

IS DEMOCRATIC RELATED TO SOCIAL JUSTICE?

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The achievement of social justice depends not only on institutional forms (including democratic rules and regulations), but also in effective practice.

.A. Sen, (1999: 159)

PREFACE

This article explores two questions. The causal relation of Equality on Democracy,-the effects of economic development on political regime- and the effects of Democracy on Equality – the effects of political institutions on development. I use very simple definitions of both concepts. The first is a measure of non-inequality. The second refers to the political regime where power is obtained in limited terms and regular elections are the method of legal conflict. My interest here is very modest. I want to present questions before move forward definitive answers. I am working in the first stages of my research, and this paper is an advance in the long way to give some coherent answers. Here I am looking only for to frame the important questions. I will review some recent literature on this old question. My first impression is that the actual leverage of the research is very heterodox and there are big lags in between different disciplines to answer the same questions. However, this gap is closing as the same problem requires an interdisciplinary approach. The insufficient answers are due to methodological and theoretical impairment but also, to the feudalization of social science disciplines. The Democratic Question is about their interrelationship with political –and socio economic and cultural- equity requires a more open wisdom and a lot of realism. Often, sophisticated statistical correlations ignores the caveat on don't confuse correlation with causes; causal analysis often forgot historical or geopolitical aspects, and both often forgot the

lot of contingent aspects.

THE TWO TALES ON DEMOCRATIC EMERGENCE: ENDOGENOUS VS. CONTINGENT

Some years ago, Adam Przeworski and Fernando Limogi (1993; see also Przeworski, Álvarez, Cheibbaum y Limogi, 2000), presented their empirical results on the real ability of the democratic regime to promote development (see also Robert Barro, 1999). Their conclusions shocked some basic articles of faith into the USA political science paradigm of modernization and democratization (Vidal, 2006). Since the end of the Second World War, American political conventional science had been propagating the idea that democracy is like a *panacea* to the social welfare. The article of faith was the cherry on the top of the cake of the modernization theory. This theory can be resumed as follow. From one point of departure named traditionalism, there is a way, development, and there is a bridge named modernization. Modernization is not an easy way. Requires, at lest, political order, as Samuel Huntington (1968) remarked in his famous book on political modernization. Authoritarianism is the receipt to this particular stage. In the words of Przeworski and his colleagues: “The basic assumption of modernization theory was that societies undergo one general process; of which democratization is but the final facet. Hence, the emergence of democracy would be an inexorable consequence of development”(Przeworski, Alvarez, Cheinbaum and Limogi, 2000: 3). In the sixties another argument was sustaining the modernization theory. It was the so called Kunzet curve. This thesis, the process of economic modernization has a U shape form, where on its floor is the lower point of the economic distribution. As the process goes on, the inequality lowers (the common index is the Gini coefficient)[\[1\]](#) and a best distribution occurs. The most paradigmatic example of this way of think is be found in the 2006 World Report on Global Development of the World Bank, on Equity and Development (2006) The lesson was that modernization has big and unavoidable costs but at the end of the long way, the second generation of modernization process appears. At some point of the transition, democratization emerges and

culminates the hard process to arrive to Modernity. Both, democracy and high income per capita, with lower income inequalities comes together.

Seymour Martin Lipset (1959, 1994) offered a rationale very convincing about the social conditions of democracy and the full argument on democratization was named the Lipset Hypothesis. Lipset underline strongly the investment in education resources to empower the common men into real citizens. However, it could be more appropriated to brand the full argument with the name of its creator, Alexis de Tocqueville (1835). For Tocqueville, Equality of conditions was the foundation of democracy. For him, Democracy is a concept that includes not only political dimensions, but socio economic and cultural too. Second, that democracy was a historical contingency. In his first glance to the Democracy in America, he believed that democracy could be a universal trend; at his return to the Old Continent he adopted a conditional posture. This cautious approach was very realistic and differs from their followers, especially American professors, in that they make big generalization on the Tocqueville thesis on the ineluctability of democracy as universal phenomenon (for a general review, Vidal, 2006). After half century the debates are reignited by a debate on two questions. Democracy requires a certain class of social conditions. Then, the Lipset argument was about the socio-economic and cultural conditions of political democracy, and was a convincing argument on social conditions of a functioning democratic political regime; a variant, not implied in the original argument is that the democratic regime enforces social and economic equalitization. Both questions are very different.

My essay does not focus in this entire paradigm but only in two elements of it. The first is the issues of the preconditions of democratization and democracy, and the second, the self engendered myth on the democratic panacea. This both elements are, the, one, half true, and the second, half false, but both are embodied in the *transitology* schemata. More specifically, I shall try to distinguish the two tales of the story. One is the discussion on the conditions of democracy. The second point is more intriguing an more subject to impairment an ideologization, and more untreatable for the political science discipline. The question is if democracy or, democratic regimes

are good redistributors of social goods. The intuitions and common reasoning give affirmative answers, but the hard facts are hard to be ignored. This is a half-false argument. As is well known, Robert Dahl is the skeptic in this tale. He is the author of some of the most inspiring cautions on not to being confused between political equality and social equality, and in speaking frankly on the actual level of ignorance and uncertain future of our actual *poliarchic* societies (Dahl, 1991).

THE TOCQUEVILLE THESIS REFRAMED

If Political Democracy is *preceded* for a relative political equalization as, for example, universal suffrage, then, it will be followed by social and economic equalization. The rationale has normative as positive foundations. The normative arguments are very interesting but are out of my reach. Authors, since Tocqueville, had noted that democracy is sustained in equality of condition. The Lipset Hypothesis is a version of Tocqueville insights. It is accessible that if men and women have the condition of political equals, and play fair, very of the most arbitrary inequalities would be eliminated, as people make exercitation of his-hers political rights^[2]. This is the essence of the rational choice presentation of the Tocqueville thesis.

The two tales are the endogenous theory of democratization, and the exogenous or contingent theory of democracy. Both theses have formidable exponents, specially amongst economists and political scientists. The endogenous thesis has been reedited for many political scientists and political economists. It is commonly attributed to the original essay of Metzel and Richardson: “With majority rule the voter with median income among the enfranchised citizens is decisive. Voters with incomes below the income of the decisive voter choose candidates who favor higher taxes and more redistribution. Voters with income above the decisive voter desire lower taxes and less distribution” (1981: 924). The original argument was designed to explain the growth of government size (see Mueller, 2003). There are self-evident facts that can give different outcomes and require different causes. Budgets don’t grow only to favor social or welfare expenses, but they commonly do to paid military or security burdens or simply bureaucratic clientele. But the

argument is *prima facie* a good and simple two gamers model of the distributive policies. In the 80' the general consensus was against the growth of expenses and the downsizing of the social expenditures. The explanation was on the position of the median voter above the mean distribution and against the taxation of incomes. As Ross writes, the Meltzer Richardson thesis is the frame of the actual endogenous version of democratization (Ross, 2006). It is the best response to the Przeworski, et.al. arguments and proofs on the contingent emergence of democratic income distribution.

Charles Boix and Susan Stokes are two strong exponents of a reinvigorated modernization thesis, and succinctly they put the question in few words: "In short, democratization is a process endogenous to development" (Boix & Stokes, 2003: 531). Putting numbers to the imaginary threshold to transition, they wrote than, in their sample of 123 countries, "For all countries in the sample, the probability of a transition doubles when one moves from the poorest to the wealthiest income level (from \$1000 to \$ 12 000)" (Boix and Stokes, 2003: 537). Boix and Stokes believe that the when transition process was not followed by democracy, dampened by exogenous factors (They mention the Soviet Union as a principal antidemocratic force, and the many times that democracy was aborted by the exogenous intervention of the USA). But their point is not about per capita incomes but income equality. Their argument assumes that as income per capita grows, income distribution toward less inequality growth also. They mention a simple mechanism on the claims that as poor people improves their income participation in the income national cake increases their chances to participate and, vice versa, the costs of repression grows for the elites. "As countries develop, income become more equally distributed. Income equality means that the redistributive scheme that would win democratic support (the one supported by the median voter) would deprive the rich of less income that the one the median voter would support if more distribution were highly unequal. Hence, the rich finds democratic tax structure to be less expensive for them as the countries gets wealth, and they are more willing to countenance democratization" (Boix and Stokes, 2003: 549-540).

The mechanism that their regressions showed is the following: “more development increase the probability that a transition to democracy will occur, the rate at which development increases the transition of a democratic transition declines with income- in other words, the impact of development on democratization exhibits a diminishing returns” (Boix and Stokes, 2003: 531). Their argument relies in the assumption that as society becomes rich, elites lessen their fear to expropriation by the lower classes. This argument is reinforced by the research of Robert Barro, that support the idea of that a strong middle class function as a cushion between the elites and the lower classes. (1999). Boix and Stokes support the idea that elites have a special role. Not only income but income distribution is the key in their finding. Lowering the perception of threat on the elites facilitate the transition. But is merely unequal distribution, but the perception of inequality that’s prompt transitions. As the gap amongst the claimers of more distributive policies and the elites, that sustains a status quo policy, a more hard to probe conclusion follows the argument. Democracy is preceded by development in an endogenous form, and democracy induces growth at middle level of development. That is a self evident argument. If democracy doesn’t sustain growth, the deterioration of income distribution is predictable and the emergence of redistributive conflicts can grow very fast. But on the conclusion that democratic regimes can endure development are not been sustained for the many observations, and in this question there are not consensus neither conclusive results. In this point, the exogenous, contingent model of relations between political regime and development apparently win the set.

Ben Ansell and David Samuels (2006) also support in many ways a endogenous hypothesis of democratization. For both, however, is not income distribution per se but the distribution of land assets and income inequalities the key variables in the society path toward democracy or authoritarian modernization. Their thesis tries to fix the Barrington Moore thesis on the different political paths between democracy and dictatorship.^[3] Ansell and Samuels are quite right when warns on the difficulties to establish standard empirical criteria for define an equalitarian (or non equalitarian) distribution of income. Land or fixed asset inequality difficult democratic transitions;

but income inequality increases the probability of transition at any income level. The chances of lower classes to promote some credible threat of revolt the fact that modifies the elite perception of the threat to be expropriated. If the chances of form a distributive coalition are growing, the best chance of elites is to accept transition. The cost to pay more taxes is minor to the costs to oppose revolution. That is, democracy probability is associated no to certain level of income equality but, contrary, to the increase of income inequality (Ansell and Samuels, 2006, 27). Contrary to Boix and Stokes they affirm that is not income distribution but income retrogression at the middle levels of incomes per capita, when the demands for democratization became realities. As the lower classes perceive the deterioration of their part of the cake the costs of take active roles in politics become increased. The calculus of the cost of revolt can provoke the acceptance of democratic transition into de elites.

The basics of the arguments against the endogenous thesis are interesting. Following the Przeworski, *et.al.* studies many researchers support the idea that there is not a linear direction from modernization to democracy, as the endogenous thesis hardly sustain. First, the contingent tale of the emergence of democracy notes that Democratic regimes have not shown a best performance that authoritarian to improve social welfare. In fact, democracy requires certain equality preconditions but not necessarily engender that by it. Secondly, Democracy is not a necessary conclusion of modernization. Its much more *contingent* to divergent political, economic and social paths of different societies, that the predictions of the Tocqueville –or also named as the Lipset- Hypothesis, The contingent hypothesis is sustained for the studies of Barro (1999), and recently for Acemoglu, and Richardon,(2006); and Ross (2006). These studies are not arguing against democracy but against the myths of democratic panacea. The studies conducted by Acemoglu, Johnson, Robinson and Yared conclude that “though income and democracy are positively correlated, there is no evidence of a causal effect” (2008:25).

The Ansell and Samuels (2008) argument, and Ross (2006) argument are coincident in many aspects and require an exploration because the crucial role of the lower classes to reclaim

distributive policies. Ross points some interrogations on the mechanisms of distributive coalitions. The lower the cost perceived of be repressed, or by contrary, successfully is the key variable to be estimated. Boix and Stokes (Boix, 2003) conclude that the crucial variable is not the perception of non threat to its interest for the elites, but the capabilities of lower income groups to build challenging coalitions. This thesis is supported by many historian observations, especially Tilly (2008).

Dan Acemoglu and James Richardson have contributed to the debate with more refined arguments (1991, 2005). First, they noted the common justification against distributive policies during democratic transitions. But this rationale, embodied into the Washington consensus, is not all persuasive. Moreover, it is self contradictory because supports a vicious circle: inequality is bad to democracy but “excessive2 democracy is bad to growth. This is a *Gorgian knot* and requires refutations in the positive and normative aspects.[4] On the `positive side, Landa and Kapstein review of the literature comment on Acemoglu and Robinson (2001) work that: “They explicit introduce the breakdown outcomes of extra electoral bargaining –the credible threats of rebellions by the poor and of coups by wealthy elite-into the median voter model of taxation and redistribution” (Landa and Kapstein, 2001:.291-292).

OLIGARCHIC ELECTORAL POLITICAL TRANSITIONS

The APSA Report on Inequality in the developing world (2008) gives a general briefing of the dismissing expectations about the future of most “Third Wave” democracies. The problem is inherent to the definition of democracy uses. The conventional definition is the bare bone definition of Schumpeter, where democracy is the electoral competitions amongst elites to gain most votes that their electoral adversaries. According this definition (see Przeworski, 1998, Vidal 2008), in fact, a spawn of democracies has been occurred in front of our noses.[5] But this definition ignores several decisive facts or variables. In the most recent debates, income distribution is not a key variable in the qualification of democracies. However, in the political science discipline, after the

Dahl work, political equality is the centre of the qualification of a regime as democratic. Introducing the notion of political equality implies the recognition of a) the relations in between political power or capabilities and socio economic resources, and b) political resources distribution across society. This approach is consequent with the Dahl work on poliarchies. The crucial difference lies in the distribution of economic assets. High concentration -despite the presence of electoral competition- can characterize an oligarchic political regime but with electoral competition. [6] In contrast, democracy requires minimal non-unequal property distributions. The line between is hard to define. However, there are some methods –and normative criteria- to approach the problem. Dan Acemoglu (2008a) research is one of the recent challenges to conventional wisdom on modernization and democratization. Accordingly this model (Acemoglu, 2008a. 34), an oligarchic society can be identified by a) a high resource concentrations in very few hands, b) strict and high cost of entry to new producers, c) generally low taxation. Democratic societies have lesser right protections and lower entry barrier to new producers and higher taxation amongst producers. At the beginning, at some point, oligarchic societies have a faster growth, but in the middle and long range, they are less competitive that democratic societies. There is an important implication to democratic transition analysis. In the “transition”, for example, alternance with regular electoral process, are embodied in an oligarchic power –political and economic- structure, the oligarchic elites can build strong barriers to entry not only to new technologies and producers but new political agents. The result is a particular pattern of democratic stagnation or pseudo-democracy. Electoral competition can be effective and real, and fulfil the basic requisites of democratic regime on electoral clear and regular, with universal suffrage. However, the distribution of political resources can be badly impaired or misdistributed. This possibility contends with the conventional median voter models to explain the distributives of democracy. Using the Dahl’s terminology, we are in the presence of a particular case of low poliarchic democracies. Other author talk about hybrid regimes, delegative democracies, illiberal democracies, etc (APSA, 2008, Diamond, 2002).

Contrasting with this trend, transition characterized by a relative property and income non

inequality can embark in a long travel to prosperity. There can be an intermediate situation. At the middle of the oligarchic “democratic transition” can be events, critical junctures endogenous and exogenous that can induce redistribution. But this trend is the anathema of the Washington Consensus. Distribution in a transition could engender a populist inflationary policy, self defeating in the middle and long run. Is there other way? The arguments of Acemoglu, 2008a, 2008b, 2005; Acemoglu and Robinson, 2001; Landa and Stephen, 2006; Przeworski et-a. 2000), can be useful tool in develop this model.

But Democracy can be non equalitarian. This is a different question to the common caveat on the probable crisis of democracy propagated since the 80'. The supposedly crisis of Democracy could be the result of the over demanding society for equity and welfare (Brittan, 1975). This warning is in the basis of the “Washington Consensus” and sustains restrictive expenditures and the dismantling of the wasteful welfare state. In the transitional Third Wave, this receipt was a key element to explain the apparent paradox, expressed in the words of the APSA task force on Inequality in the following terms “Why hasn’t the spread of political equality under democracy reduced economic inequality?” (APSA, 2008:33). In fact, the political trend during the last three decades has been a regressive income distribution. The rationale is well known: Democracy is costly. The conventional receipt was disentangled politics be from economics. The underlying philosophy of the Washington Consensus, could be summarized in the words of Nobel prize winning economist John Hicks “If measures making for efficiency are to have a fair chance, it is extremely desirable that they should be freed from distributive complications as much as possible” (quoted by Landa and Kapstein, 2001: 273).

DOES DEMOCRACY PRODUCE WELFARE?

The answer is: sometimes yes, but sometimes no. A first glance: old democracies are rich democracies. This conclusion is self evident but wrong. Democracy engenders social welfare. But simple first glance evidence is not enough. Two self evident facts point against a so fast answer.

First dictatorships have generated high levels of development. Secondly, in many cases is not democracy but Empire or trade. The propensity to give credits of development to political regimes is seductive, especially for politicians in the winner side. But the more sophisticated debates on empirical evidences indicate that easy conclusions are no the best way to proceed. However, democratic regimes must to be differentiated not according their economic performance but the civil freedoms and political equality protections that provide to the members of the society. Democracy can engender this valuable non-economic asset; but as Dahl and Lipset, and before them, Tocqueville, note, political equality requires certain socioeconomic conditions. As Robert Dahl (1991) has noted many times, there are not conclusive ways to know how political equality can be supported by emergent socio-economic and cultural equality. Sometimes, both go on different directions. Des-democratization (Tilly, 2008) is not an uncommon feature of contemporary democracies. That is there are many ways that, within the democratic game, is possible, and frequent, the increase of socio economic and cultural inequalities. This process calls for more intense and multidisciplinary approach. To know the specific mechanisms through them elites can impoverish common people. Underlying this phenomenon is a more general question: how political regime affects development and welfare and vice versa?

The first part of the question is about how democracy can improve the equality of conditions or opportunities. We can reframe the same question in more manageable form: how democratic regimes can minimize arbitrary sources of economic extraction?. Of course, from a normative point of view, this is one of the fundamental legitimating sources of democracy. But ideals commonly don't fit well with facts. The second part of the question is how democratic regimes can sustain growing inequalities?

The Przeworski argument in which political regime is not decisive in the explanation of development and welfare is strikingly supported by some critical cases. For example de modernization of Japan and Germany during the XIX and XX centuries was improved under authoritarian regimes. But in both cases growth was followed by distribution. The factors that affect

that were not fully explained by the median voter theorem. In fact, in Germany the working class pressures were decisive but the possible responses of the authoritarian regime were repression or assimilation. The last one was preferred because the accumulation of human capital and legitimating of the Great power policies prevailed in the Prussian ruling class. In Japan the case were in many ways similar (Mann, 1988; 1993). The classical case was England and the social question in the classic example of progressive policies toward the working classes. In the USA equality was higher since the beginning. That means that Democracy was not the decisive cause of growth and distribution. The most [\[AV1\]](#) that we can conclude is that democracy was well sustained in a society with higher total and personal income. Endogenous thesis is a good trial for political teleology, but apparently is an argument flawed in empirical and historical basis. The historical argument is more conclusive.. The actual case of China –a market oriented modern economy into a authoritarian regime –in fact, a communist regime- is interesting because fits very good with the models of preconditions to democracy. In the Ansell and Samuels (2008) land distribution is the crucial variable and in some recent models (Acemoglu, 2008a, 200b, Acemoglu and Richardson, 2001), concentration of property rights and oligarchic barrier to entry to new comers to the political and economical field makes the difference among the paths of society and its differentiation as a oligarchic or democratic regime. This can be a productive approach as goes beyond the electoral, minimalist definition of democratic regime, typical of American behaviorism and rational choice political sciences. It is more close to historical political observation and introduces political power considerations into their equations. That is an interesting way to understand the relations between the relations wealth distribution and power distribution. Democracy is on political power distribution, and economic power distribution is closely related to political power. Maybe this is the major theoretical improvement introduced by the neo-institutionalism approach to politics.

Democracy could be disenfranchised of its distributive aspects, or, in more appropriated words, democratic mechanisms can be used to expropriate the lower classes by the rich. The “tyranny of majority” that frightened many liberal philosophers since the seventh to twenty century,

often was inverted into the tyranny of privileged minorities. That is in an oligarchic electoral regime. The narrative says that the median voter runs to the right, but this assertion is not very well established by empirical observation. Equality appears to be a social value highly appreciated by most people. How political scientist can give a good answer to the fact that the major process of democratization that the modern world has known, occurs simultaneous with the major process in intra and international distributive regression? (APSA, 2008). The APSA study is an important attempt to approach the paradoxes of the Third Wave of democratization is accompanied for a growing income misdistribution and lower growth of incomes. The APSA team observes that inequality in economic distribution is a generalized phenomenon across the world intra and inter nations. Paradoxically is the fast growth of China economy the only counterweight to these processes. But the APSA team shares the same traditional views on the relations between democratic transition and income inequality. This is not only unavoidable but a requirement to the firsts stages of democratization. Income inequalitization is the reverse side of capital accumulation and productive investments. However, the new elites can choose not to invest in development of productive assets but in unproductive adventures, and in reinforce their capabilities to block the lower classes capabilities to reclaim a part of the cake. The elites can chose to loss some legitimacy but to elevate the costs to opposition to the parties pro-redistribution. Then, condition transition stagnation is a very probable outcome. Transition stagnation would be the part of entrance to the deterioration of State capability and preclude state failure. (But I want to develop this argument latter).

APSA says that during the third Wave of democracy the inequality grows as ever. The ASPA report mentions that democratization is like a Kunzet curve. At the beginning the income distribution could be better that at middle of the way. But at certain point income distribution runs jointly with democratic Consolidation. As the ruling class lost their fears to be expropriated by taxation, accepts distribution. The lower cost of taxation is the key. This argument is the sequel of the Metzger thesis, and is the theoretical basis of Boix thesis.

ANALYZING SOME TRAPS INTO THE DEMOCRATIC PROCESS.

In the most recent political science literature deception and scepticism about the results and future of the Third Wave democratic countries is increscent. (see ref. In APSA), Illiberal democracy, etc. quotes in Rodrik) But if that set is incomplete, what kinds of Democracy can appear? Lipset do not consider that possibility than don't fit with the endogenous thesis. But the facts suggest that the boom on democracies in the last three decades do not satisfied the Lipstet conditions, because are exogenously promoted. The third Wave was a geopolitical effect of the prominence of the hegemonic ideology of a temporary stage in the international relations. Because of, in recent years authors began to talk of hybrid regimes, illiberal democracies, delegate democracies, etc. That classes of chimeras in today an enigma to democratic theory. APSA...

There are many references to the limitations to our methods and understanding on the relations on development and political regimes (Ross, Acemoglu, etc.) The argument of the excluding or oligarchic pacts renovation is frequent. Why the third wave of democratization is so flawed? First, all we must differentiate amongst failed states and middle range o emergent democracies. The traditional trend is a four phase way (crisis of authoritarian regime, liberalization, alternance and consolidation of the new democratic regime). The last: consolidation is now a goal of dubious consecution. The elemental conclusion is that electoral process are not enough no close the gap between liberalization, electoral alternance and consolidation?

Equality was a bad word in recent decades. There are good reasons to this disacreditation. The conservative says that equality is the bad receipt to engender implausible demands on the state for the lower classes. The fiscal crisis of the welfare state is the factual demonstration. The argument is only half true. Fiscal self-destruction in often a common feature of conservative policies. Secondly, Equality refers not to a generic condition but to a generalized non discriminative social condition (Roemer). But democracy can engender unequalitization in several ways. Democratic traps mechanisms forms the feature of the de democratization process noted by

historians like Charles Tilly (2008).

However, there is a normative and positive consensus that lower inequality is good to democracy (Karl Lynch, BIRF, World Bank, 2007, PNUD, 2003). A median Gini index, with high income, are both, coming together good for democratic persistence and performance. Massive evidence suggest these conclusion (Guerrero and Walton, 2006; Booth and Seligson, 2006; World Bank, 2007; World Bank, 2006; World Bank, 2003; APSA, 2008; Lynn Karl, 2008; Rueschmeyer, 2004). The explanations are simple. It is contained in the Tocqueville thesis about the endurance of the nascent American Democracy and reedited in the studies of many sociologists, political scientists and economists. The argument can be framed in two ways. First, as a virtuous circle of equality and democracy, or contrary, a vicious circle between non equality and democratic stagnation. This second frame deserves much more multidisciplinary research. In the word of two author (Ansell and Samuels, 2008) “democratization is not about whether the median voter is going to soak the rich.; it is about whether all voters can obtain impartial protections from the state against violations of contracts and property rights” (p. 27). But the point is that in an oligarchic society property rights are concentrated and are transformed and reached by political power means. [7] The circularity of the argument is shocking. How oligarchic society can broke with its same power sources? The question deserves better responses. In their valuable review of the literature Landa and Kapstein (2001) make some relevant framing of the important questions. They begin by asking for the possibility of a political feasible redistributive policy. Commonsensical, they observe that the median voter argument is an implausible method when electoral mechanisms are very impaired, as is often observed in the many “Third Wave” countries. Simply, many citizens are disempowered to exercise their political rights plenty. The well studied mechanisms of vote manipulation are maximized in these cases. *Agenda control* and *bureaucratic capture*. “In the first case the median voter is denied the opportunity to cast a vote that could, in principle, be consequential for the determination of policy. In the second, even if such a vote could be cast, the problems of moral hazard, augmented by the difficulties of monitoring and effectively punishing

non-compliance, make unlikely that the median's voter preferences choice will be implemented by the executive" (Land and Kapstein, 2001:290; for a report on Mexico, see World Bank2007).

Many authors have noted that democracies have a best record in budgeting on education. As education is the key in the Lipset Hypothesis as equalization mechanisms, it is an important fact to observe. But in fact, as Michael Ross (2006) points an extra source of manipulation as simply as to note that the selective targeting of the expenditures is an effective mechanism against the median voter efficiency. In the former soviet republics this is the situation. Growing budgets on education, health and housing, but with selective targeting, creating new forms of clientele. The uses of the budget for political purposes are common in the middle range development countries. México is a typical case (World Bank, 2007), but also in the former Soviet republics has the same pattern (Gradstein and Milanovic, 2002).

The median voter thesis forgets another fact. In middle income countries the taxation system is very porous and arbitrary. Selective prices and subsidies to special constituents (as the Big Money actors or the underclass's) and tax evasion in the low income workers, especially under the informal economy. Unfortunately Ross do not goes in depth in his insights on their classification of democratic traps. He points some questions on the fact that Democracies expend most resources in health care and education, but target middles class whose are the most voters. The lower classes don't have enough resources to acquire information and influence or to build a coalition to present a real or effective challenge to *status quo* (Ross, 2006).

But the initial question is waiting for some answers. If democratic regimes are prone to subterfuges and elite manipulations, how explain the distributive process. The hypothesis of the median voter has some value, but also too many anomalies to sustain a robust theory. However, points the fact that it is a valid conceptual gadget to model social and political conflicts over distribution issues. Distributive politics is on what democracy was about. But votes are not the only way to access to political influence and parts of the economic cake. There are many contingencies that a general theory can explain but not necessarily predict.

If economic development by itself can not explain income distribution, neither political regime can do the economic performance neither the income distribution, as Adam Przeworski insists, then we need to look for other political variables, as the actual political economists are doing, what are the key political factors that really count in the politics of distribution?

The political scientist's advocates historic analysis are prone to recognize the international or geopolitical dimension on the state policies toward people. Theda Skocpol (1992), supports the idea that modern States invest more resources in people when they are engaged or ready to engage in conflict. Inner challenges or extra national conflicts induce to elites to "buy" the legitimacy and loyalty of population, enlarging the investment in "social and human capital". These investments are expressed in money but also, in certain forms to intervene the social relations. In the democratic societies this forms of intervention are denominated *infrastructural* (Mann, 1988; 1991), because are designed to improve not only the material floor of lower classes but their capability to build autonomous associations (Tilly, 2008). That contributes to the inclusion into the basic social pact to new agents and groups, before that point of time, excludes. This different path amongst democracy and authoritarianism can help to understand also the difference amongst democracies and oligarchies. In these scenarios, what make the difference are the power building capabilities available to the regime. Ian Shapiro gives an affirmative answer to the question when he writes that the actual misdistribution on income in advanced democracies is because the elites have perceiving a low risk of inner or external challenges to their supremacy. Political scientist Ian Shapiro puts succinctly this dimension commenting that "During the period between the great depression and the collapse of the Soviet Empire, elites in democratic capitalist systems had reasons to worry that capitalism could collapse, and the socialist and communist ideologies might seduce the disadvantaged populations in their own countries. This gave them prudential reasons to be concerned about the people at the bottom. In an era when the idea that capitalism might collapse is not longer taken seriously, and there is not competitor ideology can that could vie for the allegiance of the poor, these prudential reasons inevitably wane." (Shapiro, 2003: 134). Thus, the end of the Cold War favoured de de-

democratization policies and the paradoxical phenomena of a spawn of formal democracies across the entire world, and a decreasing democratic distribution on political –and economic and social equality- power. In this model, only the surpassing of some threshold on the perception of justice or fairness for commons can explain the point emergence of social protests or the probability of rebellion. Excess of confidence can be the last activity of abusive elites. Realist distributive policies are the response of intelligent power elites. The costs of new political coalitions can be weighted as the sum of all this possibilities and perceptions. Neither the elite nor the lower classes by themselves but the interdependent perceptions of future equilibriums can explain the positive or negative solution to distributive policies. In the times of political dissatisfaction and economical and political global competition and multipolarity, politics command, not the market.

Financial global deregulated mobility can be another negative element against redistribution. Financial capitalists can take off their assets and leave off to other countries less proneness to income distribution pressures –or fiscal paradises.”We have seen that greater capital mobility- by making democracy less threatening to the elites- may lead to the creation of a consolidated democracy. However, it is also true, as with any effects that reduces the scope for collective choices in a democracy to deviate from those preferred by the elites, that greater capital mobility implies that democracy is less able to deliver what majority of the citizen want” (Acemoglu and Richardson, 2006: 348) Both authors succinctly puts: “increased globalization may reduce the ability of democracy to improve the welfare of the majority” (*Ibid*).

FINAL REMARKS

The more promising approach is to improve the interdisciplinary study of the interactions between political regime, political power and economic distribution. During the cold War and its aftermaths scholars proposed some interesting and innovative theories to explain development and democracy. Neo institutionalism was one of the first new hybrids of theses specie. The new question was not how development can engender democracy but how political institutions can

engender development. The first answers suggest a *Lockean* approach. Douglas North put the emphasis in the property rights of bourgeoisie against depredators states. This answer was coincident with historical observations. Including was compatible with Marxist approaches to global development (why Europe and not China?). But the first theoretical versions were empirical and theoretical impaired by the ideological motivation of socialist collapse and the promises of the Third Wave of democratization. Second generations of analysis are showing much more detailed aspects and probability more realists and sceptical to political propaganda. Dan Acemoglu and Richardson, *et.al.*, offer a much more detailed explanation of the causal links between Democracy and development alternative. For example, Przeworski and his colleges conclude their study on the effects of political regime in welfare, and conclude that the only dimension were democracy shows a better performance that other types of political regime is in the betterment of women conditions. Theda Skocpol (1991) arrives to a conclusion similar observing the United States social policy history. She talks on a “motheralistic” social welfare, in where women association, acting with independence of party politics –the fight for the median voter- make a difference in the building of the most progressive American social policies, contrasting with the paternalistic welfare states built in Europe during the bloody Twenty Century, where socialist or leftist workers –men- parties had a strategic roles in the struggle to construct the welfare state. These parallels conclusions suggest a missing link in the search for causal relations between democracy and Development: the polity dimension. We must look not only for income equalization but for the Polity autonomy in their relations with state policies. Democracy can be characterized for these dimensions of polity autonomy before the States and capital (Tilly, 2008). For Tilly these spheres of autonomy are the basis of empowerment to negotiate distributive social policies. Because that, Tilly and their colleagues introduce to the political science dictionary the word contentious democratization or democratization from below (McAdams, Tarrow, Tilly, 2001; for the cases of Bolivia and Ecuador, see Lucero, 2008). Then, the link between Democracy and Development requires an expansion, against the minimal conception of democracy. The endogenous conception as is reduced to electoral

procedures –and the median voter mechanism of citizen participation- reduce arbitrarily the space of observation on how people can exercise influence in government’s actions (Schmitter, 2004). Economic deprivation is not necessarily a companion of cultural and political deprivation. For example, economic deprivation can be caused by natural catastrophe or war, but political and cultural capital or resources are well preserved and increased –cementing solidarity). But when economic deprivation is a common feature across many generations, cultural and political deprivation is the certain result. These phenomena have been well studied by scholars (see the studies of Booth, 2006; Lagos, 2008; United Nations, 2003; Bowles, 2006). The welfare state was sustained in the conviction that more money into social groups can engender more equitable society and its results were in that way; but the negative externalities –fiscal deficits, bureaucratic capture- outweighed the gains. Democratic’ equality ups and downs is not on economic distribution but on polity autonomy, but the glue that puts State, Political regime and Society in the same functional structure is socio economic and cultural equity. Then, the initial quotation of A. Sen is a conditional truth. The real practices that make democracy a good provider of social justice can not be taken for granted[8]. Political science and common sense are conclusive in the democratic failures. Generally called non-market failures, agenda control, bureaucratic and oligarchic capture of the state, from above, and anomie, disillusionment, ignorance and high cost to participate for common people are common features of actual democracies (Shapiro, 2003). Research programs must be very realist and interdisciplinary to make a good work in the big questions about the future of democracy. In the opening of new political global environments, risks and conjunctures, with financial dislocations, fiscal crisis, growing unemployment, massive migration from South to North, and greater dissatisfaction and anger of most population, the perspectives of democracy and development deserve careful, and realist, attention.

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[1] The Gini Index spreads between an .27 and an .70, where zero (0) is a absolute equality and 1 an absolute inequality. The conventional assumption is that a coefficient between .3 and .4 represent a acceptable levels of equality. The relation between Gini coefficient and per capita levels of income is harder to fix, but normally higher income countries have low levels of inequality and high income, but poor countries have highs levels of equality but low levels of income per capital. The Kunzet curve is a representation of the path of transition from an extreme (underdevelopment) to the other (development)

[2] As the discussion goes in-depth, the question on the meaning of Equality World be intractable due the many details and particular aspects.(see on that Dahl, and a big look at the philosophical court. However, the frequent fear to equalitization can be found in the American political scientist Sydney Verba (2003)

[3] At this point Ansell and Samuels turn to the Douglass North thesis, but this one is not on democracy but on property rights and the limitations to the arbitrary state power on property rights.

[4] An example of this cognitive dissonance is found in Walton (2004). He believe that was not neoliberalism policies but the incompleteness of these the cause of the bad economic performance in Latin America; for a better or at least, more realist assessment, Cohen and Centeno, 2006).

[5] In 1987 there was 67 democratic countries, but in 2005 the numbers growth to 122.

[6] The same conclusion is in a recent paper (Acemoglu ,2008, p 1, note 3).

[7] Ansell, p29(*jtouche!*)

[8] The World Bank report on Inequality in Latin America succinctly puts those facts in these words:

“There are several reasons why a system of formal democracy may be insufficient for introducing redistributive change. First, political inequality may persist due to the status quo bias in existing political institutions, which have been created and sustained precisely by powerful forces in society that have caused persistent inequality to begin with. Secod, the state, or parts of it may be captured and manipulated by elite interests to the detriment of the interests of the poor and underprivileged.”

(World Bank, 2003: 236)

[AV1]The most what? Es una traducción literal de “Lo más que podemos concluir...”?