect, average economic growth is better in democracies. (Knutsen 2020).

4. Peace and Stability. Peace, stability, and security are strongly and positively related to democracy. The democratic peace-theory has been reconfirmed numerous times, now also with the more nuanced V-Dem data (Altman 2020, Hegre 2014). Higher levels of democracy are associated with lower probability of fatal interstate conflicts. The same goes for civil war and domestic instability (Hegre 2014). The current third wave of autocratization will likely lead to increasing insecurity in the world accompanied by losses of human life and development that wars and instability entail. Turkey, for example, has become increasingly aggressive and involved in several conflicts since descending into autocracy.

5. Responses to Crises – Covid-19. Responding to a crisis such as the Covid-19 pandemic necessitates some restrictions on rights and freedoms, yet the extent varies widely between countries. The PanDem Index uncovers 65 countries that have taken measures violating international norms. Most of those countries were already in a process of autocratization before the pandemic (Kolvani et al. 2020). A recent study from V-Dem demonstrates that there is no tradeoff between democracy and efficient responses to Covid-19. Autocracies have not been better at responding effectively to the pandemic. To the contrary, countries enacting the drastic measures violating international norms, are typically worse at fighting the spread of Covid-19 effectively. It seems rather that a number of countries are using the pandemic as a pretext for further autocratization. Thus, greater violations of democratic standards cannot be justified by better public health outcomes. (Maerz et al. 2020).

Yet, the pandemic has also accelerated innovation in digitalization of democratic institutions and civil society as well as in new forms of political engagements by citizens, which could be used as vehicles within democracy promotion. The pandemic also highlights the importance of local authorities in re-building trust for institutions in cases where central authorities have been unable to operate. Finally, it is not a necessity to reconstruct pre-pandemic state of affairs, instead, we should be open to reimagine, adapt, and rebuild differently.

Policy Recommendations:

- We have a convincing business case for democracy. Democracy has dividends. The policy-practitioners community must come together and formulate a clear, coherent narrative in defense of democracy to face its opponents.
- Research findings should be based on internationally recognized development indicators, make reference to policy considerations and be accessible to policy makers and practitioners, including relevant bi- and multilateral organizations.
- Democracy support must increasingly focus on democracy protection.
- Rebuild and re-innovate democracy in the wake of autocratization. Patronize on the innovation and civic engagement that has emerged during the pandemic.
- Inclusive approaches are vital to recovery after the pandemic.
- Innovative democratic practices are developing in the global south. We need a global coalition of countries to provide a counter-weight to authoritarian countries.

The Webinar Round Table

Presenters at the round table were: Professor Staffan I Lindberg (V-Dem Institute, University of Gothenburg), Assist. Professor Anna Luhrmann (V-Dem Institute, University of Gothenburg), Professor Carl Henrik Knutsen (University of Oslo, Principal Investigator V-Dem), Annika Silva Leander (Head of Democracy Assessment and Political Analysis, International Idea), Thomas Millar (Team Leader, Democratic Governance DG DEVCO, European Commission), and Achim Johannsen (BMZ Division – Governance, Democracy, and Rule of Law, German Federal Ministry for Economic Cooperation and Development).

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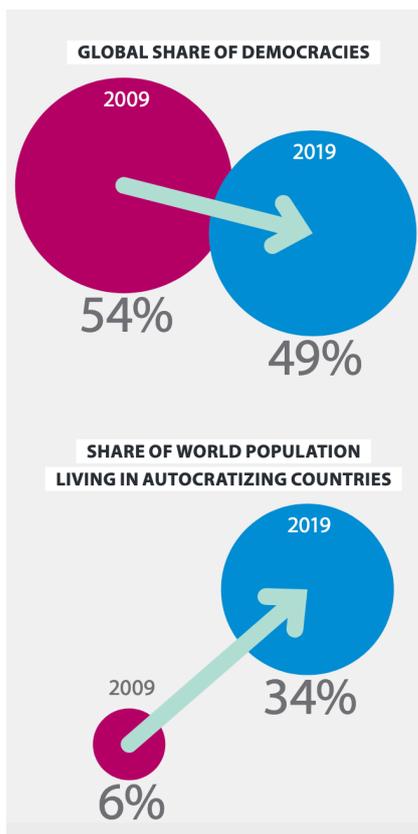
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