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Improving the Quality of Public Administration under Regime Change



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Introduction

Kilkon Ko

1. Background of Research

A nation is a stable community of people with a territory, population, and sovereignty. As its definition suggests, stability is a very important component of sustainable nation; however, some countries experience a rapid transition from one status to another. For instance, decolonization during the second half of the 20th century, dissolution of the Soviet Union followed by the creation of the Commonwealth of Independent States (CIS) after December 26, 1991, and democratization of authoritarian countries are some examples indicating that transitional countries are more common than expected.

A transition or regime change comes from unexpected internal and/or external shocks, although in some cases, the change is due to an accumulated contradiction or anomaly in a society. For instance, the decolonization of many African and Asian countries after the Second World War and the transition to a market economy after the collapse of the Soviet Union in the late 1990s are good examples of transition due to an external shock. On the other hand, the so called color revolutions in Egypt, Libya, Lebanon, and Syria are examples of transition due to accumulated contradictions within a society.

Transitional countries face unprecedented challenges. Transitions cause the rearrangement of political systems, including changes to the constitution and transformation of political institutions, which result in conflicts of political interests. Conservative groups resist new political orders, which can deter or reverse changes. Even if the existing political system is not dramatically changed, some transitional countries are forced or attempt to change their economic, social, and cultural systems. For instance, the dissolution of the Soviet Union caused the adoption of a market economy by many countries that still maintain an authoritarian regime.

Public administrators and policy makers also face serious challenges that usually arise from the alteration of constitutional and political systems. As public administration operates within the legal and political systems, these changes require comprehensive reform of the public administration system as well. However, bureaucracy prefers incremental change given its nature of following rules and processes. At the same time, public officials who served for the old regime resist reform because their new political masters want to remove former bureaucrats with questionable loyalty. Such a purge causes a serious shortage of competent public officials who can ensure that the bureaucracy complies with administrative reform. In such a case, recruitment of new public officials tends to be based on loyalty rather than merit. Hence, administrative efficiency is not well secured in transitional countries because public managers cannot find relevant ways to manage public officials, allocate financial resources, and reformulate governance among public, private, non-profit, and civil societies.

Also, the public explores different interests, which makes policy issues far more complex. In such a context, mass politics dominates the policy making process and significantly undermines the efficiency of the administrative system. In terms of the economy, the power

transition between the state and market causes a pendulum swing between nationalization and privatization. Unfortunately, public officials do not know the best solution in such situations.

Of course, many solutions have been offered to a country transitioning from a state to market-oriented economy, from an authoritarian to democratic regime, and from a localized to globalized country. For instance, Havrylyshyn and Wolf (1999) proposed the following recommendations for transition countries to promote economic growth.

- Liberalizing economic activity, prices, and market operations, along with reallocating resources to their most efficient use;
- Developing indirect, market-oriented instruments for macroeconomic stabilization;
- Achieving effective enterprise management and economic efficiency, usually through privatization;
- Imposing hard budget constraints, which provide incentives to improve efficiency; and
- Establishing an institutional and legal framework to secure property rights, the rule of law, and transparent market-entry regulations.

While such suggestions are very insightful and useful to many countries, transitional countries realize that those suggestions do not necessarily fit each country's context. For instance, the liberalization of economic activities may cause an unregulated market economy, which results in market failures such as monopolies, corruption, and the consolidation of politics and business at the expense of public interests.

In addition, the concept of regime includes both formalized political and other institutional structures, and informal factors such as culture, language, and other forms of social constraints affecting the daily lives of citizens. Accordingly, many policies recommend that transitional countries make modifications based on each countries' context.

Therefore, public administration and policies in transitional countries are not necessarily the same as those in stable countries. It is important to specifically understand a variety of challenges that transitional countries face by performing more case studies, from which more contextually relevant policies can be discovered. This monograph is a part of that effort.

2. Structure of Research

This research selects Korea and Belarus as cases for exploring issues related to regime change. Belarus is surrounded by Poland, Ukraine, and Russia. Before gaining independence in 1991 from the Soviet Union, Belarus was part of the Kingdom of Lithuania, the Grand Duchy of Lithuania, and later the Polish-Lithuanian Commonwealth. Then, it was incorporated into the Russian Empire and eventually the Soviet Union in 1922. Notably, the western part of Belarus belonged to Poland before the Second World War but the Soviet Union included the territory during the Second World War.

The composition of religion and race in Belarus is diverse. Orthodox Christians consist of 80–82% of the Belarusians, while 12–14% are Catholics; the majority of Belarusians are ethnic Belarusian (more than 80%), followed by Russian (8%), Polish (3%), and Ukrainian (about 2%). Also, the languages used in Belarus are Belarusian and Russian.

How Belarusians have perceived the impact of regime change and responded to it are very important. Considering its complicated history and diverse religious, territorial, and ethnic composition, Belarus has experienced deep impacts from regime change, causing a rearrangement of different interests among different groups and regions. The impacts range from legal, political, and administration dimensions to cultural ones. Notably, many expected that the collapse of the Soviet regime followed by the independence of Belarus would result in a regime change toward a liberal market-oriented democratic system. However, Belarus has returned to an authoritarian regime. The experience of Belarus provides important implications for former Soviet Union countries accustomed to a socialistic regime undergoing a regime change.

The other case addressed in this monograph is South Korea. South Korea is surrounded by China, Japan, and Russia and has strong ties to the United States. After the Second World War, South Korea experienced a civil war from 1950-1953, which completely destroyed most of its economic and social infrastructure. Compared to Belarus, while South Korea has homogeneous ethnic, language, and territorial boundaries, it was a center of conflict among super powers during the Cold War. Even after the dismantling of the Soviet Union, North and South Korea failed to mitigate military tensions between them. Moreover, the two Koreas have diverged in many aspects including their political regime (democratic vs. socialistic), economic size, openness toward the world, and advancement of civil society. South Korea struggled to advance democracy until the late 1990s and finally achieved democracy as well as economic development despite many challenges. Similar to Belarus, South Korea experienced resistance to the political group that strongly resembled the authoritarian regime; however, Korea's eagerness for democracy eventually allowed it to avoid the temptation to return to the old regime. Korea's case can provide insights for other countries that struggle to transform their

administrative systems into more democratic and efficient ones.

Before delving into the case studies of Belarus and South Korea, we review general issues relevant to regime change. To understand transitional countries, we must clarify the meaning of transition or change. Although we limit the meaning of transition to political regime change as many scholars do, the meaning of regime change is still controversial. Therefore, we first review how regime change is defined in the literature. As different views on regime change have been proposed, we address the types of political regime changes and theoretical approaches to explain the causes and effects.

After a review of the concept of regime change, we scan the impact of regime change in the literature. For instance, Gunther (1996) suggests that the transition from the Franco regime to a democratic regime in the 1970s in Spain transformed its tax policy from a regressive, archaic, and inefficient taxation system to a more democratic one similar to other developed countries. In addition to tax policy, many impacts of regime change have been reported in the literature, and we aim to review them more systematically.

After a review of the concept and impact of regime change, we perform a case study of South Korea and Belarus. Rather than imposing a unified framework for understanding each case, we seek to focus on the key issues of the impacts of regime change such as economic growth, international relations, social movement, and public policy and administration. Of course, the importance of these issues vary by country. For instance, as South Korea experienced a regime change from authoritarianism to democracy, we focus on the changes to bureaucracy and administrative systems during the period. In Belarus, the changes to the economic system, international relations, and social dynamics are more important than other issues, and thus we focus on those.

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II

Understanding Regime Change

Eunju Rho

Part 1

Conceptual Issues in Theory of Regime Change

1. Conceptual Foundations

The concept of regime is not only often associated with a specific individual, ideology, approach, or political project, but also preceded by a specific spatial jurisdiction. Accordingly, one finds in political science, sociology, and public administration a variety of distinctions among different types of regime or among its different influential processes. Our main purpose in this chapter is to identify the major types of political regimes and systematically understand political regime change and related issues. Among others, the determinants of political regime change and the consequences that accompany regime change are particularly prominent topics. In this chapter, we review the definition and types of regime change and introduce scholarly work on the causes and consequences of political regime change.

1) Regime: Definition

Many definitions of regime have been proposed over the years. According to Fishman (1990, p. 428), “a regime may be thought of as the formal and informal organization of the center of political power, and of its relations with the broader society. A regime determines who has access to political power, and how those who are in power deal with those who are not.” This definition offers several advantages for understanding regimes. This conceptualization first implies a broad range of regime types, which also involves distinctions among democracy and authoritarianism, which is covered in the next section.

Second, Fishman (1990) indicates that compared to the notion of state and government, a regime is more permanent than a government but less permanent than the state. While the state is the locus of political power, a regime focuses on the way in which power is actually exercised and the way in which rules and procedures are formed (Lawson, 1993). In its relation to government, the regime “determines not only the manner in which governments are formed and carry out their functions, but also the basis of their legitimacy as well as the extent to which they are permitted to exercise authority” (Lawson, 1993, p. 187). Therefore, as summarized by Lawson, “regimes embody the norms and principles of the political organization of the state, which are set out in the rules and procedures within which governments operate” (1993, p. 187).

Third, the phrase “the formal and informal organization” is a potent reminder that regimes are social structures. Regimes may be more or less formally articulated and may or may not be accompanied by explicit organizational arrangements (Young, 1980). This is important because power allocation is primarily a structural phenomenon. While not all regimes are accompanied by explicit or formalized organizational arrangements, regimes can make use of organizational structures to resolve any associated problems and dispute settlement

during the process of regime change (Young, 1980). In this vein, Kitschelt (1992, p. 1028) specifically defines political regimes as “the rules and basic political resource allocations according to which actors exercise authority by imposing and enforcing collective decisions on a bounded constituency.”

2) Types of Political Regime

The political regime literature identifies two major categories of regime: democracy and authoritarianism. While these two categories are often regarded as endpoints of the continuum, there are other types of regimes that fall along the continuum between two endpoints. For instance, Gasiorowski (1996) introduces four types of regimes: democratic, semi-democratic, authoritarian, and transitional regime.

First, a democratic regime is “a regime in which (a) meaningful and extensive competition exists among individuals and organized groups for all effective positions of government power, at regular intervals and excluding the use of force; (b) a highly inclusive level of political participation exists in the selection of leaders and policies, such that no major (adult) social group is excluded; and (c) a sufficient level of civil and political liberties exists to ensure the integrity of political competition and participation” (Gasiorowski, 1996, p. 471). Democracy has been a commonly accepted notion. Although simplifying the definition of “democracy” may raise many issues, the etymological meaning of democracy is “rule or power of the people” (Lawson, 1993, p. 189). It is impossible to specify a certain set of necessary and sufficient conditions of democracy, but it is possible to specify some criteria as necessary to qualify a regime as democratic. A number of dimensions or sub-concepts are considered characteristics of democracy, including values such as equality, community, justice, representative institutions, electoral systems, pluralistic political parties, constitutionalism, participation, free speech, and opposition.

Second, an authoritarian regime refers to “a regime in which little or no meaningful political competition or freedom exists” (Gasiorowski, 1996, p. 471). The features of democratic politics are based on the foundation of political opposition. While opposition is a critical aspect of democracy, political opposition is not necessary in some political states as the terms state, regime, and government have become blurred. Given this, antithetical regime types require attention. During the 1950s and 1960s, the classical theories on nondemocratic regimes primarily focused on a distinction between totalitarianism and authoritarianism, but such categories soon grew obsolete. While very few regimes fit the totalitarian type, the authoritarian type was too inclusive. Nonetheless, under such nondemocratic regimes, the political party constitutes the government under the direct control of the leader. The totalitarian leader countenances no opposition, whereas democracy insists on it. Totalitarianism does not advocate the rule of law, while democracy upholds it through a constitution. In addition, totalitarianism demands loyalty to the leader and support for his or her cause, while democracy pursues the private and social lives of the individuals within it (Lawson, 1993; Maddox, 1986).

Third, a semi-democratic regime refers to “a regime in which a substantial degree of political competition and freedom exist, but where the effective power of elected officials is so limited, or political party competition is so restricted, or the freedom and fairness of elections are so compromised that electoral outcomes, although competitive, still deviate significantly from popular preference; and/or civil and political liberties are so limited that some political orientations and interests are unable to organize and express themselves” (Gasiorowski, 1996, p. 471). Thus, this type of regime shares both democratic and authoritarian characteristics.

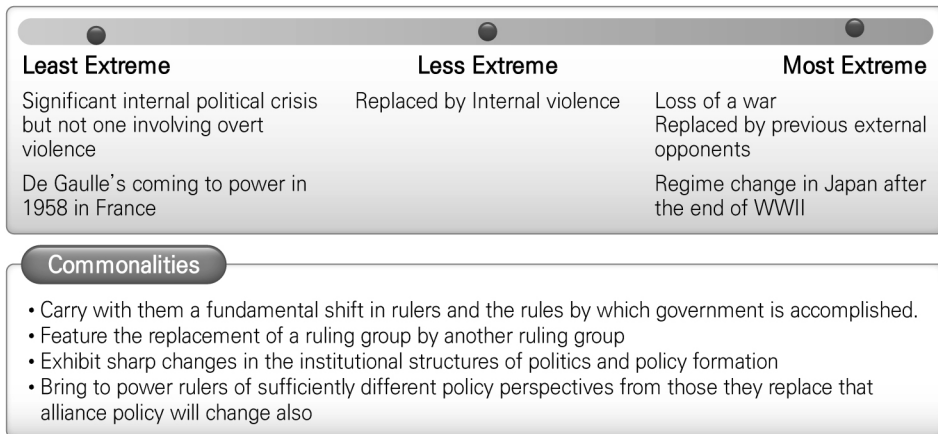
Finally, transitional regimes are defined as those in which deliberate and successful efforts are exerted with the clear acquiescence of top government officials to engineer a change from one of these three regime types to another. Often scholars treat them as continuations of the regimes that preceded them (Gasiorowski, 1995).

2. Political Regime Change

For decades, we have observed profound political regime changes in various parts of the world such as Latin America, East Asia, and Europe. These changes can be categorized into two broad forms: “occasions in which only government leaders are replaced by others who broadly share their values and goals while the ‘rules of the game’ remain the same” and “instances in which not only the rulers are changed but the entire way politics is conducted is fundamentally altered as well” (Siverson & Starr, 1994, p. 148). Thus, in either form, regime change is accompanied by the change of rulers as a condition precedent.

Siverson and Starr (1994) further specify three types of regime change in terms of the manner of regime change and its severity. The most extreme type is when the regime change follows the loss of a war in which a new regime is helped into power by its previous external opponents. Less extreme are those occasions in which internal violence leads to a replacement of an existing regime. The least severe form is when a regime is changed under a significant internal political crisis, but not one involving overt violence. Figure 2-1 features characteristics of three types of regime change.

[Figure 2–1] Three Types of Regime Change by Severity



*Source: Siverson & Starr (1994)

Political regimes are not static; instead, they undergo continuous transformation in response to changes in their political, economic, social, and international environments. Scholarly approaches to political regime changes are divided into two major camps: structure- and process-oriented approaches (Kitschelt, 1992). These two schools of thought include differences in theory, methodology, and research design. According to structuralists, historical actors encounter narrow choice sets and even their rational choices are constrained by the distribution of resources and their exogenous interests in maximizing income and power (Kitschelt, 1992). On the other hand, process-oriented scholars view the actors' manipulation of their own and their adversaries' cognitive and normative frames as a key force promoting a certain type of regime (Kitschelt, 1992). A fundamental division between the two concerns the concept of choice in political action. While choices for structure-oriented scholars mean calculating preferences and institutional constraints, process-oriented scholars define choices as actors' perceptions of preferences and constraints. The two camps differ on methodological and design questions. Structuralists prefer systematic macro-quantitative or conceptually

qualitative comparisons with countries as units of analysis. By contrast, the process-orientation camp prefers descriptive reconstructions of individual cases of regime change. This can be often illustrative and impressionistic. However, the direct comparison of the two results in an inaccurate understanding. The discussion needs to focus on different objects of explanation with different research methods and designs.

Specifically focusing on changes in the establishment of democratic practices around the globe, the prominent theories of democratization provide explanations of what forces drove these patterns of regime change (Teorell, 2010). First, the modernization theorists, such as Lipset (1959), emphasize the role of structural parameters for explaining movements toward and away from democracy. The factors include per capita income, education, and the distribution of wealth, as well as preferences for political and civil liberties (Feng & Zak, 1999). Feng and Zak (1999) found that democratic transitions are less likely when the level of development is low, income inequality is high, and citizens are less educated. They also note that democratic transitions are less likely to occur when democratic heritage is weak. Such structural forces can be categorized into (1) domestic economic influences, such as state involvement in the economy (Burkhart, 2000), economic crises (Gariorowski, 1995), and income inequality (Burkhart, 2007); (2) domestic societal influences, including societal fractionalization (Dahl, 1971), social capital (Paxton, 2002), and mass political culture (Inglehart, 1997); and (3) international influences, such as economic dependency (Bollen, 1983), globalization (Li & Reuveny, 2003), and regional organizations (Pevehouse, 2005). By contrast, the strategic approach views the elite actors' strategic skills as a key driving factor for democratization (O'Donnell, Schmitter, & Whitehead, 1986; Rustow, 1970). The social forces tradition emphasizes the role of mass mobilization by the working class, which has triggered the democratic movement.

Part 2

Determinants and Consequences of Regime Change

1. Determinants of Regime Change

What factors affect regime changes? What factors bring about transition to democracy? What triggers the breakdown of democratic regimes? This section describes factors affecting regime change from various perspectives, particularly focusing on structural, economic, and international determinants.

Most of the early studies on the determinants of political regime type and change heavily relied on broad structural factors. Structural approaches characterized the “first generation” of regime change studies. Various socio-economic conditions have been considered factors that triggered the transition from authoritarianism to democracy linked to economic development (Gasiorowski, 1995). These factors include, but are not limited to, the level of per capital income, the extent of literacy and education, the degree of urbanization, and the quality and extent of communication media. High levels of these factors foster the emergence of the middle class (Lipset, 1959) and working class (Rueschemeyer, Stephens, & Stephens, 1992), whose members actively pursue access to state power and push ahead with democratization. For theorists and scholars who posit the importance of economic development conducive to democracy, the assumption for their generalization is as follows: “the more well-to-do a nation, the greater the chances that it will sustain democracy” (Lipset, 1959, p. 75). Therefore, many developing countries have been undergoing a transition from authoritarianism to democracy as their economies develop (Burkhart & Lewis-Beck, 1994).

Another set of structural factors concerns social-structural conditions. For instance, a high level of inequality undermines the legitimacy of a regime and causes democratic institutions to be replaced by authoritarian rule, while low or moderate inequality is a factor that facilitates democracy (Muller, 1988). Other factors include societal homogeneity, a relatively even distribution of power among societal groups, and overarching loyalties (Dahl, 1971; Vanhanen, 1991).

Moreover, the character of political institutions can trigger changes in political regimes. Institutional features include the extent of institutionalization (Huntington, 1968), the coherence of party systems (Mainwaring, 1993), or parliamentary versus presidential system characteristics (Linz & Valenzuela, 1994). Stable and compromised institutional characteristics are considered to facilitate the transition to democracy.

International political and economic conditions, including economic dependence, relationships with superpowers, and other international environments, are also identified as structural factors that may affect political regimes (Gasiorowski, 1995). Regime change is likely to occur when both structural factors and triggering events come into play. For instance, tensions rooted in economic development processes may trigger democratic breakdown (Crowther, 1986). Economic crises caused by varying structural economic conditions such as transitions between stages of capitalism and the Third World debt crisis illustrate this. Studies indicate that democratic breakdowns tend to occur in countries in the middle stages of development where political and economic instability exists (Gasiorowski, 1995).

Over the past century, democratic states have frequently attempted to spread democracy. Sustainable democratic institutions can be imposed through foreign-imposed regime change (FIRC), particularly through military intervention. The transformation of West Germany and

Japan into consolidated democracies after World War II demonstrates the transition to democracy engineered by outsiders through military intervention. However, pessimists argue that these cases are outliers, and more cases of failure, such as Iraq, Afghanistan, or US interventions in Central America and the Caribbean in the early twentieth century, have shown no effect or even a negative effect of FIRC on a state's sustainable democratic development (Downes & Monten, 2013).

Downes and Monten (2013) argue that the intervening state's motives and efforts are heavily emphasized as factors affecting democratization but the targeted states' favorable conditions for democracy are equally important or serious enough to warrant a successful regime change. Likewise, Peic and Reiter (2011) highlight two conditions necessary for FIRC: (1) the intervening actor's strong desire to impose regime change on a target state to advance foreign economic interests or spread ideology and (2) the target state's capability to impose regime change.

On the other hand, external factors—particularly the role of diffusion—can change the balance of power between regimes and opposition forces. The likelihood of changes in a regime results from the intentional context and events in neighboring states by changing the relative power of actors/groups as well as the evaluations for particular institutional arrangements. As a result, regimes generally become similar within a certain region, and the tendency for transition to impart a regional convergence can be observed (Gleditsch & Ward, 2006).

2. Consequences of Regime Change

1) Regime Change and Economic Growth

Does regime change foster or hinder economic growth? Research on political regimes and economic growth has flourished over recent decades based on the perspective of understanding regimes as social institutions mediating economic and political intercourse (Lipson, 1982). One ongoing debate on economic growth and political regimes is whether dictatorships or democracies better promote economic growth. Despite considerable debate and econometric evidence, many of the central questions pertaining to the economic implications of different types of regimes remain unresolved. This section introduces a review of theoretical perspectives on the effect of political regime on economic growth, and then reviews the relevant studies evaluating the economic impacts of each type of regime.

(1) Theoretical Perspective

Sirowy and Inkeles (1990) have provided an excellent review of the effects of democracy on economic growth. In their review of the literature, three perspectives have been proposed to explain the relationship between democracy and growth: the conflict perspective, comparability perspective, and skeptical perspective.

First, scholars of the conflict perspective have embraced the position that democracy hinders economic development. Democratic regimes rest on political and civil liberties so that their participatory decision-making process and responsiveness to the public's demands in various areas are inherently besieged by highly disruptive dissents and conflicts stemming from heterogeneity of region, religion, ethnicity, and class.

Authoritarian regimes, by contrast, are considered more effective and efficient for stimulating growth and investment by suppressing labor unions, wages, and consumer demand (Durham, 1999; Kurth, 1979). In this vein, with China's economic ascent, the eclipse of the Arab Spring, and the recent rise of populist politics in Europe, the consensus that democracies are not suited to promote rapid economic growth seems to be widespread among academia and policy discourse (Acemoglu, Naidu, Restrepo, & Robinson, 2019; Magee & Dores, 2015). By comparing China and India, noting that the former has outgrown the latter, scholars have argued that authoritarian regimes, which bestow considerable discretion on sovereigns with less red tape and fewer sources of friction, grow faster than democracies, which are slowed by cumbersome political processes (Magee & Dores, 2015). The mechanisms of the superior ability of authoritarian regimes include:

- Better ability to exert firmer control over labor and labor markets;
- Greater efficiency in the allocation of resources;
- Better ability to use coercion to break traditional patterns;
- Greater capacity to collectively organize and direct economic policies;
- Greater autonomy from distributionist pressures; and
- Greater capacity to stabilize and control internal conflicts (Haggard, 1990; Sirowy & Inkeles, 1990).

Second, the compatibility perspective sharply objects to the conflict perspective and contends that democracy improves economic growth. From this perspective, democracies may effectively limit sovereign discretion, check arbitrary rules, limit corruption, avoid legal uncertainties that increase transaction costs, and preserve established

property rights (Durham, 1999; Scully, 1988). Thus, in a climate of liberty, rights, and freedom, free-flowing information, and secured control of property, resources can be effectively allocated in the marketplace, there is more incentive to invest, and profit-maximizing private activity can be maintained (North, 1990). The democratic process and exercise of fundamental civil liberties and political rights eventually serve as the essential societal conditions for economic development (e.g., Goodell & Powerson, 1982; Goodin, 1979; McCord, 1965). Therefore, economic growth can be promoted under democratic regimes in which political and economic freedom enhances property rights and market competition (Feng, 1997). Moreover, compared to numerous weaknesses of authoritarian regimes such as a distorted size distribution of enterprises, corruption, and waste, democratic regimes tend to be less corrupt and less prone to the extravagant use of resources, have more internally consistent policies, and provide less volatile economic processes (Sirowy & Inkeles, 1990).

Despite these positive attributes of democracy, the predominant view of the economic implications of democracy is quite pessimistic: democracy has either a negative effect or no overall effect on economic growth. Moreover, such positive indirect effects are also balanced by negatives (Gerring, Bond, Barndt, & Moreno, 2005). Among these conflicting views and debates, a so-called skeptical perspective has arisen, implying that rather than regimes per se, the institutional structure and organizational characteristics (e.g., two-party vs. multi-party) and government development strategies (e.g., import substitution vs. export promotion) are more critical to economic growth (Sirowy & Inkeles, 1990).

(2) State of Empirical Research

The academic research provides mixed evidence as to whether authoritarian regimes outgrow democracies. For instance, Sirowy and Inkeles (1990) reviewed 13 cross-national, quantitative studies on the economic consequences of democratic regimes. Of these 13 studies, three studies found an unqualified negative effect of democracy on rates of economic growth, and six studies found no relationship between democratic regimes and economic growth. The remaining four studies reported some kind of conditional relationships. Table 2-1 summarizes the review of these studies.

[Table 2-1] Sirowy and Inkeles's (1990) Literature Review

Study	Democracy– economic growth relationship	Number of countries examined	The period examined
Adelman & Morris (1967)	Conditional	74 Less Developed Counties (LDCs)	Period examined ends by 1965
Feierabend & Feierabend (1972)	None	84 Developed Counties (DCs) and LDCs	Period examined ends by 1965
Dick (1974)	None	72 LDCs	Period examined ends by 1970
Huntington & Dominguez (1975)	Negative	35 LDCs	Period examined ends by 1965
Russett & Monsen (1975)	None	80 DCs and LDCs	Period examined ends by 1965
Marsh (1979)	Negative	80 LDCs	Period examined ends by 1970
Meyer et al. (1979)	None	23 LDCs	Period examined ends by 1970
Weede (1983)	None	74 LDCs	Period examined ends by the early 1980s
Berg-Schlusser (1984)	Conditional	38 All African LDCs	Period examined ends by the early 1980s

Study	Democracy– economic growth relationship	Number of countries examined	The period examined
Kohli (1986)	None	10 LDCs	Period examined ends by the early 1980s
Landau (1986)	Negative	65 LDCs	Period examined ends by the early 1980s
Sloan and Tedin (1987)	Conditional	20 All Latin American LDCs	Period examined ends by the early 1980s
Marsh (1988)	None	55 LDCs	Period examined ends by the early 1980s

* Source: Sirowy & Inkeles (1990)

Przeworski and Limongi (1993) reviewed 18 studies on democracy, autocracy, bureaucracy, and growth. Among them, eight studies found in favor of democracy, eight found in favor of authoritarianism, and five discovered no difference.

[Table 2–2] Przeworski and Limongi's (1993) Literature Review

Author	Sample	Time frame	Finding
Przeworski (1966)	57 countries	1949–1963	Dictatorships at medium development level grew fastest
Adelman & Morris (1967)	74 underdeveloped countries (including communist block)	1950–1964	Authoritarianism helped less and medium developed countries
Dick (1974)	59 underdeveloped countries	1959–1968	Democracies develop slightly faster
Huntington & Dominguez (1975)	35 poor nations	The 1950s	Authoritarian grew faster
Marsh (1979)	98 countries	1955–1970	Authoritarian grew faster
Weede (1983)	124 countries	1960–1970	Authoritarian grew faster
Kormendi & Meguire (1985)	47 countries	1950–1977	Authoritarian grew faster
Kohli (1986)	10 underdeveloped countries	1960–1982	No difference in 1960s: authoritarian slightly better in 1970s

Author	Sample	Time frame	Finding
Landau (1986)	65 countries	1960–1980	Authoritarian grew faster
Solon & Tedin (1987)	20 Latin American countries	1960–1979	Bureaucratic authoritarian regimes do better than democracy; traditional dictatorships do worse
Marsh (1988)	47 countries	1965–1984	No difference between regimes
Pourgerami (1988)	92 countries	1965–1984	Democracies grew faster
Scully (1988, 1992)	115 countries	1960–1980	Democracies grew faster
Barro (1989)	72 countries	1960–1985	Democracies grew faster
Grier & Tullock (1989)	59 countries	1961–1980	Democracy better in African and Latin America; no regime difference in Asia
Remmer (1990)	11 Latin American countries	1982–1988 1982 and 1988	Democracy faster, but result statistically insignificant
Pourgerami (1991)	106 less developed countries	1986	Democracies grew faster
Helliwell (1992)	90 countries	1960–1985	Democracy has a negative, but statistically insignificant, effect on growth

*Source: Przeworski & Limongi (1993)

In 2015, Magee and Doces (2015) extended Przeworski and Limongi's (1993) literature review and examined 32 studies on growth and democracy. Table 2-3 shows their addition to the literature review. Of these studies, eight provide evidence that authoritarianism promotes higher rates of economic growth, 15 favor democracies, and nine are inconclusive.

[Table 2–3] Magee and Doces’s (2015) Literature Review

Author	Sample	Time frame	Finding
Barro (1996)	Approximately 100 countries	1960–1990	Democracy has a weak negative (and non-linear) effect on growth
Feng (1996)	40 sub-Saharan African countries	1960–1992	Democracy has a positive effect on growth
Leblang (1996)	Up to 50 countries	1960–1990	Democracy indirectly affects growth through protection of property rights
Leblang (1997)	Approximately 70 countries	Decade analysis (1960, 70, 80)	Democracy positively affects growth
Feng (1997)	96 countries	1960–1980	Democracy has an indirect but positive effect on growth
Przeworski et al. (2000)	141 countries	1950–1990	No evidence in favor of either democracy or dictatorships
Tavares & Wacziarg (2001)	65 industrial and developing countries	1970–1989	Overall effect of democracy on growth is negative and moderate; democracy increases human capital accumulation but decreases physical investment rates; democracy lowers inequality but increases government consumption. Negative effect via capital accumulation dominates effect of democracy on growth
Rivera-Batiz (2002)	59 countries	1960–1990	Democracy increases quality of governance, including controlling corruption, and this leads to technological change and economic growth. Empirically, democracy is associated with higher total factor productivity
Krieckhaus (2004)	Up to 112 countries	1960–1999	Democracy reduced growth rates in 1960s, increased growth in 1980s, and there was no effect in the 1970s and 1990s
Rodrik & Wacziarg (2005)	Up to 154 countries	1950–2000	Transition to democracy does not lead to less growth and in many cases produces a positive growth effect. No advantage for transitions to authoritarian rule

Author	Sample	Time frame	Finding
Gerring, Bond, Barndt & Moreno (2005)	Up to 187 countries	1950–2000	The stock of democracy has a cumulative or long-run effect on growth
Kriekhaus (2006)	Regional Analysis	Various years	Democracy reduces growth in Asia and Latin America, but increases it in Africa
Feng, Kugler, Swaminathan & Zak (2008)	108 countries	1960–2004	Political freedom triggers a demographic transition leading to sustained economic growth
Doucouliağos and Ulubaşoğlu (2008)	Meta-Analysis	Population of 483 estimates derived from 84 studies	Democracy does not have a direct effect on growth; but it has an indirect effect via higher human capital, lower inflation, less political instability, and more economic freedom. Effect also varies by country and region

*Source: Magee & Doces (2015)

Doucouliağos and Ulubaşoğlu (2008) applied meta-regression analysis to a pool of 84 studies with 483 published estimates of the democracy—growth association. Considering all of the data together, they first found no accumulated evidence of democracy being directly detrimental to economic growth. Second, democracy has significant indirect effects on economic growth through various channels (e.g., human capital formation, economic freedom, inflation, political instability). Third, regional effects were found, noting that the democracy—economic growth association is stronger in Latin America but weaker in Asia. Fourth, differences in reported results can be attributed to differences in research design and econometric specification. Finally, considering the economic freedom—growth association, the net effect of democracy on growth is not negative.

(3) Regime Change and Economic Growth

Many authors' contributions to this line of research have mainly focused on whether a specific type of political regime significantly contributes to economic growth by utilizing the cross-sectional variation to identify long-patterns (Papaioannou & Siourounis, 2008). To improve understanding of the effect of regime change on economic growth, a series of studies have highlighted how "democratization" or "democratic transition" is associated with higher growth. Using panel data techniques that exploit the within-country variation, scholars explored whether economic growth accelerates, declines, or remains constant following a regime change. For instance, Talbot and Roll (2003) investigated the effect of democratic transitions on income, while Giavazzi and Tabellini (2005) examined the interactions between political and economic reforms. Rodrik and Wacziarg (2005) also explored the within effect of democracy on growth and revealed that major democratic transitions have a positive effect on economic growth in the short term. Hausmann, Pritchett, and Rodrik (2005) demonstrated that political regime changes are statistically significant predictors of growth accelerations from 80 cases of rapid economic acceleration since the 1950s.

In a similar vein, Jones and Olken (2005) explored whether a national leadership change matters in terms of shifts in economic growth, using a dataset that contains all national leaders in the post-WWII period worldwide from 1945 to 2000. Their findings indicate that persistent changes in growth rates are associated with leadership transitions, while the effects of leaders are stronger in autocratic settings than in democratic institutions. Additionally, their results provide evidence that leaders affect monetary policy, but there is no statistically significant leader effect on fiscal, trade, or security policy.

Persson and Tabellini (2009) formulated a theoretical model of the dynamics of economic and political change by combining the issues of the economic effects of political regimes and the consolidation of democracy. Their model was designed to examine whether regime change determines economic growth as well as whether regime transitions are influenced by democratic capital, which refers to the accumulation of civic and social assets that promote democracy. Democratic capital accumulation can occur through a country's learning process from its own historical background or incidences of democracy in neighboring countries' democratic transitions. Their results demonstrate that the probability of regime change depends on a country's democratic capital that can stimulate economic growth by increasing the stability of democracy.

2) Regime Change and International Relations

Regime change can affect alliances in international relationships with neighboring countries and international organizations. Studies have highlighted the link between alliance formation and regime type, although the relationships seem inconsistent across time, space, or research design. Focusing on the effects of regime change on international alliances, Siverson and Starr (1994) empirically tested cases of regime change in Europe between 1816 and 1965 and concluded that all types of regime change—such as externally imposed regimes, internally replaced regimes involving violence, and internally replaced regimes without violence—have significant effects on a state's shifts in alliance portfolios.

Particularly as to the relationship between domestic regime transition and external conflict, Mansfield and Snyder (1995) analyzed whether democratization during periods of one, five, and ten years is associated with involvement in war over subsequent periods of one, five, and ten

years, respectively, based on the assumption that views democratization as a gradual process rather than a sudden change. During the period from 1811 to 1980, they found that democratizing states were more likely to fight wars than states that had undergone no regime change. In response to the many criticisms of their initial study, their claim has since been restricted to democratization and refined by distinguishing between complete and incomplete democratization. In their research on democratic transitions, institutional strength, and war (Mansfield & Snyder, 1995), stable democracies are found to promote peace, prosperity, and respect for civil liberties in states where little authority is centralized in the hands of public officials; incomplete democratic transitions often lead to external war. Later in response to Narang and Nelson's (2009) criticism, they also distinguished between two scenarios based on the strength of domestic institutions. While incomplete democratizers with strong domestic institutions are "less likely to be the target of attacks than those with generally weak domestic institutions and more likely to initiate wars," incomplete democratizers with weak institutions are "prone to belligerent ethnic nationalism or sectarianism that induces neighboring states to attack" (Mansfield & Snyder, 2009, p. 384).

Moreover, a state's regime change can influence its commitment to international organizations. Mansfield and Pevehous (2006) argued that states undergoing regime change, particularly toward democratic transitions, tend to enter international organizations to convince international and domestic observers that their political reform efforts are sincere. Membership in international organizations can provide information about participants' actions, restrict conditions, and affect their reputation when violating international organizations' rules. By accepting such conditionality, the leaders of democratizing countries can send a strong signal of credibility in terms of their efforts toward democratic transitions. For example, Poland, Hungary, and the Czech Republic formed the Central European Free Trade Area (CEFTA) in 1991

as a signal of political and economic reforms. Likewise, the EU and the Council of Europe have actively enforced the terms of membership with regard to human rights in democracy commitments (Klebes, 1999).

Another line of studies has focused on the impact of regime change on interstate conflict relationships, particularly among neighboring states. Considering that “borders represent a proximity between states that increases both the salience of the neighboring territories and the ease of interaction” (Siverson & Starr, 1990, p. 49), political changes of bordering states can generate unexpected uncertainty and increased concerns about threats. Focusing on regime change as both symbols and signals, Enterline (1998) explained the underlying mechanisms of how domestic political regime changes affect intra-neighborhood conflict. First, as symbols, regime changes in the interstate system can affect the domestic and foreign policy of existing regimes to maintain the political similarity of one’s geopolitical neighborhood, “to reverse undesirable regime changes or bolster desirable fledgling political regimes” (Enterline, 1998, p. 807), or to maintain a buffer of undesirable geopolitical environmental effects. As signals to neighboring regimes, domestic political changes can influence the institutional types of the new regimes and the process characterizing the change itself (Enterline, 1998). Using data on 360 new political regimes, Enterline (1998) found that the political maturity of a new regime’s neighborhood has a positive impact on the rate of new regime neighborhood conflict, suggesting “that new democratic regimes are more pacific toward their neighbors and that democratic neighborhoods are more pacific toward new regimes emerging in their neighborhoods regardless of the degree of democracy in the new regime” (p. 825).

3) Regime Change and Social Movement

Pickvance (1999) explored how regime change from an authoritarian to a democratic regime affects social movements in Eastern Europe, Southern Europe, and Latin America. He started with two rival hypotheses: one is the positive effect of democratization on social movements and the other is its negative effect. The main theoretical grounds for the positive effect are “that authoritarian regimes restrict the development of social movements via constraints on collective action such as legal obstacles, restrictions on resource supply, closure of state institutions to demand making, and repressive responses to those movements that did occur, and that democracy involves a removal or reversal of all these constraints with the net effect of encouraging social movements” (Pickvance, 1999, p. 361). The negative effect of democratization was based on the assumptions that authoritarian regimes in their final liberalizing phase are compatible with social movement development and that the effect of democratization can be reversed in specific situations. As examples of showing that democratization hinders social movement activities, he provided cases of the labor movement in Spain’s liberalization periods from the early 1960s through 1970s, Hong Kong’s case of local political mobilization in the early to mid-1980s when the transition to democracy began, and the Hungarian environmental movement in the 1980s. Of course, as Pickvance (1999) noted, the conventional wisdom that democratization facilitates social movement is still valid in many Southern European and Latin American countries. At the same time, it cannot be underestimated that liberalization phases in authoritarian regimes can also encourage social movement activities.

4) Regime Change and Public Policy

Sloan and Tedin (1987) examined the relationship between different types of political regimes and public policy outputs. Using a dataset from 1960 through 1980 in Latin America, they first divided the 20 countries into four regime types: democratic, bureaucratic authoritarian, communist, and traditional authoritarian, as well as a fifth “transitional” type, which refers to a change in regime. The public policy outputs in their model cover domestic economic performance, agricultural production, military spending, external debt, and domestic social performance. While no single regime type demonstrated outperformance in all of the policy areas, their findings suggest that regime type is associated with policy outcomes. For instance, democratic regimes had the second-best record of promoting economic growth and agricultural production, avoiding external debts, controlling military expenditures, and making advances in public health. Bureaucratic authoritarian regimes outperformed in economic growth and achieved moderate performance in education but showed poor performance in controlling inflation and avoiding external debts. Traditional authoritarian regimes outperformed in promoting agriculture and in controlling military expenditures and inflation. Communist regimes were successful in education and health policy outputs, but performed poorly in controlling military spending, promoting agricultural production, and avoiding external debts.

[Table 2-4] Regime Types and Public Policy Outputs

Policy Area	Indicator	Ranking (Best to worst performer)
Domestic economy	GDP	BA > D > TR > TA
	Change in CPI	TA > D > C > BA > TR
Military spending	Military spending as % of GNP	TA > D > BR > TR > C
Agricultural production	Per capita agricultural production	TA > D > BA > TR > C

Policy Area	Indicator	Ranking (Best to worst performer)
External debt	Per capita external debt	TR > D > TA > BA > C
	Debt ratio to service value	TA > D > C > TR > BA
Domestic social performance	Education	C > BA > D > TA
	Health	C > D > BA > TA

*NOTE: D=Democratic regime; TA=Traditional authoritarian; BA=Bureaucratic authoritarian; C=Communist; TR=transition

*Source: Sloan & Tedin (1987)

5) Regime Change and Public Sector Administration

Public administration faces economic, political, and social pressures and challenges during a period of regime transition, and public administrators are forced to adjust to and accommodate rapidly and unpredictably changing situations. In particular, the role of a neutral processional civil service is critical for a successful and sustainable democratic transition. Jenei (1999), for instance, argues that civil service reform is closely related to democratization and economic reform in Central and Eastern Europe (CEE) where wide and increasing socio-economic differentiations exist within and between the CEE countries. Facing pressures to reduce public sector spending and improve the quality of public services during a transition from totalitarianism to democracy, major institutional and administrative reforms have been widely implemented in these countries, focusing on these important elements listed below (Jenei, 1999, p. 66):

- Privatization programs, including contracting out processes;
- Decentralization of decision making to regional and local levels;
- Deregulation and transparency;
- Transforming and flattening out public organizations;

- Changing procurement policy, financial and human-resource management, and information systems in public organizations; and
- Measuring the performance and outcome of public-sector activities by reviewing and monitoring, rather than commanding and controlling.

However, public employees who are implementers or administrators of administrative reform initiatives tend to have a pessimistic viewpoint about change efforts, and administrative personnel who served for the former regime resist reform efforts. For instance, while the entire administrative system of the old regime broke down after the complete collapse of the German Democratic Republic (GDR), the same personnel who served the old regime remained with the newly established administrations and were forced to fit within the new system (Schröter & Röber). In their case study of public officials in East and West Berlin, Schröter & Röber (1997) found that the transformation process for rebuilding the administrative system under the new regime faced many challenges in integrating public sector personnel who had different administrative cultures and values, in transferring the West German legal and institutional framework into the eastern Länder, and in overcoming old ways of thinking under authoritarian rule to make a smooth transition to a modern management system under the new regime.

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Case Studies

Part 1

Overview of the Countries Undertaking Regime Changes

Bok Gyo Jeong

1. Overview of the Cases

As stated in the introduction of this research, this study does not impose a unified framework for the case analysis. Rather, this study focuses on key issues identified in each country—Belarus and South Korea—and provides an overview of their various institutional arrangements. This allows the unique paths of the respective countries to tell their own stories and identifies the most relevant issues.

This study zeroes in on unique cases of transition occurring in a post-communist, post-military, or post-authoritarian country. The two cases examined in this study reveal the complex nature of regime change and administrative reform. The cases of Belarus and South Korea do not have many commonalities in terms of their development history, socio-economic conditions, and socio-political structure. These two varied cases may suggest more intriguing findings by showing differentiated explanations as well as internal and external dynamics for regime change and system transition.

In the case of Belarus, the parliamentary status is currently in the post-Soviet stage after the proclamation of the Republic of Belarus as a sovereign and independent state in 1991. Since then, the structure of a president, bi-cameral parliament, and the government as the executive power was established. The modern Constitution was produced in 1994, and the model of state-local self-government was established by 1999. Currently, the Belarusian model of socio-economic development pursues a socially-oriented multi-structured market economy, while retaining the traditional principles of a functioning market economy, state-paternalism, and collectivism.

In the case of South Korea, the country transitioned from military authoritarianism to a democratic regime with the culmination of the 1987 democratization. Historically-rooted state dominance has weakened with the rise of civil society after democratization. After the introduction of the direct presidential election as a result of the June Democracy Movement, South Korea entered the post-transition administrative reform stage. The post-democratization administrations, including the Kim Young-sam, Kim Dae-jung, and Roh Moo-hyun Administrations, have initiated administrative reforms reflecting the tenets and priorities of the respective government.

Although the historical path and stages of transition are substantially different in these two countries, the review of the internal and external factors that affected their transition process may offer some interesting insights. As seen from the theoretical reviews of transitional studies, the main factors affecting transitions can be grouped into several categories: economic development, social movement, international relations, and public administration/policy reform. Amid the varied contexts and histories, these two countries reveal the mixed effect of these four main driving forces in their transitions.

In the case of Belarus, the Belarusian government has prioritized developing the economy and promoting private business. The principle of sustainable development became the central focus of the government in the period of state reorganization. Multiple elements in international relations affect the state's reorganization and institutionalization. The main considerations in international relations include strategic cooperation with neighboring countries including Russia, its key partnership with the EU, the normalization of ties with the United States as part of the Western Alliance, and the role of peacemaker among Eastern European countries. The social movement factor has not been the central driver of its regime change; instead, Belarus has placed a strong emphasis on economic growth and business sector promotion. The public sector administration shows the historical path-dependency built on Soviet-type institutions and the existing traditions of the command and administrative management system. At the same time, the discrepancy between the existing state apparatus and government system and the changing socio-economic demand and expectations (e.g., market relations, science and technology development, heightened education of the general population, and the development of the democratic process at the local level) seems to be a potential driver for furthering and facilitating regime change in terms of the advancement of public administration and its service. Cultural values and civic culture, in the spectrum between individualism and paternalism or collectivism, have been considered as prerequisites for the success of other factors, including economic development and democratic institution-building.

In the case of South Korea, success in economic development served as the pre-condition for the democratization of institution building, politics, and society. South Korea demonstrates the conducive relationship between economic growth and the democratic transition of a regime. However, the economic factor only served as the necessary condition in South Korea. The social movement factor played a key role

in moving the country from a minimal-level democratic system toward a consolidated democratic society.

2. Types of Collaborative Governance and Institutional Arrangements

Although this study does not impose a certain type of model for regime change or administrative reform, this study introduces a framework for the institutional arrangement for governance. This framework comprehends a variety of institutional arrangements that may help explain these two cases of regime change and administrative reform. However, this framework is not introduced in a normative way to impose a certain type of arrangement.

This institutional arrangement framework is connected to the discussion of regime change and administrative reform because both themes—regime change and administrative reform—will ultimately come down to the institutional arrangements among diverse options and actors in making public sector decisions, implementing public policies, and providing public services. There are four institutional forms of governance, which range along a continuum with authority-based arrangements at one end and market-based arrangements at the other (Jung, Mazmanian, & Tang, 2009). In fact, these institutional forms of governance take place in a multi-faceted way and concurrently. Therefore, these typologies of institutional arrangements are used to describe and identify the patterns and trends of existing forms of governance in Belarus and South Korea.

[Table 3–1] Four Institutional Forms of Governance

Authority-based arrangements	An extension of authority-based arrangements	Collaborative governance arrangements	Market-based arrangements
Government hierarchies (command and control regulations; government agencies)	Outsourcing (principal-agent relationships; long-term contracts)	Collaboration and participation (joint provision of services by public, for-profit, and nonprofit organizations; brought together either by mandates or as an emergent phenomenon)	Competition and market exchange (self-interest, financial rewards, competition, winners and losers, private property rights)

*Source: Jung et al. (2009, p. 3)

The first form is authority-based arrangements based on government hierarchies (Rainey & Bozeman, 2000). It is characterized by the command-and-control model, and public agencies are the dominant regulation-enforcers as well as service providers. The ideal type of Weberian bureaucracy reflects this type of institutional arrangement.

The second form is an extension of the authority-based arrangement and mobilizes outsourcing for the delivery of public goods and services (Ostrom & Ostrom, 1991; Savas, 1987). Based on the principal-agent relationship, this form utilizes outsourcing as the means of service delivery and is characterized by long-term contracts.

The third form mobilizes inter-sectoral collaboration among public, private, and nonprofit organizations. Collaborative governance refers to the structure and process of establishing, operating, and monitoring cross-sectoral organizational arrangements in addressing public policy problems (Ansell & Gash, 2008). Although collaborative governance contains common traits across countries, it varies depending on the contextual background of a country's culture and histories (Jung et al., 2009).

The collaborative process may involve public policy formation, enactment, implementation, and evaluation. This administrative form involves power-sharing, joint decision making, resource sharing, and joint responsibility between government and non-governmental actors including civil society organizations, nonprofit organizations, and private agencies. This institutional arrangement reflects a democratic political regime and embodies citizen-centered public management (Bogason & Musso, 2005; Cooper, Bryer, & Meek, 2006).

The fourth form is characterized by the mobilization of market mechanisms in public policy decisions, and this model assumes that respective actors behave to maximize their marginal net benefit (Poole, Mansfield, & Gould-Williams, 2006). In this arrangement, the government and public sector are instructed to be business-like, performance-based, and client-centered.

These four institutional archetypical forms are differentiated by multi-faceted criteria: bureaucratic hierarchy versus the market (Hooghe & Marks, 2003), vertical structure versus horizontal structure, collaboration versus competition, profit-centered participants versus nonprofit-centered participants, and government and civil society partnership versus confrontation. Therefore, these four institutional arrangements are not aligned in a simple linear fashion; rather these four archetypes sometimes co-exist and overlap. In many cases, they complement public service delivery, rather than replace existing forms. However, governmental and public administration changes are accompanied by a certain philosophical tenet, which affects the priorities and preferences for respective forms.

The forms of institutional arrangements offer a framework through which the case overview and analysis of this study may provide more meaningful implications and insights through shared common ground. Without such a framework, this study would likely result in an elongated and paralleled empirical storytelling of two unseemingly incomparable country cases.

In Belarus, the institutional arrangement is characterized as a combination of authority-based government hierarchies and market-based institutional arrangements. The authority-based government hierarchies are the Belarusian society's path-dependency element rooted in the former Soviet system as well as the collectivism and paternalism that prevail in the country's cultural and societal values. At the same time, the Belarusian government's emphases on economic development and private business promotion have grown market forces that are based on competition and the market exchange system. This may function as the factor responsible for changing the dynamics throughout the transition of the Belarusian society and public administration. In this process, it is also worth paying attention to the cultural value factor, including public trust in the system, in terms of how historically embedded cultural values affect the combined mix of authority-based and market-based arrangements. This cultural value may even affect the models of the market-based arrangement itself given that rapid privatization somewhat contradicts the existing culture of paternalism and collectivism in Belarus. It would also be worth monitoring whether intermediate institutions in the market and local-level institutions in Belarus—as endogenously-grown driving forces vis-à-vis externally-transplanted ones—will still maintain their influence and transform themselves to address the discrepancy between the current institutional arrangement and economic and societal needs.

In South Korea, the main institutional arrangement is anchored in a mix of authority-based public policy, a market-based exchange system, and a collaborative governance arrangement in public service delivery and public deliberation. The key task in South Korea has shifted from a minimal level of democratic transition (defined as the institutionalization of a democratic system including elections) toward the consolidation of a democratic system (defined as the establishment of a functioning democratic society that fairly represents and embraces the existing values and preferences of diverse stakeholders through a

systemic structure and process). From this perspective, collaborative governance has been highlighted as the direction for public sector reform and the institutional arrangement in South Korea as well as in developed countries such as the US (Jung et al., 2009). Therefore, the main point of observation for the South Korean regime change and system transition is how the new model of collaborative governance in South Korea can be formulated and implemented in the midst of diverse, often conflicting, expectations among multi-layered and multi-sectoral participants.

The case overviews of these two countries' regime change and public transformation offer some shared insights and lessons. First, while conducting historical and analytical overviews of these two countries, the trust factor—a common prerequisite and shared task—attracted attention for further discussion in the future. In Belarus, the trust factor may become a pivotal factor in determining the balanced mix of the institutional arrangements between the hierarchical authority and market-based exchange system. Furthermore, this trust and maturity factor will become a key litmus test to determine the level, extent, and type of transition between the endogenously grown culture and values and the externally-transplanted western system. In South Korea, the trust factor has become a decisive factor for determining whether and how the South Korean government moves the country to the next level in terms of its dual tasks in transition: the installation of a democratic government and the consolidation of democracy. Public trust, nurtured by the transparent, fair, and accountable operation of the system, will determine the level of effectiveness of the collaborative governance system in South Korea.

Second, the experiences of these two heterogeneous countries also show that regime change does not occur in a static condition or in a linear process. The Belarusian case reveals that not only the historical path and culture affect the transition process, but also the civic culture

and trust level evolve through the experience of the system transformation and administrative reform. As observed from South Korea's democratization process, multiple stakeholders and interest groups are involved. The democratic transition process in South Korea was a rather dynamic and organic political game in which multiple actors—including political elites, parties, citizens or residents, civil society organizations, interest groups, and businesses—constantly changed their bids and adjusted options in their strategic choices.

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Part 2

Case 1: Belarus

1. Description of Administrative Reform: History and Status

Ihar Marzaliuk

Throughout the modern ages, the territory of Belarus used to be a part of different state entities: Polotsk Principality (10th–13th centuries), Turovsky Principality (late 10th–early 14th centuries), Smolensky Principality (early 12th–late 14th centuries), as well as the Principality of Kiev and Chernigov (part of the territory in the southeast), which eventually were divided into smaller apanage principalities. Belarus was part of The Grand Duchy of Lithuania (mid-13th–end of the 18th century) (the full name dates back to the middle of the 15th century: Grand Duchy of Lithuania, Russia, and Zhemoytsk). Belarus then became a part of the Polish-Lithuanian Commonwealth (1569–1795), a federal-state that arose as a result of the unification of the Polish kingdom (“Crown”) and the Grand Duchy of Lithuania (“Principality,” or “Lithuania”), in which there was a common supreme power and a joint foreign policy was pursued, but autonomy remained in other matters (such as administrative management and legislation, fiscal matters, the judicial system, and separate troops with separate commands). When Rzecz Pospolita was divided into three parts, the territory of Belarus became part of the Russian Empire (end of the 18th century–1917).

Further, Belarus was called the Socialist Soviet Republic of Belarus (SSRB, January–February 1919), Lithuanian-Belarusian Soviet Socialist Republic (Litbel, February–July 1919), Russian Soviet Federative

Socialist Republic (RSFSR, the eastern part of Belarus in 1919–1924, some other areas in 1919–1926), Republic of Poland (the western part of Belarus in the 1920s–1930s), and Belarusian Soviet Socialist Republic (BSSR, 1920–1991). From 1922 to 1991, Belarus was a member of the Union of Soviet Socialist Republics (USSR), and it finally became the Republic of Belarus in 1991.

The administrative-territorial division of these states changed many times, and at certain historical stages of the transformation, these changes were significant and took place over short periods. Additionally, some administrative-territorial units that were part of the above state entities no longer belong to the Republic of Belarus but are now part of Russia, Poland, Lithuania, Latvia, or Ukraine.

The bill entitled “Law on the administrative-territorial structure of the Republic of Belarus” dates back to May 5, 1998. It defines the goals and principles of the administrative-territorial division and structure of the state and its parts. The bill established administrative-territorial units, including settlements and spatial objects, as well as the powers of bodies within each territorial level in terms of the administrative-territorial structure and their interactions.

Democratic transformations are reflected in the new names of states. Continuing to call themselves republics, they abandoned the definitions of “popular” and “socialist,” thereby emphasizing their commitment to modern democratic principles. These principles are enshrined in new constitutions adopted after the fall of totalitarian regimes.

Parliamentarism in the Republic of Belarus went through a number of stages in its development: first, the stages associated with the status of the republic as a subject of the federation within the Union of Soviet Socialist Republics (USSR) and as a sovereign democratic state, and second, the stages associated with the repeated adoption of constitutions, in which the role of the representative and legislative

body of the country was determined differently.

1) The First Stage: Soviet (1919, the end of the 1980s, and the beginning of the 1990s)

The first Constitution of the Belarusian Soviet Socialist Republic (BSSR) was adopted at the First Congress of Councils of Belarus on February 3, 1919. Its content was permeated with the idea of the dictatorship of the proletariat, which was directly enshrined in the Constitution. The provisions of the Constitution developed the ideas of representative democracy.

However, the elements of parliamentarization remained illusory. In fact, the legislative body was the governing body of the Communist Party. At the Congresses of Soviets, only the directives of party bodies were approved. In spite of the illegitimacy of the process, the meeting of such a large number of elected deputies gave legitimacy to their decisions.

2) The Second Stage: Post-Soviet (1991–present)

On July 27, 1990, the Declaration of the Supreme Council on State Sovereignty of the Republic of Belarus was adopted. The declaration proclaimed “full state sovereignty of the Republic of Belarus as supreme, independent and absolute authority over the whole of its territory, power of its laws, and independence of the republic in foreign affairs” (House of Representatives of the National Assembly of the Republic of Belarus, n.d.).

Despite the proclamation of Belarus as a sovereign and independent state in 1990, the country retained the structure of the highest bodies of state power and the characteristics of the BSSR for several more years.

On September 19, 1991, the symbols of the republic were changed, and the Byelorussian Soviet Socialist Republic was renamed as the “Republic of Belarus” or “Belarus.”

After the independence of the Republic of Belarus was announced, Belarus experienced a new stage in its development. The formation of governing bodies began. Union-republican ministries and committees were transformed into state bodies of the Republic of Belarus. The State Security Committee became subordinate to the Supreme Council, and the border troops became subordinate to the Council of Ministers. The Belarusian military district was liquidated, and all of its parts and subdivisions became subordinate to the Ministry of Defense of the Republic of Belarus. Work was carried out to clarify the borders of Belarus with Lithuania and Latvia.

In the first half of the 1990s, the process of active formation of a multi-party system was occurring in Belarus. At the end of 1985, 34 political parties were registered with the Ministry of Justice of the Republic. The trade union movement was updated. In October 1990, the first congress of the Federation of Trade Unions of Belarus (FPB) was held. An independent trade union of miners of Belarus was formed in Soligorsk. The “Free Trade Unions of Belarus (SPB)” was established in November 1991.

The modern Constitution was produced in 1994, and for the first time in the history of Belarus, it provided for the post of President of the Republic of Belarus in the system of supreme bodies of state power. On May 14, 1995, together with the Supreme Council elections, a republican referendum was held. The results of the vote on each issue submitted to the referendum was a testament to the people’s full support of the new government. The people voted to give the Russian language equal status with Belarusian, to approve the new state flag and state emblem of the Republic of Belarus, and to integrate with the Russian Federation.

The summer and autumn of 1996 saw conflict escalate due to the separation of power between the President and the Supreme Council. By referendum on November 24, 1996, a new Constitution was adopted, which came into operation on November 27, 1996. In accordance with the new Constitution, the constitutional and legal status of the President significantly changed, and a bicameral parliament was created. Voters also spoke out against the free, unlimited purchase and sale of land as well as against the abolition of the death penalty.

The President of the Republic of Belarus is the head of state and the guarantor of the Constitution of Belarus and human and civil rights and freedoms. The President personifies the unity of the people, guarantees the implementation of the main domestic and foreign policy directions, and represents Belarus in relations with other states and international organizations. The President takes strides to protect the sovereignty of Belarus, its national security, and its territorial integrity; it ensures political and economic stability, continuity, and interaction of public authorities; and mediates between public authorities.

Parliament—the National Assembly of Belarus—is a representative and legislative body. Parliament consists of two chambers: the House of Representatives and the Council of the Republic. Executive power in the Republic of Belarus is exercised by the government (i.e., the Council of Ministers of the Republic of Belarus). Local government and self-government are carried out by citizens through local Councils of Deputies.

By 1999, the “vertical” nature of local government was established in Belarus, and the model of “state local self-government” was established, in which the interests of the state openly dominate the interests of local communities. In accordance with legislation of the Republic of Belarus, local authorities, both local Councils of Deputies and local executive and administrative bodies are included in the system of state bodies. Additionally, the personnel of local authorities are employees of the government.

The first stage (1991–1994) began on February 20, 1991, when the bill “Law on Local Government and Self-Government in the Republic of Belarus” was adopted. The law defined the system and economic base of local government and self-government in the Republic of Belarus and consolidated the foundations of the legal status of local government and self-government as individual forms of direct democracy. It transferred the power at the local level from party bodies and executive committees to the Soviets and created real prerequisites for the development of local self-government. On March 15, 1994, the Constitution of the Republic of Belarus was adopted. It contains section V, entitled “Local government and self-government.” It was established that the Councils of Deputies, as well as executive and administrative bodies, “resolve issues of local importance on the basis of national interests and the interests of the population, and implement decisions of the higher state 11 bodies.” This norm reflects the hierarchical model of the territorial administration of the Republic of Belarus.

The next stage began with the adoption of a Decree of the President of the Republic of Belarus of September 19, 1995, “On the implementation of reforms of local government and self-government” and a Decree of October 20, 1995 “On the Association of Administrative Units of the Republic of Belarus with a Common Administrative Center.” During the reform, the district councils of deputies in cities with district divisions were abolished, and most of the districts, as administrative-territorial units (ATUs), were merged with their administrative centers (i.e., cities and urban settlements) into one ATU. The result of the unification of districts and cities was the abolition of Soviets and executive committees in cities and urban settlements, which led, particularly, to the cessation of the functioning of public territorial self-government bodies created in cities. Changes and additions were made to the Constitution of the Republic of Belarus in 1994. The basic principles for the formation of “vertical power,” “including local governing bodies, which were executive bodies (i.e., executive

committees),” were determined by delegating the authority of the Soviets to the executive committees, the competence of the latter was increased, and the political, economic, and personnel influence of the Soviets on executive committees was reduced. In addition, amendments were made to the Constitution and laws, which resulted in removing the executive committees from the subordination of the Soviets and reassigning them to the president and government.

During the phase between 2000 and December 11, 2009, the country adopted the Law on Local Government and Self-Government in the Republic of Belarus. It defined the legal and organizational foundations of local government and self-government in the Republic of Belarus. The formation of the system of local government was based on the principles of the state theory of local self-government. Throughout the entire period of development, the president was reviewing the system of republican government bodies and clarifying the functions of executive bodies in consideration of adapting them to changing economic and social processes in the state. A significant step in streamlining the system of republican government bodies and reducing their total number was the transition from a three-link system of republican government bodies (ministries, state committees, and committees under the Council of Ministers of the Republic of Belarus) to a two-link system (ministries and state committees).

In the first five-year plan of the 2000s, the basis of personnel policy was created for the state apparatus, and an e-government mechanism, the program “Electronic Belarus 1”, was introduced. From 2006 to 2008, several measures were taken to de-bureaucratize the state apparatus: direct telephone lines, public accessibility to government offices, and a simplified process for out-of-court appeals of actions of officials. Also during this period, a list of administrative procedures was systematized by adopting the Decree of the President of October 15, 2007 “On additional measures to work with appeals of citizens and legal

entities.” From 2008 to 2010, documents were created to simplify the interactions between business and government.

On an ongoing basis, the President optimizes the structure of state bodies and the number of their employees. A vivid example of such an activity is the adoption of the Decree of the President on April 12, 2013 “On some measures to optimize the system of state bodies and other state organizations, as well as the number of their employees,” which reduced the number of public servants in the Republic of Belarus by 25%.

In terms of interactions with the people, the President convenes the All-Belarusian National Assembly, the delegates of which represent all regions of the country. The main goal of the All-Belarusian National Assembly is to discuss the results of implementing the country’s socio-economic development program of the and to draft a new program for the next five years. In a certain sense, this forum is a report of the authorities to the people and defines strategic objectives for the future.

An important form of interaction between the Head of State and the country’s people and representatives (Parliament) is the President’s appeal with annual messages to the Belarusian people and the National Assembly of the Republic of Belarus; the appeal assesses the current situation in the country, reflects the main directions for domestic and foreign policy, and establishes short-term tasks. To directly support the activities of the President and the exercise of presidential powers, the Presidential Administration of the Republic of Belarus has been created.

The reform in Belarus involves the formation of a socially-oriented, multistructure market economy with the equal functioning of state and private property with various forms of management - joint-stock, collective, rental, and others (Chernysh, 2011). The initial components that determined the choice of the Belarusian model included the following: the existing base created by many decades and especially by

the current generations; the need to create a civilized state capable of protecting the interests of the vast majority of its population in difficult times, effectively controlling and regulating almost all economic processes; the wise use of planning and forecasting on the path to building a multi-structure economy; maximum use of the republic's potential, due to the presence of highly qualified personnel, well-developed infrastructure, and a highly industrialized economy; and time management skills and systems.

The main thing that laid the foundation for the formation and implementation of the model is a cautious, pragmatic, and evolutionary approach to economic reform.

The president Lukashenko declared that the state's current role, and primary function, is to create the necessary conditions for the development of the economy and the social sphere; reliably and stably ensure the safety of citizens and oversee social justice and public order; effectively suppress and eradicate organized crime; and prevent corruption and protectionism from unfolding. Belarus is interested in developing private business and in increasing confidence in it, as private business is an honest enterprise that benefits both the entrepreneur, the people, and the state.

The Belarusian model of socio-economic development is a socially oriented, multistructure market economy. It retains the traditional principles of a market economy and incorporates such features as state paternalism, collectivism, and characteristic of the Belarusian people. This model takes into account the resource potential of the country, as well as the geopolitical, environmental, social, and demographic features of the republic.

2. Identified Issues

Stanislau Kniazeu

1) Regime Change and Economic Growth

The Republic of Belarus is a small country with a high degree of openness of the economy and dependence on external sources of raw materials and fuel and energy resources.

Since 1996, the economy of Belarus has seen steady and significant growth. After the recession during 1992–1995, which was estimated to be as much as a 40% decline in GDP, the Belarusian economy began to grow again in 1996. From 1996 to 2004, GDP growth was 77.4%, which is an average of 6.6% per year. The rates of economic growth ranged from 2.6% to 11.4% per year. From 1999 to 2002, after the financial crisis in Russia, the growth rate of GDP in Belarus was relatively moderate. However, in 2003, the GDP growth was 7%, and in 2004, it was 11%.

Economic growth in Belarus had a broad economic and social basis. Its main driving forces were growth of labor productivity, increased energy efficiency, and use of production capacities. Changes in the financial and foreign economic spheres contributed to the improvement of macroeconomic conditions for growth. Unlike some other CIS countries, where growth and exports are still concentrated in the extractive industries with limited employment opportunities, the growth structure in Belarus is more favorable for labor resources. Growth in labor-intensive industries, supported by government policies to stimulate wage and income growth, has contributed to the distribution of economic growth among fairly broad sections of the population. As a result, with relatively stable and moderate levels of inequality, there has been a significant reduction in poverty.

During the period of state reorganization, one of the central issues was sustainable development: to save available resources and the landscape environment for future generations. However, the disaster at the Chernobyl nuclear power plant made it much more complicated. Significant territories of the best lands, forests, and reservoirs were derived from the economic turnover because of the nuclear contamination and still cannot be used. Many people lost their homes and jobs as result of the Chernobyl disaster.

Comparing two periods in the development of independent Belarus—from 1996 to 2000 and from 2001 to 2005—these two periods differ significantly in external and internal conditions that determined the characteristics of economic growth in Belarus. The economic development indicators of Belarus in comparison with other countries with economies in transition also varied to a certain extent during these two periods. According to a number of indicators—GDP growth, debt level, and deficit—Belarus looked better than comparable countries. However, during the second period, the relative advantages of Belarus gradually became less pronounced and in some cases were completely lost. Thus, until 2001, Belarus was ahead of the countries of Central and Eastern Europe and the Baltic States (CEEC) in terms of economic growth, as well as the CIS countries. However, during the second period, the CIS countries, as a whole, had better results than Belarus, and the difference in growth rates between Belarus and the CEEC decreased.

The third five-year stage from 2006 to 2010 in the history of economic development of the independent Republic of Belarus was a stage of active economic growth. The main goal during this period was forced development of the domestic market and increased investment through external loans. Over the five-year period, GDP increased by 42.1%, industrial production increased by 47.8%, and agricultural products increased by 24.8%. Belarus maintained a leading position

among the CIS countries in the production of the most important types of agricultural products per capita.

At the same time, beginning in 2009, the country experienced a slowdown in economic growth caused by the negative impact of the global financial crisis. Stimulation of domestic demand, as measures to overcome the negative impact of this crisis, provoked an accumulation of imbalances in the economy, an increase in the negative balance of foreign trade, and an increase in the country's gross external debt.

The accumulated imbalances caused devaluation, high inflation, and a decline in household incomes in 2011. At the same time, the devaluation gave rise to export sales. In 2012, emission-free development aimed at the foreign market, flexible exchange rate formation, and economically justified wage growth made it possible to balance the economy.

However, in 2013, a drop in GDP in the EU and a slowdown in the development dynamics in the economy of Belarus's leading partner, the Russian Federation, significantly limited opportunities for the Belarusian economy to develop due to external demand. An additional negative factor was the 2013 potash crisis, the conflict between the state-owned enterprise Belaruskali and the Russian company Uralkali.

2014 brought new challenges and shocks, both regionally and globally. Crisis processes in the Russian economy, low investment activity of Russian enterprises, the regime of mutual sanctions of the EU and the Russian Federation, and instability in the Ukrainian economy all restrained growth opportunities in the Belarusian economy in the current period.

Taking these factors into account, the Belarusian economy could not take full advantage of traditional external sources of growth. Elimination of its accumulated imbalances during the 2006–2010 period and the danger of devaluation-inflationary processes have limited

growth in its domestic market. Also, the country was forced to divert significant resources to service the accumulated external public debt.

Amid low growth in labor productivity in 2014–2015, there was a slowdown in the growth rate of the population's real wages and real cash incomes.

The main reason for many negative trends in the development of countries with peripheral capitalism is the lack of efficient economic growth, in the factor structure in which the proportion of extensive factors predominates. Empirical analysis conducted by many authors using statistical data from several countries (e.g., Solow, 1957; Denison, 1985) indicates that technological progress provides the main contribution to the growth of labor productivity in countries with central capitalism, while the growth is dominated by capital accumulation in countries with peripheral capitalism. The best solution is to single out structural reform measures as an absolute priority. The quality of structural reforms and their pace of reforms are prerequisites to realize economic growth potential (Komkov, 2011; Novikova, 2012).

2) Regime Change and International Relations

After the intensification of international relations in the mid-1950s, the political activity of the Belarusian Soviet Socialist Republic (BSSR) in the international arena increased. In the 1950s, the BSSR was a party to 54 international conventions and treaties, and in the 1980s, the BSSR was a signatory to 180 of them. The members of the BSSR delegations to the UN were promoted to various senior positions in the UN, which confirms the international recognition of the BSSR. The BSSR was a member of specialized UN agencies, such as UNESCO, IAEA, ITU (International Telecommunication Union), ILO (International Labor Organization), and IAKO (International Civil Aviation Organization).

The BSSR received a real opportunity to engage in foreign policy activity only in accordance with a law adopted on February 1, 1944. According to the law, the BSSR achieved the right to have diplomatic relationships with foreign states¹⁾ (Collection of USSR Laws, 1956). Additionally, it also had the right to appear in the international arena as a sovereign state per “the Manifest of January 1, 1919,” which proclaimed the creation of an independent state in the land of Belarus. The geographical position of the Republic of Belarus, which includes where the most important transport routes between Europe and Asia meet, and the problematic history of the country, which experienced the devastating consequences of numerous wars and conflicts, determined the course towards multi-vector foreign policy as its fundamental principle, implying the development of balanced, constructive relations with partners in various regions of the world. When building an international dialogue, Belarus is guided by the principles of good neighborliness in relations with neighboring countries, as well as the principles of peace, equality, mutual respect, non-interference in internal affairs, and refusal from pressure and coercion.

While adhering to unified approaches toward developing relations with all foreign partners, Belarus also, like any other state, concentrates its foreign policy efforts on a number of the most important and promising vectors. Among them are neighboring states, and the first effort was directed toward the Russian Federation, with which strategic cooperation is based on the Treaty on the Creation of the Union State of Belarus and Russia.

1) On February 1, 1944, the Supreme Soviet of the USSR adopted the law “On the Granting of Powers to the Union Republics in the Field of Foreign Relations and on the Conversion of the People’s Commissariat of Foreign Affairs from the All-Union to the Union-Republican People’s Commissariat.” BSSR obtained the right to enter into direct relations with foreign states, conclude agreements with them, and exchange diplomatic and consular representatives (Collection of USSR Laws, 1956).

Consistently upholding the ideas of integration, Belarus takes an active and constructive position in unions in the post-Soviet space: the Eurasian Economic Union, the Commonwealth of Independent States, and the Collective Security Treaty Organization.

An objectively important partner for Belarus is the EU, and the cooperation with the EU is based on trade, economic, and investment cooperation. On the other hand, Belarus has consistently advocated the normalization of dialogue and the development of ties with the U.S. In Eastern Europe, it has a very problematic position in transferring or coordinating the interests of various parties, and acting as a peacemaker.

The country's transformation period is full of the struggles to maintain its originality. The Republic of Belarus is uniquely located in the center of Europe between two world powers: the West and East. The two powers strived to influence the formation of the young country. The U.S.-Europe-NATO triangle was united in maintaining its confrontation with Russia and in its desire to control Belarus. This desire is explained by the stubbornness of Belarus, which remains its independence and neutrality, and refuses to become the last link in the sanitary cordon around Russia. The formation of an independent state required the division of property rights, legal registration of property, legal registration of citizenship of a new state entity with the issuance of new passports, delimitation, and demarcation of mutually recognized boundaries, and the preparation and signing of a large number of international bilateral and multilateral treaties.

3) Regime Change and Public Sector Administration

Currently, there is a gap between management practices in Belarus and modern technologies in the field of public administration in Western countries.

Basically, public administration remains a Soviet-type institution. In connection with changes in the economy, changes in political and administrative relations, which are difficult, are also necessary. Until now, traditions and principles of the command and administrative management system have had a strong impact: a strict vertical hierarchy, a directive style, tight control, a large document flow, and isolation of the governing bodies from the real processes in society. Officials are still accustomed to the hierarchic style of work, even when introducing new market relations.

The existing system of administrative-territorial units at the basic (districts and cities of regional subordination) and primary level (village councils) does not correspond to their optimal size, which affects the ability to form market relations, increase social orientation on management issues, increase the role of scientific and technological progress, and increase the level of education of the population, as well as develop democratic processes at the local level.

During the past few years, the government has paid attention to optimizing the government apparatus. Additionally, the number of organizations has been significantly reduced, and duplicate structures have been eliminated. In some cases, the functions of individual units have been redistributed in terms of effectiveness. Thus, in an evolutionary way, it has been possible to outline the contours of the updated model of the state apparatus. The result of this work should be the legislative design of the system. The system should also stimulate civil servants to work with maximum dedication, provide the highest level of performance discipline, and raise the prestige of public service. The law “On Public Service,” which was being developed in 2019, and documents aimed at separating the functions of the state as the owner and regulator are aimed at this.

4) Regime Change and Cultural Value Change

The transition economy characterizes the intermediate state when the old system of socio-economic relations and institutions is destroyed and reformed, and the new one is being formed. Changes in a transition economy are changes in development, not functioning.

There are at least 150 developing countries in the world, according to the World Bank classification, and all of them are continually carrying out reforms. Most of the reforms do not achieve the intended goals or achieve them partially. A typical mistake of reformers is that they try to introduce advanced institutions that do not meet technological, resource, cultural, political, or institutional constraints. As a result, transplanted institutions are dysfunctional; because they are deformed, they generate institutional traps that impede further development (Polterovich, 2007).

The level of generalized trust, democratic values, and attitude toward market institutions can, under appropriate conditions, change significantly over two to three decades, and sometimes even over several years. Successful reforms support rapid positive cultural change, but failure can lead to degradation at an even faster rate. It is quite possible that the inertia of cultural characteristics that are negative from the modern point of view is precisely the result of unsuccessful reforms. Nevertheless, the civic culture of the southeastern countries of the “economic miracle” underwent radical changes over 20–30 years, adapting to the tasks of modern development. At the same time, success became possible because the intermediate institutions that were introduced in the reform process, in a sense, relied on the cultural characteristics of the population.

For example, many results directly or indirectly indicate that culture can significantly affect the success of privatization reforms. In transition economies, the loss of GDP over the nine years after the start

of large-scale reforms was due to more privatization during the first three years of transition to the market. This fact can be explained by the absence of suitable institutions in transition economies, especially market infrastructure. A noteworthy conclusion was obtained in the work of Estrin, Hanousek, Kocenda, & Svejnar (2009), which summarizes the results of 35 studies comparing the effectiveness of privatized and state-owned enterprises in transition economies: "Privatization in itself does not guarantee an improvement in functioning, at least in the short and medium-term." Also, "[t]he effect of privatization of enterprises by domestic owners . . . was positive in Eastern Europe; it was zero or even negative in Russia and other CIS countries." The distinction between less developed and more developed transition economies is most likely rooted in cultural aspects. A negative attitude toward private property, paternalistic expectations that generate low activity of the population, collectivism, a low level of institutional trust, and disrespect for the law, which caused a surge of corruption and rent-seeking in the process of privatization, played a role in suppressing development in transition economies.

The above findings indicate the appropriateness of different approaches to privatization, depending on the level of civic culture. In countries where the levels of individualism and the rule of law are relatively high, the form of an open joint-stock company can be used immediately, choosing the method of privatization based on the experience of other countries and experiments. In countries where the levels of paternalism and collectivism are high, it is advisable to use intermediate institutions based on these features, providing for a gradual transformation of these institutions. Which design to use depends on the country's specific circumstances, such as its history

A similar conclusion is contained in Inglehart (2000, p. 225), which emphasizes that "mass values and attitudes have a decisive influence on the survival of democratic institutions in society." Objecting to the

thesis that the introduction of democratic institutions in itself leads to the development of democratic values, the author writes about the Russians: “Having moved towards democracy in 1991, they did not ... trust each other more, did not become more tolerant or least post-materialists. In general, they moved in the opposite direction” (Inglehart, 2000, p. 227). These statements can be attributed to Belarusians.

From a political perspective, trust is a prerequisite for the development of democracy and civil society; from an economic perspective, it is necessary for the functioning of market relations.

A low level of confidence makes reform difficult, and failed reforms lead to further decline. This means that for the success of reforms, it is necessary to design intermediate institutions in such a way that increases the level of trust.

3. Challenges and Lessons

Stanislau Kniazeu

A retrospective approach to the development of human civilization substantiates the fact that change happens over time. In 495 BC, the ancient Greek historian Herodotus said that the only constant thing is change. Some researchers rely on the materialist conception of history to explain the causal relationships between driving forces and change. When we look at economic development, a society's mode of production determines material security and living conditions. Additionally, social stratification and internal contradictions of capital accumulation exist such that some people accumulate wealth, power, and opportunities while others lose them. Contradictions are sharpening, and in order to resolve tension or conflict, forceful methods of regulating relations in society are used. However, this has not always solved the problem. Even in ancient Rome, the government gave people free bread and circuses to reduce protest tensions.

The mass activity of society is not always explainable. Logical thinking ability can lead to the discovery of a problem's root causes. At the same time, studies of philosophers, sociologists, and political scientists have failed so far to create a coherent theory of massive aggressive changes in the minds of people. They can carry a positive or negative potential, but they always bring an attitude change in a society.

In the early 1980s, mass protests broke out in large parts of Europe and Asia. The member countries of the Warsaw Pact desired to withdraw from the treaty due to poverty, an absence of a free market economy, and restrictions on personal freedoms (Tymanowski, Musienko, & Wlodarkevich, 2012, p. 28). Following the example of the

Soviet Union, nations suppressed civil liberties to serve their priorities. Subjective perceptions came into conflict with the objective social process. The social process also reflected the triad: freedom–necessity–verity. Or otherwise: right–duty–knowledge. Pragmatic people are more concerned with freedom and human rights, while reasonable people lay stress on verity and knowledge; moral people value morality above everything else. Ancient thinkers each offered a unique vision of the world. Plato deduced the philosophical ideal of man and the state. Aristotle is known as the father of virtue ethics. Protagoras was fond of people in politics. Plato is envisioned as a symbol of antiquity. Aristotle is sometimes called the symbol of feudalism, and the sophists are the symbol of bourgeois society.

Understanding or misunderstanding events does not stop them. It was difficult to assess the consequences of noticeable turmoil that began among the people of the multinational republics of the Soviet Union. Although there were many factors, the mistakes of the old managerial elite led to the breakdown of one of the most powerful countries on the planet.

National elites strove to isolate themselves and gain even more power. At the same time, they did not want to change anything in the internal structure of life. However, the world had already changed, but they did not realize it.

After the announcement of the state sovereignty of Russia, on July 27, 1990, the Supreme Soviet of Belarus adopted the Declaration “On State Sovereignty ...” The August 1991 attempted coup d'état in Russia forced the Supreme Soviet on August 25, 1991, to decide to give the Declaration of State Sovereignty the status of constitutional law. Since that moment, the Republic of Belarus was an independent country.

Gradually, people became tired of the discrepancy between the old forms and the new content of life and social relations. The first years

of sovereignty were marked by a constant power struggle between the old elite and the new representatives of the people.

Through continuous disputes and discussions, the government realized that changes were necessary, primarily in the structures of state power. In May 1993, it was decided that the presidential system should be introduced. In July 1994, in a second round of elections, Alexander Lukashenko was elected as the first President of the Republic of Belarus by a significant lead (80.1%).

Over the next two years, President Lukashenko had to endure the fierce resistance of old officials in the capital and in the regions who did not want any change in their work. The country's development inevitably reached an impasse. Under such circumstances, the young President thought about creating a vertical power that allowed him not only to make responsible decisions on public affairs management but also to achieve his agenda with the support of appointed and supervised officials.

It was already clear that the contradictions between the President and the actual officials and Parliament escalated. The Supreme Council, which consisted of representatives of the old elite, held the real power, and thus they were able to impeach the President. Also, the President was unable to dissolve Parliament, which could lead to a crisis. The solution came after the referendum in May 1995 and in November 1996. As a result, the President was able to strengthen his power. Although it was difficult for the President and the country, the people ultimately supported their elected leader. Thereafter, the reorganization of the cabinet began.

Organizational and managerial innovation in Belarus was considered the most important issue concerning domestic and foreign policy, the economy, and the social sphere at the All-Belarusian People's Assembly. Since 1996, the Assembly has been regularly conducted

(2001, 2006, 2010, and 2016) and has regulated complex social relations in the period of transformation. In fact, under the current Parliament, the effect of direct democracy is created when about 4,700 additional delegates representing all segments of the population are elected, and they develop a perspective based on an analysis and assessment of the previous period. The transparency in the adoption of higher state decisions and the establishment of development goals strengthen the authority of the new elite. Thousands of citizens are gathered to discuss government issues at the same time, which gives people confidence in their chosen strategy (Lukashenko, 2019, p. 8).

The current President of Belarus was first elected in 1994. He has run for president five times in 1994, 2001, 2006, 2010, and 2015, and won every election by a plurality. He gains people's trust by caring for people, decisively promoting innovation, and strengthening economic potential and international recognition. His rating in neighboring countries is consistently high. Even in neighboring Ukraine, people trust President Lukashenko. Belarus President Aleksander Lukashenko is the most popular foreign leader among Ukrainians. The opinion poll conducted by the Sociological Group Rating puts the president's approval rating at 66%, with 15% disapproving (Rating Group Ukraine, 2019).

The internal resistance to the President's power weakens every year. Despite the fact that some European politicians consider Alexander Lukashenko as "the last dictator of Europe," he maintains his course to "develop strong and prosperous Belarus – the state for the people" (Official Website of Republic Belarus, n.d.). The principles of this direction have been developed and are being adjusted based on the historical and cultural traditions of Belarusians and the needs of the economy and society. The rigid approach to the formation of domestic and foreign policy is based on the need to protect the interests of a country with limited resources. A similar context can be observed in South Korea, where the presidents also had significantly expanded

powers at an early stage of development. In Poland, during the restoration of independence in the 1920s, Jozef Pilsudski was appointed as “Chief” of the state and had “dictatorial” powers to overcome differences of opinions in society and to build a single line of development.

It is not easy to resist and show imperious decisiveness, assuming the brunt of personal responsibility in conditions of constant information attacks and real interference in the internal affairs of a country from both the West and the East. This is a serious challenge and risk, not only for Belarus. In this information era, strong nations seek to build a societal structure in developing countries for their own interests.

The presence and condition of the information space in the current society allow it to acquire the role to form a powerful new state. The equipped information space is essential for social development. The information space should be open and accessible to everyone and should fully ensure that the rights and interests of all persons, societies, and nations are effectively guaranteed. This type of information space can be created only through the purposeful implementation of state information policy.

During this period, people realized that information intellectual resources are not only on par with demographic, raw materials, technological, and financial resources but also capable of influencing the integrated intellectual power of the country. A series of serious government decisions were made during this period regarding information resources; analytical activities in the decision-making support system; information and communication infrastructure; activities of the media in general; development of the market of information technologies, products, and services; interconnection with global open networks; and information legislation development. The creation of the Belarus High-tech park (HTP Belarus), which provides a special business environment for IT business with incentives that are

unprecedented for European countries (HTP Belarus, n.d.), significantly influenced these decisions. Today, the struggle for the possession of information resources, as well as achievement and retention of information superiority, is a big challenge and risk that occupies a significant place in geopolitical competition. The information advantage has become an important social force contributing to the redistribution of economic, political, and power resources (Sakovich & Brovka, 2016, p. 184). Information inequality leads to social inequality, and it is the main threat to national security.

The Republic of Belarus faces three geographical and political situations when attempting to strengthen national security in a dynamically changing world. The Republic of Belarus is located in the center of Europe, has a tendency of preferring neutrality and peace-loving foreign policy, and has a social convention of protecting the rights and interests of its citizens, society, and the state. The geographical position of Belarus between two world civilizations—the West and the East—also brings about a complex condition in terms of international relations. Some examples that highlight this are Russia's attempts to push Belarus to approve the withdrawal of Abkhazia as well as the withdrawal of North Ossetia from Georgia and Crimea from Ukraine. Belarus is independent, even in assessments of international relations. Also, every nation must consider its own interests. Requiring Belarus to take a position on whether territories should withdraw can detract from the neutrality that Belarus seeks to reflect. Already, neighboring Poland is actively introducing Polish cards for Polish nationals living in a multinational country like Belarus. There is a process of differentiation of one ethnic group from the rest. National discord and intolerance have intensified. Russia's proposal to issue citizenship and passports for those from the eastern regions of Ukraine is also alarming. This may cause similar desires among those from the eastern regions of Belarus. Such processes destroy the territorial integrity of Belarus and contradict its Constitution.

In the development of the intellectual potential of Belarus, a great role was assigned to the creation of a state ideology or a system to form a sense of self. This system contributed to state goal setting, the development of a strategy for each stage of development, the strengthening of love for the native land, and the unity of the people. The unity is a strength of Belarus and a pledge to promote the success of all people.

One of Belarus's challenges was the problem of an acute shortage of civil servants who were able to systematically analyze and manage socio-economic, political, and cultural processes. Many people who had power did not understand the full ramifications of events or the full scope of events, their driving forces, and cause-effect relationships in the processes involved in globalization. However, actions were taken to improve the education of civil servants, including by creating the Academy of Public Administration under the aegis of the President of the Republic of Belarus.

Many problems, challenges, and solutions accompanied economic reform. Initially, it was difficult to search foreign exchange earnings, create a monetary system with its own notes, and form a banking system. Although decisions were made to launch production, production was ultimately stopped because of a breakdown in economic relations. Economic reform required measures for the social protection of people who lost their jobs and livelihood, which increased social tensions. Although Belarusians are very patient and unpretentious, families were still required to fulfill their basic needs.

Soon the government realized that it was not enough to restructure the economic system to achieve a free market economy. Many attempts of reform were hindered by an unfamiliarity with the new system and a lack of understanding of the benefits of innovative changes. Shortcomings of a subjective nature in the implementation of the first two state innovation development programs are illustrative.

Most Western experts, including the World Bank, suggested the immediate privatization of state-owned property. Privatization revealed a considerable number of objective and subjective obstacles. Therefore, it was decided to implement gradual and reasonable privatization, taking into account the interests of all people. Indeed, culture and civilization were created not by small private owners but by associations of entrepreneurs with the government's support. As seen from the Egyptian and Russian cases, it is obvious that hasty privatization can lead to speculation, oligarchy, and political anarchy.

Belarus was not in a hurry to make decisions, while it maintained the potential inherited from previous years. The people believed that reforms were necessary when the factories started working at full capacity. They believed in the possibility of a new nanotechnology industry, and recently, Belarus has entered the digital economy. At the same time, on the initiative of President Alexander Lukashenko, the construction industry was recognized as the engine of economic development, which has revived other industries.

The consolidation of a positive perception of changes was promoted by the decision to boost agriculture and create a food safety system. Innovative agricultural technologies were used, farms and food processing enterprises were built, and private and rental land use was developed. The domestic market was filling up and satisfying all of the needs of the people. Now, surplus products are sold in Russia, China, and Asian and African countries.

Benefits came from the decision to draft legislation based on new principles. Presidential decrees and edicts acquired the importance of legislation (Parechina, 2003). Quick decision-making on urgent issues in the country controlled the indecision of officials and fear of personal responsibility.

There was a democratic change in the criminal and civil codes, as well as investigation and judicial procedures. People realized the need for equality under the law, without regard to public or official position. There was a reform of the courts and legal proceedings. Control by the President and the government over all aspects of life as well as activities of the state apparatus have increased.

There is a ruthless fight against corruption by means of persuasion, prevention, and coercion. There is a commitment to punishing corruption. For example, in April 2019, two senior officials were detained for taking bribes, and they are now under investigation. One of them previously worked alongside the President for several years.

Before discussing management models, the types of power are reviewed. There are four main types of power in public administration:

- The power of a formal leader, expressing the right of position. Very few politicians are able to maintain the promises made during elections after taking office; this is because power intoxicates and corrupts.
- The power of a charismatic personality. In informal leaders, charisma—the ability to persuade and lead people—is an indispensable trait that allows them to demonstrate their care for people and their creative attitude toward their duties.
- The power of an expert. Experts have the desire to give advice, teach, and follow only accurate opinions.
- The power acquired. This type of power is accumulated authority, often present in patriarchal relationships.

These types of power, applicable to the personality of a higher manager, also influence the formation of four models of government. Personality, conditions, and opportunities are changed and corrected through all means in the development of the state, the value orientation

of the population, the structuring of society, and the formation of people's expectations in the development strategy.

Ochlocracy or mob rule. In an ochlocracy (i.e., mob rule), there is a spontaneous expression of people's will, which is expressed in the principles of anarchism or complete denial of the structured state power. Its signs are most noticeable in the initial period after revolutionary transformations of society and the state. The state's power almost disappears, and the authorities are dissolved or destroyed. People like "unlimited freedom"; however, such freedom leads to robberies and expropriations, violence, enjoyment of committing crimes with impunity, and overexcited people. It occurs until people begin to think about the need to observe basic order and public safety and the need to maintain a regular food supply, normal trade, and work as a source of livelihood. Generally, they realize the consequences too late when the urban economy is irreparably damaged, trade and financial institutions are destroyed, and life prospects disappear. Often the instigators are criminal authorities or political adventurers. They prompt what to do and inspire the crowd with empty demagogic appeals. When criminals notice the weakness of power, they create space and opportunities for easy enrichment. Politicians hope to seize and maintain power while people are revolting. Typically, new leaders emerge from the crowd present at mob events or through a joint agreement between the people and the prior leaders.

Event management in current times is carried out using electronic communications, primarily through social networks. In the Republic of Belarus, there is a dangerous challenge and threat given that there are 16 active social networks, but the servers of these networks are located abroad and belong to other states or individuals. Thus, the controllers of these social networks may manipulate people's minds, destroy the national mentality, and create chaos in public life.

In this respect, the events in Maidan—a central square in Kiev, which is the capital of Ukraine—are indicative of this chaos. The crowd seized the square in front of the government buildings under the leadership of radical politicians, set forth unacceptable demands, took the authorities hostage, broke into official buildings and residential premises, and engaged in robbery. The authorities were beaten and threatened with weapons. Finally, a firefight was provoked. This gave the heads of the leading European countries an opportunity to warn the President of Ukraine about not using violence. The state power of Ukraine was destroyed, and a civil war ensued, which is the apotheosis of ochlocracy. The new government obediently fulfilled the requirements of the leaders of the crowd and enriched itself (Shevtsov, 2018, p. 53).

Recent studies by political scientists have confirmed that almost all of the “color revolutions” were accompanied by ochlocracy. The events in Egypt, Libya, Lebanon, and Syria confirm this. This also happened in the Republic of Belarus. In December 2010, the opposition brought to the square thousands of people who tried to break down the doors to enter a government building. Thanks to the decisive actions of President Alexander Lukashenko, who was not afraid of the same warnings of Western politicians, and with the help of the security forces, he pacified an attempt to illegally overthrow the government (i.e., coup d'état).

The consequences of ochlocracy reverse countries' development for many years in order to restore the legal order, the economy, and normal social relations.

Direct democracy. A direct democracy is a direct appeal to the masses in the squares and through the media. Charismatic leaders, politically active parties, or social groups can exercise power. The existing state apparatus is not destroyed or removed from governance under a direct democracy. It is used for the benefit of the dominant

social group or party. At the same time, a peculiar and unspoken agreement is reached between representatives of rich and influential families on the division of business areas and forms of settlement of possible conflicts of interest. There is an illusion of democracy. The people are not allowed to make meaningful political, economic, and social decisions, and there is no transparency of power. The people who are close to real power resolve the main management issues. The leader announces the decision to the people, and an illusory idea forms that the decision is made independently.

Representative democracy. A representative democracy is based on the election of the main branches of government. The president, members of parliament, judges, and prosecutors are brought to power by the will of the people (Smirnova, 2015, p. 86). A striking example of a representative democracy is the U.S. A nationwide president and members of Congress are elected, as well as some judges and prosecutors in individual states. In a representative democracy, the president can be elected by parliament. It all depends on the powers that are determined by the constitutions of specific countries. Also, there are constitutional monarchies that still exist, which can also be representative democracies if the representatives with the real power are elected by the people.

Authoritarianism, or dictatorship, developed from the principles of absolute monarchy and oriental despots. One person, who holds real power, makes decisions on issues of public administration. All democratic institutions are destroyed or missing, and the electoral system does not work; people do not participate in the country's development and decision-making; an oppressive atmosphere of infringement of personal rights and freedoms of citizens is created in society; power structures and courts are not guided by the law, but by the will of the ruler. The typical example of an authoritarian leader is the former head of Iraq, Saddam Hussein. Sometimes an administrative

order is created by a political party (Protsko, 2002) or religion such as the leading party of the former Soviet Union, the Catholic Church at an early stage of development, and Islam.

Some of these models of government have been present in some countries for a short period, whereas other models have been present for extended periods. A change in models is caused by both internal and external factors, the state of social relations, the level of education and the political culture of the masses of the population, and traditions (Koshkin, Koshelev, & Semiletnikov, 2019, p. 46). Active social groups, progressive political parties, and strong charismatic personalities can be catalysts for changing the model. Many prominent personalities have existed throughout history, and some exist today. Based on the analysis, developing countries that have undergone a regime change should pay attention to alternative management models that successively arise, one after another.

A regime change, with or without violent measures, is inseparable from chaos and disorganization in the public administration system. Even if persisting for only a short period, the power of an angry crowd, ochlocracy, and unsystematic demands of political or economic transformation can have long-term consequences. In a single day, leaders can appear and vanish. There is a struggle between the old and the new. Efforts are needed to form a group of progressively minded and talented people who can propose a transformation program and nominate a strong-willed leader. Then, nationwide parliamentary elections or presidential elections can be held. The process of strengthening the power of one leader with the support of the majority of the population can be carried out gradually. By this time, if political parties and public organizations that are capable of gaining the confidence of the bulk of the people have not been created, it is advisable to create them. World practice highlights the option of a two-party system.

The authoritarian management model naturally follows ochlocracy. Only a strong government can restore order and reduce crises and conflicts in society. Paradoxically, authoritarianism is the fastest way not only to restore the economy to a new stage but also to save the first manifestation of democracy.

The strengthening of democratic principles and their gradual spread begins in all layers of society. Representative democracy is becoming a real force, not a formal one. It can be combined with direct democracy, based on the original traditions of the people. It should be emphasized that democracy will not retain its advantages without a quick solution to stagnant economic problems in the sphere of production, trade, and science. Knowledge-intensive production and modern high technology are the key to strong power, which over time, will not depend on authoritarianism.

The experience of the Republic of Belarus is a testament to the fairness of a consistent presence after a regime change involving all four alternative management models. Society embraces the ideas of democracy and believes that a decent life is possible without corruption, without poverty, and with good development prospects. People gain democratic power with a strong leader in charge. Education for democracy is a complex and rather lengthy process. This process is impossible without a fight. The imposition of democracy from the outside can complicate the situation and revive crises and conflicts. A country that has changed its government regime and defended its independence is similar to a person who is slowly recovering from a long illness.

4. Implications

Tatiana Maksimenko–Novokhrost

The previous century was characterized by a constant process of reforming developing economies. Different countries began to implement reforms at various times. In 1990–1992, a slowdown began in the USSR and until reforms began, the pace of slowdown was comparatively unhurried. At the same time, in Belarus, the economic slowdown was the least notable, while reforms were the least radical.

All of the elements of transformations are interconnected, and precisely because of this, they acquire the character of systemic reforms. At the same time, there is a problem in terms of the consistency and subordination of these areas, both with respect to individual parties (e.g., the issue of the primacy of either privatization or de-monopolization or price liberalization) and to the blocks as a whole. The situation is inextricably linked with the choice of a particular model of economic transformation. The model is a set of measures in a transition economy, characterized by a special subordination of these measures and the degree of the radicalism of their implementation (speed and depth of reform). Of course, the main models are “shock therapy” and gradualism.

In the gradualist model, in the institutional sphere, there is the revision and updating of the functions of the government; in liberalization, there is the expansion of the independence of economic entities and stimulation of domestic producers; and in macro stabilization, there is structural adjustment and development of real production. This model is characterized by a gradual transformation, and the use of elements of the previous system. Socially, there is a focus on the principles of partnership, which do not entail sharp social

upheavals and impoverishing the people. This path of transformation was chosen for Belarus.

In overcoming the severe systemic crisis of the 1990s in Belarus, there was an objective pressing need for a tough mobilization model of management that had been underway with a view toward centralizing limited resources and enhancing the efficiency of the decision-making process. Although the crisis is over and the country has successfully shifted from “survival” to development mode in terms of the economy, the vestiges of the command and administration system, mobilization thinking, and bureaucracy still remain. For example, Directive No.2 on Measures for Further De-bureaucratization of the State Machinery was issued in 2006 to reduce bureaucratic obstacles.

Most researchers use average GDP growth for a particular period as the major indicator of the quality of reforms. An interesting approach is where the average GDP over nine years following the beginning of reforms is applied as the key indicator for the quality of reforms, with due consideration for differences in initial conditions (Katyshev & Polterovich, 2006).

Studies of Belarusian researchers (Komkov, 2011; Novikova, 2012) and analysis of statistical data corroborate the fact that unfavorable trends in Belarus’s economy, which are reflected in dynamics of qualitative macroeconomic indicators, are caused by a decrease in economic efficiency, which has been developing gradually over a long-term period.

High economic growth and full employment were key elements of the Belarus socioeconomic model. The beginning of economic growth starting from 1996 in Belarus occurred almost simultaneously under the same conditions with other post-socialist countries that joined the CIS. In several publications, Belarus was classified as a country with “mysterious” economic growth (Fischer & Sahay, 2000), since it took

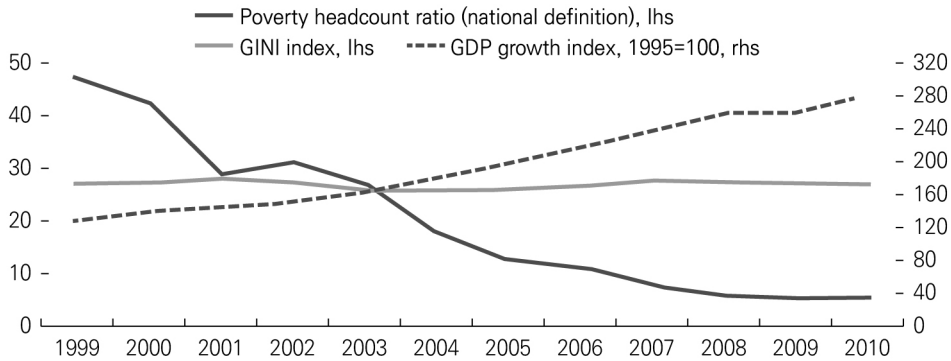
place in the context of curtailing market reforms. Moreover, forecasts of international organizations consistently underestimated its GDP growth. An attempt to explain these discrepancies can be found at the IMF special report “Progress and the ‘riddle’ of economic growth in Belarus” (International Monetary Fund, 2005).

The high growth rate was achieved due to the rapid accumulation of fixed capital as a result of a high ratio of investment to GDP. However, at the same time, the country's investments were in favor of construction and installation works as a result of the state housing programs. Even though the Belarusian economy has reached the maximum permissible rate of economic growth, such growth was described as labor-intensive.

Indicators of Belarus's economic development have been at high levels since early 2004—the annual real GDP growth amounted to approximately 10%—while the macroeconomic indicators remained stable until the end of 2008, notwithstanding a substantial rise in the prices of imported energy products. Real GDP growth accounted for 8.25% and 10.25% in 2007 and the first half of 2008, respectively. On average, between 2001 and 2008, Belarus's economy showed an 8.3% year-on-year GDP increase. High economic growth resulted in a drastic reduction of poverty—from 47% in 1999 to 5% in 2010.

For many years, high GDP growth was declared the major goal of social-economic development, and Belarus gained attention for its ‘unique’ economic model. According to The World Bank “Belarus shows not only one of the lowest poverty rates but also one of the lowest inequality rates in the region” (The World Bank, 2012, p. 2) (See Fig. 3-1).

[Figure 3–1] Belarus: Growth, Poverty, and Inequality Dynamics (%)



*Source: The World Bank (2012)

Growth was backed by broad state support for the economy, sizeable public investments, and a massive expansion of credit, particularly under government-directed lending programs.

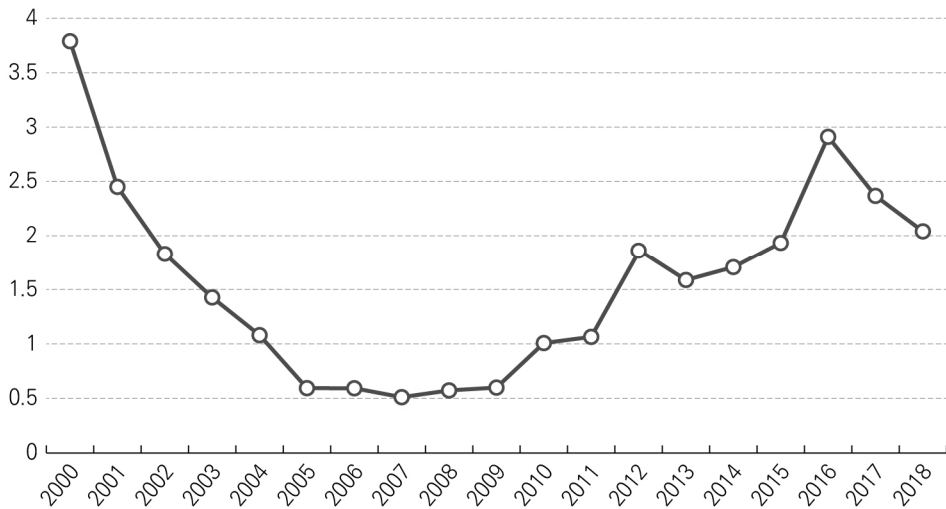
From 2001 to 2010, the economic model relied on annual subsidies, which had an average value of over 13% of the GDP, for the purchase underpriced energy resources from Russia (The World Bank, 2012). This trend towards economic growth was halted solely by the global financial crises of 2008–2009 which precipitated Belarus’s 2009 macroeconomic crisis and scant economic growth.

The global financial crisis affected the structural component of the national economy via a decrease in potential GDP growth. When analyzing the impact of the global financial crisis on Belarus’s economy, it should be noted that the shrinking GDP was not due to the country’s financial openness. Instead, it was due to foreign trade decline as a result of crisis shocks in Russia, a major trade partner. In fact, the crisis revealed the vulnerabilities of Belarus’s development model. Ongoing global crises and trade imbalances have rendered Belarus’ growth track untenable; the country suffered two macroeconomic crises between 2009 and 2011— a mere three-year period (The World Bank, 2012).

Fortunately, the stabilization policy in 2011 was successful. Following the initial achievement, the economic stabilization measures in 2012 were implemented mainly in the form of wage increase and targeted lending program. However, the policy was frequently altered, which led to the resumption of instability and kept inflation high. The existing structure of the national economy of Belarus was established with due regard for the external market, access to energy resources at a lower price than the world level, the availability of a high-quality and low-paid workforce, and the domestic market being closed to external competitors. In terms of methods, the banking sector managed to adapt to the new market environment more quickly than the industrial sector, which thus makes banks' participation in restructuring the industrial sector more pressing. This enables banks to be actively engaged in the efforts to restructure the real sector of the economy, as banks dominate all other financial intermediaries.

Throughout implementing Belarus's monetary policy, the independent state managed to establish a two-level banking system, develop a legal framework regulating the interaction of the monetary sector with other economic subsystems, and effect a transition of the banking system to ensure that accounting and statistical recording met international standards, which opens up excellent opportunities for the integration of Belarus's monetary system into the world's financial system. A high level of dollarization attributed to banking systems is typical of Belarus's banking system.

[Figure 3-2] Dollarization Coefficient, 2001–2018



*Source: National Bank of the Republic of Belarus (n.d.)

At present, commercial banks have relatively efficient tools for attracting small investors' funds. Although mass investor confidence in the financial system was undermined and the problem of accumulating national savings for investment purposes in the real sector of the economy remains unresolved, banks are in a more favorable position than other financial institutions. The financial system of Belarus can be described as 100% banking. Non-financial organizations and the securities market in Belarus are small in size and have no systemic significance. The stock market is almost absent, illiquid and not used to attract capital.

From 2011 through most of 2013, no privatization activities were underway. It was not until the autumn of 2013 that a new plan for privatizing enterprises was drafted. The issuance of shares was not the primary method of attracting investment funds to the national economy.

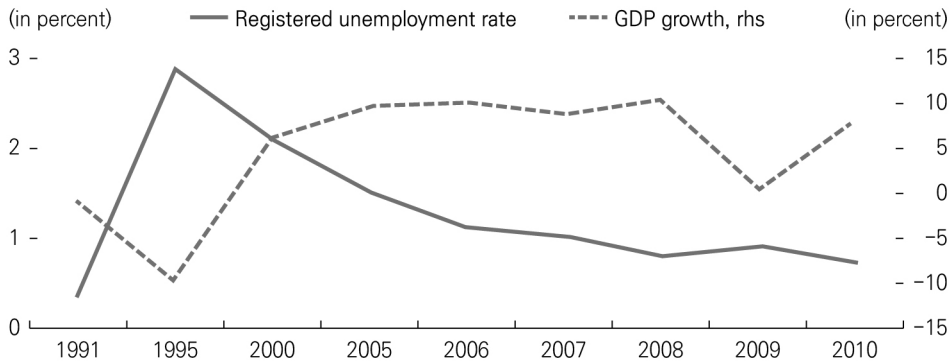
Consequently, there is the issue of the lack of an integrated systematic approach to public asset management and the issue of the need

for the establishment of corporate governance standards for state-owned enterprises. The activities of major budget revenue-generating enterprises are strongly influenced by external market conditions, which are characterized by low flexibility and an unwillingness on the part of investors to take risks and search for innovative schemes of activity.

According to international organizations, high economic growth rates in Belarus were mainly due to a rapid accumulation of fixed assets as a result of the high ratio of investments to GDP: approximately 70% was attributed to fixed assets growth underpinned by a substantial portion of investments in GDP.

There were few employment shifts after the pre-2000 employment system restructuring, except in the case of agriculture, which went from a 20% employment decrease in 1990 to a 15% decrease in 2000. It dropped further in 2010 to under 11%. Pre-2001 also saw decreased employment in other goods producing sectors including industry and construction as labor migrated to the services sector (The World Bank, 2012). Beginning in 2003, the unemployment rate saw continual decreases and was estimated at approximately 1% in 2010 (as compared to 2.5% in 2000 and 0.5% in 2012. See Fig. 3-3). Macroeconomic equilibrium implies the maintenance of a balance between labor efficiency and remuneration. The period starting from June 2012 until June 2014 was characterized by remuneration outstripping labor efficiency growth. Rapidly growing real wages fueled growth in consumption, which was strengthened by the government's wage policies. The state policy of social unity ensured high employment rate and equality, but it created distortions between labor productivity and wages and led to the underdevelopment of the private sector.

[Figure 3-3] Registered Unemployment Rate (%)



*Source: The World Bank (2012)

In the structure of GDP, the costs related to wages, which in fact entail high-performance work, also showed an increase. In 2010, they accounted for almost half of GDP. Therefore, a growth in wages accompanied by a drop in rates of output primarily indicates that wages cease to be an incentive for high-performance work, which is basically unacceptable. Furthermore, in such conditions, the type of economic growth can only be described as labor-intensive.

Under reform, many countries are characterized by a non-competitiveness in industries based on later technology, and thus the question arises: why do new technologies and industries not appear?

The 1990s' reform leaders "launched the market" by removing the distributional restrictions and arranged fast-track privatization—shock therapy—based on the belief that it would be enough for the successful development of the economy. It was believed that by replacing planned distribution—the principal attribute of the socialist economy—with market activity, they would provide the population with goods, and the transfer of state-owned property to private hands would generate funds and capitalists, which would ensure efficient production development.

Distributive relations were the principal relations in the USSR. Furthermore, the so-called Marxist-Leninist doctrine insisted that there should only be distributive relations, in accordance with the programs and plans of the party and government, and a complete absence of exchange (i.e., commodity-money relations). However, despite the prohibition of entrepreneurial activity and reprisals against individuals who were enriched by producing scarce goods and services, as well as via arbitration, secondary exchange processes existed and expanded as “developed socialism” was built. However, these commodity-money relations were illegal and only legalized by reformers (Yasinsky, 2010).

The USSR carried out the industrialization of the economy on a planned basis (i.e., through distribution mechanisms). The planning and distributive institutions generated specific relations between people in production. First, they were built not on horizontal interactions, as in commodity-money relations, but on exclusively vertical ones—the fulfillment of planned tasks “lowered from above.” The relations were carried out through a vertical hierarchical management system, in which production relations between employees of an enterprise and the industry as a whole were built positionally—tasks and instructions could be given to subordinates by the head, and they also were accountable for fulfilling tasks. People in post-Soviet countries are accustomed to the state caring and providing for them. This has become part of their culture and influences their preferences, skills, and patterns of behavior. A clear reflection of this culture is, for example, that the President of Russia collects questions and complaints from the people and answers them on TV. In Belarus, this need of the people is being carried out through specially created units in all government bodies to interact with citizens and legal entities.

Under state management during the military’s involvement in the development of science and technology both in the U.S. and the USSR, a model of sequential innovations (linear model) was put into place.

Pursuant to this model, a developed fundamental idea is embedded in applied research. The latter serves as the basis for innovation. Its implementation results in advanced technologies. More fundamental research brings about more applied research and more innovations, as well as “implemented” advanced technologies. Thus, this model implies a consistent and straightforward trajectory from basic research to applied research and further to adaptive research, technology transfer, as well as the introduction and dissemination of innovations. This is a typical Belarusian model of development.

Belarus has realized the transition using an innovative way of development that enables it to maximize the efficiency of its intellectual resources. However, the belief that it is possible to enhance the economic efficiency and the innovation by imposing strict requirements for implementation, currently prevails and dominates. At the same time, both production workers and researchers spend a great deal of time not on business itself, but on drafting reports. Mindful of the fact that this approach is not consistent with innovative development, the President of the Republic of Belarus has required the state apparatus to undertake steps toward economic liberalization. As a result, according to the index of economic freedom, Belarus ranked 167th out of 183 countries in 2009, and 104th in 2019.

Given that the concentration of exports in the Russian market and the unfavorable external environment contribute to the slowdown in economic growth, there is a need to revise government policies and select priorities.

Aiming to make the national economy more competitive in terms of intensive economic development, Belarus’s President adopted the Decree on the State Programme of Innovative Development of the Republic of Belarus for 2016–2020. Since then, innovations have been developing in Belarus at a rapid pace.

Regarding general information and communication technology (ICT) development, Belarus has fulfilled 73% of the ICT Development Index 2016, and Belarus ranks 31st on the index, indicating that general ICT development in Belarus is very good. Regarding cybersecurity development, the Global Cybersecurity Index (International Telecommunication Union, 2017) shows that Belarus has fulfilled 59% of the criteria, which earns it a rank of 39th in the world.

There are four areas where Belarus has reached 100% capacity: a secure environment for e-services, electronic identification and electronic signature, protection of essential e-services and critical information infrastructure, and capacity to manage cyber incidents.

It is generally acknowledged that the digital economy is a key to growth and development. On December 21, 2017, the Decree on Digital Economy Development was issued in support of developing the digital economy in Belarus. In the words of President Lukashenko, the decree creates unprecedented conditions for developing the IT sector and gives the country considerable competitive advantages.

With consideration of the preceding, when highlighting the directions for structural transformations, one should proceed from the following basic principles:

Transition to an innovative development path;

- Priority development of science-intensive, high-tech, competitive, export-oriented import-substituting non-resource-intensive industries and industries with a high share of added value;
- Consideration of factors of economic globalization and regional integration;
- Ensuring the rational use of natural, economic, demographic, and other local resources; and

- Awareness of the complexity of the development of productive forces of the country and its regions.

The standard scheme of the transition period aims at unifying the transformation processes in various countries with different starting economic conditions, economic structures, natural resource potential, historical preferences, and mental orientations of the people. Adherence to a standard scheme is the result of a lack of transformational experiences throughout the world. The latest economic transformations in post-Soviet and post-socialist countries indicate that there is no single model for the transition of these states from an administrative-command economy to a market one. Attempts to transition to a market economy by following a pattern have led to unexpected results in many countries. Countries themselves must choose a model of economic transformation, the dynamics of this process, and allowable social costs of reform at each stage of transformation. The main requirement for this is to follow the principles of developing a market economy, the imperatives of the time, and national interests.

The experience of Belarus in recent decades indicates the need for a timely change in tactical mechanisms for implementing reforms based on specific internal and external circumstances. These mechanisms should be flexible and adequate both to the general concept of the country's development and to the challenges of the time. The Belarusian transformation is characterized by the evolutionary nature of transformation based on the mentality of the people and the social responsibility of the government.

5. Proposals from the Point of View of Belarus

Stanislau Kniazeu

The Republic of Belarus acquired state sovereignty in 1991, and the process of establishing its statehood coincided with a great economic crisis. The main reasons for Belarus's challenging economic circumstances were the destruction of economic ties due to the collapse of the USSR, system-wide crisis of the old economic mechanism based on the administrative-command principle of economy and dominance of state ownership, and unpreparedness of the authorities to solve complex and non-standard problems in conditions of sovereignty. Many of those who were in key positions in the government of the new country were former leaders of the Communist Party. Before the current President of Belarus came into power, the country's leaders tried to return to the Soviet past and the old economic system. The path that Belarus has taken is not the path of market transformation, but also is not a return to the Soviet past.

The economy helps the newly created structures of power maintain a balance of interests in society and prevent the protests of hungry people. Belarus has experienced many difficulties in resolving such manifestations of popular anger. The collapse of the socio-economic system in Belarus occurred in 1991–1992. Factories ceased production after breaking economic ties, people were left without wages and prospects, and there were no industrial or food products in stores.

Currently, Belarus is on the path to self-sufficiency in ensuring the livelihood of its people. Only by complying with the principle of reasonable sufficiency can a balance of interests be achieved. The Belarusian government has ensured sufficient production of food, medicine, and other goods. Most of these problems have been solved in the agricultural sector.

Simultaneously with the development of market relations, ideological foundations should be developed and consolidated. The unity of the people, especially in a multinational state, can provide better support for reforms that are being initiated.

This implies the urgent need to structure society (Gritsenko et al., 2012, p. 306). As a rule, in the initial period after a regime change, many political parties, movements, and non-profit organizations arise. World experience shows that the best option for using political parties is to create the so-called parliamentary swings (Baburin & Stankevich, 2013, p. 107). Two large parties in a constant struggle for the votes of voters coexist. They have their own “shadow government cadres.” This is convenient and does not create chaos in the transition period after winning an election.

In addition, the principle of separation of powers should triumph in a young state. The legislative branch, executive branch, and judicial branch actively interact in the name of the common interests of the country. This principle is established initially when the constitution—the foundational law upon which the entire legal system is built—is adopted. Equality of each person before the law is achieved through thoughtful measures to control and establish strict rules in the economy, politics, and social relations.

After a regime change, civil servants should return to the general principles of management: the progressive division of labor, a combination of power and responsibility, conscious discipline, unity of command, unity of leadership, submission of private interests to the common good, encouragement, centralization, transparent hierarchy of posts, uniformity and order, justice, stability of tenure, employee initiatives, and team unity.

Without constant staffing with new personnel, education, and training, the system quickly wears out and dies. Capacity building of public servants contributes to the reproduction of the management system.

It is challenging to prepare the managerial elite during the transformation period. The capacity to lead appears when one realizes one's own desire for leadership in any team or life circumstance. Moreover, the formation of a young generation of leaders is impossible without the desire for novelty. To love novelty and change means to be ahead of any social movement.

At the same time, modern development conditions have highlighted the need to combat corruption. Permissive and distributive systems are necessary to the process of consolidating independence. However, at the same time, they become a breeding ground for corruption.

De-bureaucratization helps improve the situation. The creation of a strong and prosperous Belarus for the people was not only a declaration but also reflected in real events.

Globalization has increased the requirements of leaders worldwide. New leaders must be able to flexibly respond to an avalanche of information coming from the outside world.

The formation of systems to promote a healthy lifestyle, education, and science requires significant effort, and they are reflected in the indicators of the level of human development. In the difficult context after the accident at the Chernobyl nuclear power plant, diseases appeared, and the state government financed the development of the infrastructure of those systems. Sports arenas and associations of athletes for mass rehabilitation were created, which have been effective.

Measures to maintain a balance of interests on the part of the state and the people cannot be ignored. The state is building a system of social protection for the people. Often, social protection is offered for low-income individuals; the unemployed, the sick, orphans, the elderly, single parents, and large families are not always considered.

Belarusian science is strong in traditions and achievements. It has become a good launching pad for innovation (Borisevich, 2001, p. 69). In turn, innovations have actively contributed to the creation of a healthy investment climate.

There is a competition to disseminate information across the world, to capture people's attention, and to influence their values. This competition can be between rivals in an election within the country, as well as between representatives of more powerful countries. The processes of real "information colonization" include the sharp tools of psychological warfare.

Based on the experience of consolidating Belarus's independence, it was evident that crisis management is constantly needed. Although each country's solutions are unique (Grishkevich, 2016, p. 19), small and developing states may benefit by joining forces and helping each other, given they are surrounded by world giants.

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Part 3

Case 2: Korea

Bok Gyo Jeong

1. Description of Administrative Reform and Regime Change: History and Status

This part reviews the regime change from authoritarianism to democracy in South Korea from the perspective of institutional arrangements toward collaborative governance between the state, market, and civil society. After the 1987 democratization and the introduction of the direct presidential election in South Korea, three key administrations significantly contributed to the stable transition and consolidation of the South Korean democracy: the Kim Young-sam Administration, Kim Dae-jung Administration, and Roh Moo-hyun Administration.

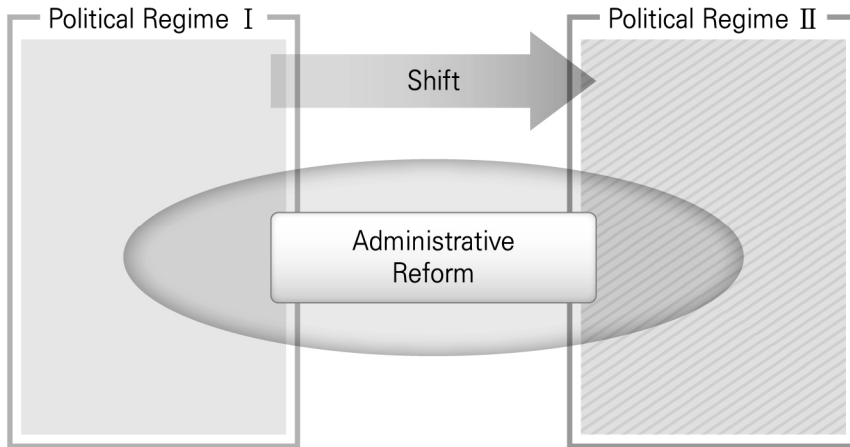
This section first introduces the regime change and administrative reform framework that illustrates the link and relationship between these two factors. Second, this section examines these three administrations and reviews their tenets and public policy agenda. Third, it reviews the associated administrative reforms. Overall, this section analyzes the underlying dynamics of the administrative reforms from the perspective of the interaction of the state, market, and civil society in South Korea.

1) Regime Change and Administrative Reform Framework

As discussed in the theoretical overview of a regime, a regime is more permanent than the government and less permanent than the state (Lawson, 1993). Regime goes beyond the formation, manner, and function of government. In essence, it centers on the legitimacy aligned with exercising authority, and it involves the norms and rules as well as the procedures of the government's operation (Lawson, 1993). Therefore, the discussion of collaborative governance or administrative reform may cover a relatively shorter time horizon compared to regime change. In addition, administrative reform can be more swiftly influenced by policy diffusion, domestic politics, administrative traditions, institutional dynamics, and isomorphic international influence (Cheung, 2005).

However, public administration and government can be more effectively discussed based on the tangible range of public policy interventions. This research focuses on administrative reform that can be discussed in terms of empirical evidence and within a tangible range. By bringing the discussion from the highly abstract and intangible regime level to the concrete, tangible, and intervenable administrative reform level, this study will be able to provide more practical policy implications as well as a logic model for a long-term goal of regime change.

[Figure 3-4] Regime Change and Administrative Reform



*Source: The Author

2) Historical Background: Condition Before the Regime Change

In terms of the historical and cultural backdrop, South Korea has a tradition of a strong state and weak society (Kim & Park, 2008). Economic and social development has been led by a state-centered model based on Confucianism and an elitism culture (Jeong, 2015). South Korean contemporary politics have experienced upheavals and turbulence after the establishment of the First Republic in 1948 (KIPA, 2014a, 2014b, 2014c). Military rule and its ensuing authoritarian regime have strengthened state dominance and consolidated the hierarchical structure of society (KIPA, 2014b, 2014c).

This historically-rooted state dominance has been weakened by the upheaval of civil society after democratization in 1987 (Han, 1988; Kim & Park, 2008). The June Democracy Movement in South Korea forced the ruling military authoritarian regime to hold elections and institute democratic reforms, thus giving birth to the Sixth Republic of South Korea. The democratization of South Korea has led to structural change within the government and influenced the dynamics between the state

and civil society (Kim, 2000). The military authoritarian regime was characterized by the military's dominance over the government. The introduction of the direct election of the president as a result of the June Democracy Movement is the hallmark of the historical regime change toward democracy (Im, 2000). Although the June Democracy Movement was not a one-time event but rather a culmination of accumulated piecemeal advancements led by the people and civil society, it is undeniable that this political event turned the page of South Korea's history to the next chapter.

This balanced power dynamic of a strong state and strong civil society has paved the way for regime change toward democracy and ultimately collaborative governance for the incoming governments. The consolidation of the democratic regime has been accompanied by public administrative reform initiated by incoming governments in South Korea. By presidents' efforts to differentiate their identity and tenets from previous governments and via the historical path of party affiliation of the incoming president, their strategic selection of administrative reform has generated a differentiated pattern of institutional arrangements: political leadership-led, civil society-led, and market-led administrative reforms.

3) Regime Change – Administrative Reform by Presidential Administrations

(1) A Necessary Condition for Democratic Transition – The Kim Young-sam Administration

The Roh Tae-woo Administration was the result of the June Democracy Movement. Although the Roh Tae-woo Administration contributed to reducing the resistance of the old ruling powers, including the military's resistance toward abrupt change and reform, the Roh Tae-woo Administration was still recognized as an extension

of the old regime and its ruling powers (KIPA, 2014d).

Therefore, the Kim Young-sam Administration was recognized as the first historical milestone after the Roh Tae-woo Administration. One of the most significant contributions of the Kim Young-sam Administration was the separation of government administration from military power (KIPA, 2014e). President Kim Young-sam was a democratic activist before he assumed the presidency in 1993. He dedicated almost 30 years opposing former military regimes including the Park Chung-hee and Chun Doo-hwan administrations. His administration marked the first civilian administration with a president who was a non-military civilian. His presidency established tenets of anti-corruption and the transformation from an authoritarian to a service-minded government (KIPA, 2014e).

This administrative transformation implies that the ruling elites were replaced by the incoming political leaders of democratization, including Kim Young-sam, followed by Kim Dae-jung (KIPA, 2014e, 2014f). It is noticeable that this replacement came through a compromised strategic alliance between the former military-elite-rooted party and incoming democratization movement leaders. Kim Young-sam became president as a candidate of the Democratic Liberal Party, which was created by merging the ruling Democratic Justice Party and two leading opposition parties, the Reunification Democratic Party and New Democratic-Republican Party (National Election Commission, 2009; KIPA, 2014e). Despite criticisms of the legitimacy of the compromised alliance between the old military power and a political leader who was a non-military, democratic advocate, this historical event ironically secured the stability of the political situation and brought about a peaceful transition toward democratization (Im, 2000).

It has also been considered that the transition to democratization was sought by the Kim Young-sam Administration's military reform to weaken the concentrated power of old military circles (Im, 2000). The

Kim Young-sam Administration disbanded the Hanahoe, the private military circle, which became the turning point in debilitating the military such that it could not attempt a coup d'état. The removal of Hanahoe also signifies the completion of the separation of military hierarchies from non-military government hierarchies. The consolidation of democratization is defined as the process of removing the privileges of old authoritarian regimes such as military autonomy (Im, 2000). In this sense, the Kim Young-sam Administration contributed to paving the groundwork for the consolidation of democracy after the peaceful transition from the military and authoritarian regime.

The key tenet of the Kim Young-sam Administration's reform focuses on reframing the nature of public administration from authoritarianism to serving the public. The overall tenets and agenda of the Kim Young-sam Administration include, but are not limited to, the following: i) establishing societal discipline by fighting against social injustice and corruption, ii) setting history straight, iii) removing authoritarianism and establishing clean politics, iv) strengthening governmental competitiveness and realizing economic justice, v) innovating public administration (from authoritarianism to a service-minded administration), and vi) improving public welfare and enhancing the quality of life (KIPA, 2014e). These agendas were established based on the identification and clarification of the historical call for consolidating democracy in the first non-military private administration.

The insertion of the mandate to disclose the wealth and properties of senior-level public officials into the Public Service Ethics Act was also a significant reform measure by the Kim Young-sam Administration. President Kim Young-sam disclosed information concerning his properties and wealth to the public and encouraged higher senior public officials to follow suit.

The Public Service Ethics Act is a significant indicator of institutionalizing the prevention of conflicts of interest in public officials' execution of official duties. The stated aims and regulatory purview of the Public Service Ethics Act are as follows:

to contribute to the establishment of the ethics of public officials as servants of citizens by preventing conflict of public and private interests through the prevention from acquiring unlawful property and the securing of the fairness in the execution of their official duties by institutionalizing the registration of property, the disclosure of registered property, and the vindication of the way to acquire property of public officials and candidates for public offices, and by prescribing matters necessary for the regulation of property acquisition by public officials who take advantage of their public office, a report on gifts and blind trust of the stocks by public officials, and restrictions, etc. on the employment and acts of retired public officials (Public Service Ethics Act, 2017).

This act is the result of addition and revision to its original version over time during South Korean administrative reform. Although the Public Service Ethics Act was first enacted in 1981, the mandatory disclosure of higher public officials' wealth and properties was added during the Kim Young-sam Administration. This measure is evaluated as an historical milestone toward enhanced transparency and ethics in the public sector (Kim, 2007; Kim, 2010).

The introduction of the real-name-financial system was also part of anti-corruption measures (KIPA, 2014e). It signifies the revocation of the privileges of capitalists and the end of the protection of property rights of monopolistic capitalists (Im, 2000). On August 12, 1993, President Kim Young-sam abruptly launched the real-name-financial system by issuing an "Emergency Financial and Economic Order on

Real-Name-Financial System and Privacy Protection.” The Kim Young-sam Administration intended to uproot injustice and corruption prevalent in politics, society, and the economy and enhance transparency. This new system has become the ground for establishing an equitable tax system by imposing aggregate taxation on financial income on the actual owner of financial assets (KIPA, 2014e).

The introduction of the local self-governing system is another historical event that brought a restructuring in power distribution in governance in the public sector (KIPA, 2014e). By a revision of the Local Autonomy Act, the first local government election to elect governors of metropolitan self-governing provinces and heads of basic governments was held in June 1995. This revised law broadened opportunities for local residents to participate in major decisions in local governments by institutionalizing referendums (KIPA, 2014e; Local Autonomy Act, 2009). Furthermore, information and data produced or managed by local governments were made public and shared with local residents, thereby facilitating resident participation and enhancing administrative transparency (KIPA, 2014e).

(2) A Sufficient Condition for the Democratic Transition

- The Kim Dae-jung Administration

The Kim Dae-jung Administration was the result of the first-ever power shift between the ruling and opposition parties through a democratic election since the establishment of the Republic of Korean Government in 1948. Acknowledging this historical implication, the Kim Dae-jung Administration identified itself as the People’s Government, emphasizing that the government was founded by the people’s power and as a democratic achievement (Kim, 1998). The birth of the Kim Dae-jung Administration marks a “system transformation” beyond a simple “transition” (KIPA, 2014f, p. 12). The term transformation implies that the actual ownership of power has been

given to the democracy-seeking opposition group for the first time in Korean contemporary history, whereas the previous governments were the military government itself, a part of the military/authoritarian governments, or a result of the compromised alliance with them. As a result, the Kim Dae-jung Administration clarified its key historical task as the “removal of the injustice and deep-rooted non-democratic irregularities” and the advancement toward a country “advocating democracy and human rights as well as promoting social justice” (KIPA, 2014f).

Despite this historical implication, the Kim Dae-jung Administration also had internal limitations and external constraints. The internal and structural limitations originated from the presidential election process. President Kim Dae-jung obtained victory through a coalition between the National Congress for New Politics (Sae-jeong-chi-kook-min-hoe-eui, in Korean) and the United Liberal Democrats (Ja-you-min-ju-ryeon-hap, in Korean) (National Election Commission, 2009). Because of the nature of the coalition government, the Kim Dae-jung Administration was constrained from fully conducting its reform and implementing its policy agenda (KIPA, 2014f).

Externally, the Kim Dae-jung Administration faced economic challenges derived from the 1997 financial crisis that led the South Korean government to request an International Monetary Fund (IMF) rescue package. The growth of the South Korean economy had been led by the chaebol, which are the economic conglomerates in South Korea. Its economy had also relied on extensive short-term foreign-currency borrowing by banks. The unprecedented bankruptcies of the chaebol in early and mid-1997 as well as the late 1997 speculative attacks on other East Asian economies such as Hong Kong and Taiwan made foreign investors re-assess their investment in South Korea. As a result, foreign capital quickly exited the South Korean economy. Due to this financial emergency, the newly elected president

announced his support for radical structural reform measures suggested by the IMF (IMF, 2003).

Multiple factors explain why this financial crisis occurred (Goldstein, 1998; Hahm & Mishkin, 2000; Kim, 2006; Summers, 2000). These factors include both external and internal ones. External factors include the weak Asian financial market, movement of speculative dollars, the operation of the managed float system of the Korean currency, and the combined effect of the strong dollar and weak yen. Internal factors include the failure of government-led industrialization and a series of bankruptcies or financial challenges of big conglomerates (such as Hanbo, Sammi, Jinro, and Kia).

As described above, the Kim Dae-jung Administration had dual tasks in its public policy agenda: consolidation of democracy and market reform in response to the financial crisis. The Kim Dae-jung Administration set its goal as ensuring the compatible development of democracy and the market economy (Presidential Secretariat, 2000). This was also referred to as a democratic market economy or productive social welfare. Productive social welfare implies that the status of the “non-social welfare” turns into “social welfare.” At the same time, this implies that advanced welfare states that are already ridden with excessive social welfare introduce the idea of “workfare” (U.S.), “Active Labor Market Policy” (Sweden), or “Welfare to Work” or “the Third Way” (U.K.) (Giddens, 1998).

First, the Kim Dae-jung Administration had the utmost objective of consolidating democracy as the government founded upon people’s power and its democratic achievement. The administration emphasized the objective of establishing a country that advocates democratic values and human rights. Although the democratic reform had begun in the previous Kim Young-sam Administration, its reform was constrained because it had originated from the three-party merger. This maintained the authoritarian political order and further strengthened the old

societal order founded upon an authoritarian political and economic system (KIPA, 2014f).

The Kim Dae-jung Administration introduced and experimented with a new governance format to carry out its policy agenda given the internal and external constraints. The Kim Dae-jung Administration transformed the governance format from the old-style ruling government to a collaborative government between government, business, and civil society representatives (KIPA, 2014f). This social corporatism-format tripartite governance model invited representatives from labor unions and federations of business companies to the table when the Kim Dae-jung Administration determined the structural reform of labor and employment as well as the overall market-related macro policies relevant to the IMF financial crisis.

This format adopted social corporatism comparable to the Northern European tripartite governance model, including that used in Sweden (Vandenberg & Hundt, 2012). Although skepticism existed that the 1990s' corporatism model might have converged on neoliberalism by giving way and voice to the market, this new experimentation was evaluated as an effort to transform the old government model to the new form of collaborative governance (Vandenberg & Hundt, 2012). The most significant contribution of this new governance model was that it included representatives of labor unions as the key players in public policy decision making at the tripartite negotiation table on labor-employment policies.

In addition to the participation of labor union representatives in the government decision-making process, the Kim Dae-jung Administration allowed civil society representatives to be part of the process. One of the most significant measures in institutionalizing this partnership was the launch of the Public and Private Partnership in the Ministry of Interior. In addition, the Kim Dae-jung Administration expanded the participation of private organizations in the public sector and public

administration from 12% in 2000 to 20% in 2001. Furthermore, the Kim Dae-jung Administration enacted the Framework Act on Public Service Evaluation, which authorizes private sector experts, including academic experts and representatives of civil society organizations, to appraise the performance of respective Ministries' work.

These changes mean that the South Korean government institutionalized the supporting system for non-governmental organizations (NGOs) and civil society organizations (KIPA, 2014f). This is differentiated from the previous authoritarian government's mobilization of quasi-autonomous non-governmental organizations (QUANGOs). Because QUANGOs are significantly controlled and financed by government bodies, the relationship between the government and QUANGOs is not horizontal or separable. The institutionalization of the official partnership with NGOs signifies the transformation of governance by incorporating the inclusive and horizontal partnership with the civil society in the government's public policy decision making and implementation.

(3) Decentralization and Participatory Governance **- The Roh Moo-hyun Administration**

The Roh Moo-hyun Administration was launched with the tenet that the government's foundation is based on the broad participation of the people (Ministry of Interior, 2003). The Roh Moo-hyun Administration clarified that the people own government operations. Thus, participatory democracy was set as the targeted goal of the Roh Moo-hyun Administration. Indeed, after the election, President Roh Moo-hyun announced that "democracy with people" was his first foremost policy agenda. It was a promise that the new administration would pursue the expansion of people's rights through participation.

President Roh Moo-hyun symbolized the emergence of new leaders after three Kims, the elderly statesmen in South Korean contemporary politics. Therefore, the leadership of President Roh Moo-hyun also reflected an expectation for horizontal societal democratization, that is a rejection of authoritarian leadership (KIPA, 2014g). It is also noteworthy that President Roh Moo-hyun was the first presidential candidate elected through a party's own primary election with the people's participation. He also had a broad fan base, known as "Roh-sa-mo," who identified as a group of people who followed and admired politician Roh Moo-hyun. This primary election by the people was the first time in the South Korean political history, and it brought a remarkable level of attention and participation of people. Approximately 1.9 million people applied to be part of the electoral college during this election (KIPA, 2014g).

The decentralization of politics and public administration was one of the most significant tenets of the Roh Moo-hyun Administration. The Roh Moo-hyun Administration emphasized the importance of building a multi-centric and plural society. This multi-pluralism was regarded as the new value, after the authoritarianism and state-led industrialization model (KIPA, 2014g).

The transfer of administrative capital was one of the main promises of Roh Moo-hyun during his presidential campaign. President Roh Moo-hyun paid attention to the unequal development of regions in South Korea. In the era of localization, the equal development of different local communities surged as one of the most significant tasks of the government. Choong-chung Province was selected as the new capital, and the existing capital was intended to be transformed into the new business hub in the Northeast Asian region (KIPA, 2014g).

At the same time, cleaning up old politics and creating new politics was also on the agenda of Roh Moo-hyun Administration. The following sub-tasks were pursued as part of administrative reform: cleaning up

corruption, election district reform, independent investigation of political incidents, and confirmation hearings for high-level government officials (KIPA, 2014g).

(4) Summary

This section reviewed the public policy agenda and administrative reforms of the core period of regime change in modern South Korean politics and public administration. The selected period included the administrations of Kim Young-sam, Kim Dae-jung, and Roh Moo-hyun.

This section highlighted the Kim Young-sam Administration's contribution to separation from the military power and old ruling groups, including monopolistic capitalistic groups and corrupted politicians. As the associated administrative reforms, this section identified the following key actions and achievements: disbanding private military circles for military reform, introduction of the real-name financial system and mandatory disclosure of wealth and properties of high-level public officials as a measure to fight against corruption, to promote market reform, and to institutionalize a local self-governing system.

The Kim Dae-jung Administration was notable for its dual tasks: consolidation of democracy and response to the external market pressure resulting from the financial crisis. First, its contribution to the consolidation of democracy was the gradual development of initiatives from the Kim Young-sam Administration. Promotion of democratic values and human rights as well as improvements in social justice were marked as advancements achieved during the Kim Dae-jung Administration. Second, the Kim Dae-jung Administration had to cope with market pressures due to structural reform and a labor-market adjustment. The Kim Dae-jung Administration focused on breaking away from crony capitalism and the elimination of government interventions in private corporations and institutions. Its associated

administrative reforms were noted: corporatism-style governance between the tripartite summit between government, business, and labor unions; and institutionalization of partnership with civil society organizations and NGOs in the public policy decision-making process.

The Roh Moo-hyun Administration was highlighted for its contribution to decentralization and the expansion of participatory governance. The marked administrative reforms included planning the administrative capital transfer and cleaning up old politics and corruption through administrative reforms.

[Table 3–2] Respective Administration's Public Policy Agenda and Administrative Reforms

	Tenets and public policy agenda	Administrative reforms
Kim Young-sam Administration	De-authorization of i) military power ii) capitalistic monopolistic power iii) corrupted old power	<ul style="list-style-type: none"> • Disbanding private military circles • Introduction of the real-name-financial system • Mandatory disclosure of wealth and properties of high-level public officials (Public Service Ethics Act) • Introduction and institutionalization of local self-governing system
Kim Dae-jung Administration	Consolidation of democracy: i) Establishing a country that advocates democratic values and human rights ii) Promoting social justice Market-driven structural reform iii) Breaking away from crony capitalism iv) Elimination of government interventions in private corporations and institutions v) Labor-market adjustment	<ul style="list-style-type: none"> • Adopting corporatism-based governance format between government, business, and labor unions • Institutionalization of partnership with private organizations including civil society organizations and NGOs
Roh Moo-hyun Administration	Decentralization and expansion of participatory governance	<ul style="list-style-type: none"> • Planning the administrative capital transfer • Cleaning up old politics and corruption through administrative reform

*Source: The Author

[Table 3-3] Regime Change and Institutional Arrangements in Administrative Reform

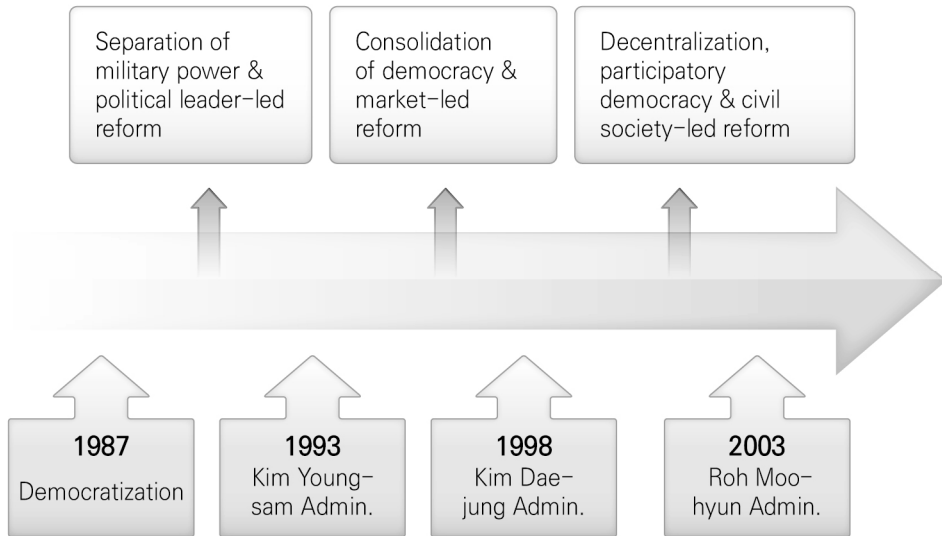
Regime type	Time period	Key institutional form
Authoritarian regime	1945-1987	Authoritarian military regime & government hierarchies
Democratic regime	1988-1993	Authority-based government hierarchies (Transition to democracy)
	1993-1998	Separation from the military authoritarian power (Consolidation of democracy)
	1998-2003	Pre-collaborative governance arrangement (Consolidation of democracy & corporatism-based social compact)
	2003-2008	Decentralization & collaborative governance arrangement (Participatory government)

*Sources: The Author

The key contributions by the three core administrations in South Korea after democratization toward the consolidation of democracy can be re-analyzed with a focus on political, market, and civil society dynamics. The 1987 democratization junction was followed by gradual advancement toward the consolidation of democracy.

In this process, the separation of military power by democratic leader and politician President Kim Young-sam was a critical milestone that solidified irreversible steps in the democratic transition process. The market shock caused by the 1997 financial crisis forced the Kim Dae-jung Administration to experiment with corporatism-format participatory governance. Although the experimentation ended within a short period, it was a measure that brought three key stakeholders to the table as discussion partners, without any hierarchical order. The consolidation of democracy continued to deepen with the promotion of human rights and social justice under the Kim Dae-jung Administration. Decentralization and participatory democracy were the key tenets of the ensuing Roh Moo-hyun Administration. The inclusion of civil society organizations in this reform process was tangible and significant, as a civil society-led participatory governance.

[Figure 3-5] Flow Chart of the Regime Change and Administrative Reform



*Sources: The Author

2. Identified Issues

South Korea provides an interesting case to analyze the relationship and interaction between regime change and economic growth, social movement, international influence, and administrative reform. South Korea's democratization has built upon the achievement of economic growth and was driven by civil society's participation in a wave of social movement. South Korea's system transition was not conducted in a vacuum in terms of international relations. For example, the 1998 financial crisis of South Korea hit the entire country's economy and society, resulting in reformative measures in the financial system and labor-market policies. Additionally, public administrative reforms at the central and local government levels have been a varying but constant factor affecting the country's development and system transition. Therefore, this section will discuss the four issues associated with regime change identified in the theoretical reviews in Chapter II.

1) Regime Change and Economic Growth

As noted in the theoretical review of this study, the relationship between economic growth and regime change may not be explained by a single direction or pattern. The South Korean case demonstrates the conducive relationship between economic development and democratization. Scholars suggested that countries with higher levels of GDP per capita tend to move toward democracy (Lipset, 1959). Democratic institutions are formed when certain social and cultural conditions such as economic development are met (Inglehart & Welzel, 2009). In the case of South Korea, economic growth was a key factor that led to the system transition and regime change. South Korea has been noted as one of the few examples that moved from being from a recipient country to being a donor country (Chun, Munyi, & Lee, 2010; Kim, 2011). This achievement in economic growth served as the foundation for the democratization of South Korea's society and politics (Im, 2000). Although economic growth is not the only factor of democratization in South Korea, it served as one of its necessary conditions.

It is also noteworthy that the conducive relationship between economic development and democratization does not mean that there are no interruptions or upheavals. As noted in a previous study, economic development may or may not bring about a transition to democracy on its own, but it does result in a more stable and consolidated democratic regime (Przeworski & Limongi, 1997). South Korea provides additional case support for this proposition by showing that after the steps into democratization in the 1980s, South Korea's democracy has remained stable despite intermittent tensions or upheavals. For example, the Kim Young-sam Administration disbanded a private military circle in order to separate the government administration from military power. This measure brought some conflicts and intensified tensions between the old military power and

the new democratic political power. However, this tension did not rise to a level to thwart democracy itself, and democracy continued its advancement toward consolidation.

2) Regime Change and Social Movement

South Korea's regime change has substantially been driven by social movement, organized by opposing political leaders and civil society. The 1987 democratization became a key milestone for democratization in South Korea's history. Civil society organizations, student organizations, labor unions, and advocacy organizations added their voice to the transition.

South Korea went through multiple experiences of social resistance against existing ruling authoritarian or dictatorial regimes. These societal resistances were not always successful in bringing about a stable democracy. Democratization was founded upon accumulated efforts by repeated demonstrations and resistance. The experience of South Korea shows contrasted cases of failed and successful resistance (Im, 1994). For example, the resistance known as Bu-Ma Democratic Protest, which took place from 1979 to 1980, demonstrated the organized power and voice of the people but it failed to produce a stabilized democratic regime after the resistance. This protest began on October 26, 1979 as a confrontation to the Yushin Regime, which was the super-constitutional dictatorial power under President Park Chung-hee. This resulted in a short period of advancement toward democracy as evidenced by the agreement between the Democratic-Republican Party and Shin-min Party. However, this advancement abruptly ended with the December 12th Military Coup in 1979. After this military coup, the voice of establishing democracy through compromise within the ruling blocs was subdued. Although this resistance was not successful in producing a stabilized democracy in

one shot, this experience left an indelible historical memory and was a step toward the democratization of South Korea.

A successful regime change came after a 1987 demonstration, which was able to successfully and peacefully produce a democratic regime change by embracing pressure from the people (bottom up) and a compromise by the ruling elites (top down) (Im, 1994). The voice of the people, including labor groups, students, scholars, farmers, the urban poor, artists, and professionals, forced the military ruling elites to hold a direct election and institutionalize the democratic power transition. The 1987 demonstration shifted the equilibrium among participating actors in the political game chart. After June 1987, the reformist group within the ruling bloc established its basis within the system, and the moderate group seized control within the opposition bloc. This made it possible for these two groups to seek a peaceful and stable solution through democratic competition.

The two contrasting experiences in South Korea's history, one successful and one unsuccessful, show that democratization and social movement occur within a complex political game rather than a simple one in terms of game theory. The social movement and democratization process involve a variety of actors from the top, bottom, left, and right. The main actors include political powers (both ruling and opposition), non-political elites (university students, labor group leaders, civil society organization leaders), and economic interest groups. Therefore, the equilibrium shift may not be deterministically determined. Rather, the outcomes of these political and sociological games among multiple interested actors will be determined by a combination of participating actors' strategic choices as well as environmental conditions, both domestic and international.

3) Regime Change and International Factors

The international political economy affects a regime as well as the dynamics among actors involved in regime change in a country (Siverson & Starr, 1994). External factors can impact circumstances gradually such as environmental compacts through multi-lateral/bi-lateral negotiations through global conferences (e.g., Rio+20), or they can impact circumstances through short-time sudden events such as war and economic crisis.

As an example of an external threat and upheaval in the global political environment, the 1997 financial crisis affected South Korea's politics, society, and financial system structure, but it did not dismantle the democratic structure of society.

External factors can trigger system change and administrative reform as shown in South Korea's experience with the financial crisis in 1997. For example, this financial crisis prompted the International Monetary Fund to become involved in South Korea's financial system reform. Due to this economic condition and the external actor's involvement in the domestic financial system and labor market, the South Korean government had to comply with recommendations by foreign investors as well as multi-lateral financial institutions. The Kim Dae-jung Administration's dual task—compatible development of democracy and the market economy—highlights the tension in domestic public administrative reform when external actors interfere with a sovereign country and its domestic public policy agenda.

Although external factors may affect domestic reform measures and their direction and extent, it is still the domestic actors, including government agencies, civil society, and companies involved in economic activities, who determine the ultimate administrative reform measures. For example, the application of the social-corporatism-format tripartite system as a response to the financial crisis caused by

external crisis was determined by domestic actors and the financial sector. Labor-market reform measures were negotiated through this newly adopted governance process.

The Kim Young-sam Administration's decision to join the Organisation for Economic Co-operation and Development (OECD) is also an example of how decisions made by a domestic government affect a country's relationship with foreign countries, international organizations, and international non-state actors (Kim & Kim, 2003). Some analysts explain that joining the OECD at a relatively pre-mature stage of South Korea's economic growth might have triggered the financial crisis in 1997 in South Korea. The transformation from a state-led development economy to a liberalized market economy in the globalized world requires a newly adjusted state capacity. If market liberalization occurs in the context of a weak capacity to monitor financial conditions as well as foreign investment money and currency flow, this may affect the sound condition of the country's economy (Lee, 2000).

The influence of the global integration of South Korea on its social or administrative reform can also be assessed by observing how international relations affect domestic labor market reform. For example, the enforced financial system reform in South Korea caused by the financial crisis in 1998 produced a complex effect on the labor market: increased unemployment, increased utilization of contingent workers, and widened income inequality. At the same time and as contrasting effects, the joining of international organizations (e.g., the OECD and the International Labor Organization) played a key role in improving labor rights by imposing global standards to protect workers' rights (Kim & Kim, 2003).

4) Regime Change and Public Sector Reform

Administrative reform measures can occur as a result of regime change, or administrative reform can itself serve as a facilitating factor for regime change. In other words, the relationship between administrative reform and regime change is not one directional. Rather, they mutually influence each other. For example, the Public Service Ethics Act revisions²⁾ have been made intermittently over South Korean administrations as a result of the established democratic government, but at the same time, these continuous reform measures strengthened the foundation for the consolidation of a democratized system and transparent public sector operation.

The purview of administrative reform has been comprehensive throughout the transition stage from an authoritarian government to a democratic government in South Korea. For example, in the Kim Young-sam Administration, one of the key areas of administrative reform was establishing social justice and fighting against corruption. The mandate to disclose the wealth and properties of senior-level public officials, provided by the Public Service Ethics Act, was a signature reformative measure introduced by the Kim Young-sam Administration. In the Kim Dae-jung Administration, the extended inclusion of previously-excluded actors in the governmental decision-making process was a main feature of administrative reform. Labor unions became a decision-making partner through the newly adopted social corporatism-format governance model. Civil society representatives also were allowed to participate and voice their concerns in the governance process, as shown through the launch of the Public and Private Partnership in the Ministry of Interior. Under the Roh Moo-hyun Administration, equal development of decentralization measures was the key goal of administrative reform. By planning the

2) Further details on the revisions made to the Public Service Ethics Act can be found at the following website: <http://www.law.go.kr/LSW/eng/engLsSc.do?menuId=2§ion=lawNm&query=PUBLIC+SERVICE+ETHICS+ACT&x=0&y=0#liBgcolor0>

administrative capital transfer, the Roh Moo-hyun Administration contributed to reducing the severity of unequal development of regions in South Korea.

As seen in the introduced administrative reforms, these reform measures occurred as a result of regime change, but they also served as the foundation for the consolidation of democratic regime change. For instance, the anti-corruption and ethics reform under the Kim Young-sam Administration and institutional reform to increase citizen participation under the Kim Dae-jung and Roh Moo-hyun Administrations took place at the closure of the prior authoritarian regime. The end of the authoritarian regime opened a window for these reformative measures by future administrations. In return, these reformative measures contributed to increasing governmental transparency and accountability by allowing a high-level of participation by civil society in the decision-making process in the public arena and by institutionalizing a fair and transparent market system that is not subordinate to political elites through the corruption and collusion of the old regime. This shows an interdependent influence between regime change and administrative reform. For this reason, the next subsection will discuss the challenges and tasks that remain after the democratic transition in South Korea.

3. Challenges and Lessons

This subsection discusses the challenges South Korea has faced since transitioning to a minimal level of democracy. It focuses on the two phases of transition from an authoritarian to a democratic regime: one is the “installation of a democratic government,” and the other is the “consolidation of democracy” (O'Donnell, 1988, p. 43). This study highlighted the impact of administrative reform measures on

consolidating democracy after the installation of the minimal-level definition of democratic government. The success in the transition to the minimal-level democracy—the institutionalization of the election system for political power shifts—does not guarantee success in the consolidation of democracy—the effective functioning of the democratic system by embracing democratic values and the internalization of democratic rules by stakeholders.

To ensure the consolidation of democracy, the following challenges remain. First, the fundamental challenge in consolidating a democratic regime is to coordinate the complex needs and expectations of multiple stakeholders in the system. Setting up democratic rules in the election to create a government is a necessary condition for a democratic transition. The politics in South Korea have spawned an explosion of conflicts on many public policy themes without providing actual solutions or productive discussions. Therefore, it is necessary to develop an election or voting system that allows a flexible and practical collaborative coalition by interests and themes. It is necessary to incorporate multiple factors causing social conflicts in the South Korean context beyond the Western-developed single social class factor of labor/management. It would be beneficial to breakdown the factors of conflicts, heterogeneity, and interests by region, gender, age, industry, social class, etc. The confrontational approach based on the friend/foe dichotomy may undermine society's capacity to resolve complex social issues that involve a multi-layered, multi-sectoral, and multi-factorial conflict structure. For this task, the election system can move from the current winner-takes-all or single-winner system to proportional representation systems or multi-member election systems. In this way, the election or political fight can be more than dividing the group between friends and foes. This will also allow us to develop a flexible structure to allow political party members to collaborate by themes across party lines.

Second, regime changes can be led by intermittent, large political and historical events, but the actual consolidation of democracy is built on the institutionalization of micro-level public policy and management interventions. For example, the June Democracy Movement is the hallmark of the historical regime change, but it cannot undermine the effect of the everyday public policy process and management practices governed by multiple stakeholders in the public and private sectors. The establishment of an institutional arrangement and public management that sustains the democratic system is the key to consolidating democracy. For example, participatory budgeting can be instrumental in producing a democracy that is accessible during the routine processes of public administration either via direct participation of citizens or citizen-based representation. Direct participation can be implemented through neighborhood meetings or councils, while indirect participation can be facilitated through social organizations, grassroots organizations, or trade unions (Cabannes, 2004). Community-based representative democracy in the budgeting process can result in public sector decisions being made by the collaborative governance model. Increasing the role of professionals (e.g., NGOs, universities, consulting partners, grassroots advocacy groups) as an advisory entity at the local government level would be a good step toward integrating regime change at the local level in a professional setting along with neighborhood-level inputs.

In summary, this subsection differentiated strategies for transitioning to democracy and for consolidation to democracy. Administrative reform measures were discussed as tools to stabilize change and incorporate democracy as part of the functioning system, not a political catchphrase that dramatizes dichotomous conflicts by a single factor.

4. Implications

In this subsection, suggestions and implications will be discussed from the perspective of establishing a collaborative governance system as a solution to consolidate democratic transition.

Establishing a functioning collaborative governance system is key to consolidating a regime transition. Creating a governance system that allows the participation of civil society and private market actors can be a good solution for involving a wide range of stakeholders in policy planning and agenda setting (Jung et al., 2009). Involving civil society, the market, and the government in public policy agenda formation and implementation reduces societal costs. This occurs by orchestrating interests, which prevents potential damage resulting from unnecessary confrontation that could have occurred.

A deliberation model through a collaborative governance system should be adopted and enhanced. Face-to-face interaction at the local level creates an opportunity for citizens to interact with public agency leaders. The success of deliberation is founded upon mutual trust, conflict management, and enhanced responsiveness. Therefore, developing an institutional entity at the municipality or local government level to create a collaborative governance system is crucial to consolidating the democratic transition. In this process, the role of citizens can be facilitated by embracing diverse values at the local government level. For example, the format of the Neighborhood Council can be introduced as a means to exercise collective power in the form of a collaborative public governance model (Cooper, 2009). This institutional format creates a new deliberative arena for addressing local governmental problems.

Lastly, it is important to ensure the quality of participation in order to continue and grow this collaborative governance model for the shared goal of a consolidated democratic transition. Sometimes, citizen participation or the participatory governance model is used to justify existing or newly introduced public policy, rather than to actually embrace the participating actors' input and insights. For example, the Residents Support Committee, which was created by a local government to supervise an independent food waste treatment and recycling facility and to discuss resident welfare in Ulsan, South Korea, offered a lesson regarding the importance of the quality of participation. When the committee was not inclusive enough to fully reflect the participating residents and intentionally excluded a certain group in the formation process, the committee did not function well and ended up creating additional sources of conflict (Eun, 2009). Given that the success of this collaborative governance system relies on mutual trust toward counter partners in the system, the experience and assessment of participating actors is key to sustaining this structure and process. The extent to which government agencies, citizens, residents, and private-sector representatives value and trust other participants' capacity, responsibility, expertise, and dedication will determine whether this governance system will be exercised practically for a consolidated democratic transition or simply to meet the perfunctory quorum of meetings to continue the existing routine process.

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Conclusion and Suggestions

Kilkon Ko, Hyeon-Suk Lyu

Regime change prompts a series of unexpected challenges. While a country denounces the legitimacy of the old regime, the new regime is never close to the expected ideal status. Rather, a new regime brings new challenges, ranging from political, socio-economic, administrative, and even cultural ones. This monograph aims to examine the challenges of regime change by reviewing the experience of Belarus and South Korea and describing how they struggled to overcome those challenges.

After the collapse of a socialistic regime, Belarus expected to progress toward a more democratic and market-oriented regime. However, compared to Baltic States (Estonia, Latvia, and Lithuania) whose GDP per capita exceeded 15,000 USD in 2017, Belarus's GDP per capita was only 5,726 USD in the same year. Although Belarus adopted an electoral democracy at the beginning of its regime change, its first president, Alexander Lukashenko, has been president since 1994 through a successive change of constitutions. By contrast, South Korea, which had suffered from an authoritarian regime, has achieved both economic development (GDP per capita of 33,000 USD in 2018) and democracy. Despite their different trajectories, regime change significantly affected the economic, social, and administrative systems of both countries.

1. Impacts of the Regime Change

Kilkon Ko

While many possible impacts of regime change can be reported, we observe the following similarities and dissimilarities between Belarus and South Korea based on our case study.

First, the experience of a market economy should not be taken for granted. After its regime change to a market-oriented economy, Belarus encountered difficulty adapting to a totally new way of managing its economy. Managers who were accustomed to stereotypical distributive and hierarchical management had to embrace the market system, in which they had to make independent decisions and assume responsibility for their performance in creating competition in the market. Unlike in a planned economy where economic policy stemmed from political leadership, public managers had to vigilantly monitor the needs of economic actors in the market. However, the quick adoption of the market system caused a shortage in production, the careless sales of national assets, poor provision of basic necessities, and the prevalence of corruption in business. The emergence of different needs and the uncontrolled market system could not be effectively managed. Moreover, the absence of experience with a market economy prompted the Belarus government to resist losing control over the economy.

By contrast, South Korea continuously develops a market driven economy despite incompleteness. South Korea had accumulated the experience of the market economy before democratization in 1987, but the government frequently intervened in the market, and there was a strong belief that the government actively planned and guided the economy's direction. Sometimes, private companies bribed politicians to earn contracts or favor from the government. Even after economic

growth and democratization, South Korea had to learn how to fix the distorted market system, particularly the issues of chaebol and the corrupt ties between business and the government. Hence, over the last three decades, South Korea has attempted to determine a way to make the market system function in the era of democratization and globalization. The negative as well as the positive effects of the market system should be understood by government officials. Without efforts to ascertain lessons, the transition to the market system will be crippled and unsatisfactory results, such as those in Belarus, may be experienced. Hence, a mere emphasis on the adoption of the market system may make people overlook the many unintended consequences due to lack of experience. Despite the shortcomings of the market system, little evidence has shown that a state-controlled economy performs better.

Second, regime change requires the rearrangement of international relations with neighboring countries and international organizations. Belarus had to set up new relationships with neighboring countries, such as Poland and Russia, based on new principles for protecting its interests. Moreover, Belarus had to respect universal freedoms, the rule of law, and human rights to participate in the EU and World Trade Organization system. The EU criticized the government of Belarus for many years for anti-democratic practices and imposed sanctions, although most of the sanctions were suspended in 2015. The sanctions significantly affected the economic development of Belarus and its entry into the global market.

South Korea established a diplomatic relationship with China and Russia in the early 1990s despite severe challenges from North Korea. These relationships made some domestic opinion leaders uneasy due to the remaining hostility toward former communist countries, including based on the memory of the Korean civil war in 1950–1953. The controversy over international relationships, however, does not

cast any doubt on the principle that internationally accepted human rights and democratic rules should be respected. As a result, South Korea can further expand diplomatic relationships even with former communist regime countries including China, Russia, and Vietnam.

Third, cultural and value changes should not be underestimated. During a transitional period, social and cultural authorities developed under the former regime tend to be rejected. As a result, a country in transition faces challenges related to a generation gap between the old and young that was suppressed during a former regime, a materialistic culture, and so forth. Such cultural and value changes reduce social cohesion and force the government to develop relevant policies. In particular, the growing voices of interest groups with different value systems make it difficult to build a policy consensus. In Belarus, such disorder legitimized authoritarian rule and the long-term tenure of the president.

South Korea's post-democratic society experienced the strong advocacy of democratic values emphasizing human rights, social justice, and participatory governance. However, despite the desirability of value changes, conflicts between conservatives and progressives hindered problem solving. Hence, regime change brought forth different ideologies, cultural values, and a generation gap, which, in turn, conflicted with the former value system.

Fourth, a country needs to adopt new economic policies after regime change, such as those related to currency, a banking system, land and property rights, privatization of state owned enterprises, and participation in international trade organizations. For instance, Belarus faced a shortage of currency and devaluation after its independence from Russia. The influx of foreign and domestic investment required capital protection measures, foreign exchange regulation, protection of property rights of international investors, and adjustments to the tax system. Moreover, although Belarus wants to develop digital and

advanced information technology industry, it does not have a strong manufacturing industry and free market system to nurture innovation. As a result, the shortage of human capital, technology, and market demands make it difficult for Belarus to promote global competitiveness in the digital market.

Fifth, the lack of trained experts working in the public and private sector is another important challenge to a country under regime change. It is not easy to find experts who can manage public organizations in a new regime. The elites of the former regime are not valued as the new political group is hesitant to work with them. In addition, the higher education system is unable to produce the next generation of leaders, equipped with new knowledge useful for the new regime, because it has not been updated. Moreover, social instability increases the emigration of highly trained and intelligent people. In particular, a return to an authoritarian regime or unstable politics, such as Belarus experienced, can aggravate the brain drain problem.

Sixth, administrative reform can be guided by different forces. Immediately following democratization in South Korea, strong political leadership allowed some critical achievements, such as disbanding private military circles for military reform, introducing the real-name financial system and mandatory disclosure of wealth and properties of high-level public officials, and introducing and institutionalizing a local self-governing system. These reforms were once thought impossible in the authoritarian regime. However, strong political leadership is not always feasible. When the former minority party assumes political power, resistance from the former majority party attempts to weaken the legitimacy of the government. In Korea, presidents could not wield their political power under the frequent shift of political power due to the five-year term limit. As a result, administrative reform should be guided by the market and civil society rather than a charismatic leader. However, the vestige of the authoritarian administration still made the

presidents believe that they could achieve their goals through charismatic leadership, which turned out to be false.

After Belarus's independence in 1990s, many expected a shift toward a democratic regime. However, the tremendous economic difficulties, weak foundation of democracy, and return of authoritarian leaders deterred Belarus's progress. In particular, the successive extension of the number of terms a president could serve consolidated its authoritarian regime. Under this context, the president was the only, and most powerful, force guiding administrative reform. Unfortunately, the consolidated interests of ruling elites in Belarus did not seem to provide any incentives to pursue comprehensive administrative reform for efficient government.

This joint research on the role of government and public administration in the transition period in Korea and Belarus has led to the following lessons.

First and foremost, although only cases of regime transition between Korea and Belarus were compared, it is arguable that the trajectory of regime change differs according to the context of each country's politics, economy, culture, etc.

The second implication drawn from this joint-research experience is that historical processes and regime change are non-linear processes. As seen in the Belarus regime change, right after its independence from the Soviet Union, it began to transition to a market economy and electoral democracy system. However, shortly thereafter, it returned to another form of an authoritarian political system with long-term presidential power coupled with a national planned economy. In other words, regime change may retreat backwards or have a somewhat zigzag process.

The third implication is that a regime transition is not only influenced by endogenous factors such as domestic politics, society, and the

economy, but also by the international community such as neighboring countries and international organizations. For instance, international relations between Russian and the EU affected Belarus's economic and political choices, and thus the direction of regime change; Korea was affected not only by neighboring countries such as Japan and China, but also by the U.S. and OECD. In other words, the impetus of change is driven by internal voluntary factors, but also involuntarily by external pressures.

The fourth implication is that a variety of epidemiological factors are necessary for the successful settlement of a market economy and democratic system. In addition to these, a society's market economy and democratic experience are vital. In Korea, there was an elite group or bureaucracy with experience and expertise in the market economy and democratization. In Belarus, the direct transition from the Soviet planned economy and authoritarian system to marketism and democracy brought a number of internal and external hurdles, leading to a stranded transition.

Finally, the most essential lesson drawn from this joint study on public administration both in the Belarusian and Korean transition period resonates lessons learned from previous policy studies: in short, "One size does not fit all."

2. Proposals from the Point of View of Korea

Kilkon Ko, Hyeon-Suk Lyu

Although the aforementioned challenges identified in Belarus and South Korea during regime change are not easy to overcome, several solutions are proposed. First, a constitutional change extending the presidential terms should not be easily allowed. Regime change usually incurs political and economic turmoil, and people tend to choose an authoritarian regime for political stability. In such a case, while an authoritarian leader might provide benefits for the people, the system becomes more vulnerable to personalized power and structured corruption from elite groups. In such a context, the extension of a political leader's term can suppress the possibility of embracing different political views, which are essential for democracy and a healthy regime change. In Korea, many argue that the limitation of the president's term to five years hinders the consistency of government policies. Although this argument has some merit, there is a possibility that emerging authoritarian presidents will suppress political competition. Hence, the constitution promulgated in 1987 has not changed with respect to term limits to minimize such risk.

Second, the career civil service system should be protected despite political power changes. In its developmental stage, South Korean bureaucrats played a significant role in economic and social development. They were famous for their competency as most of them were selected by the strict merit-based system. Regardless of the change of political power, public officials can design and implement policies with consistency. Their tenure and job security are protected by the law. Of course, a new administration brings new presidential agendas, but career civil servants equipped with expertise and

competency can translate them for the good of the public. Without a competent career civil service system in Korea, the political and social instability experienced during the shift toward a democratic regime would resurrect the public's fond memory of stability under the authoritarian regime.

Third, it is necessary to search for better institutions and policies. If elites are too accustomed to the old regime, they will not be capable of finding solutions for the new regime. To institutionalize democracy and a market system, public officials as well as future generations must gain experiences relevant to the new regime. In Korea, many public officials have been sent to developed countries to draw lessons from them. At the same time, the Korean government utilizes universities and research institutes to design new policies by learning from other countries. Lesson drawing does not mean imitating policies. However, through the exchange of ideas and accumulated trial and error, policy makers can localize other countries' policies and institution building. To do so, the development of a quality higher education system that trains future leaders is essential.

Fourth, collaborative international relationships should be strengthened. As Belarus experienced, diplomatic relationships with neighboring countries and international organizations must be reset. Regime change is accompanied by new types of tension, and the adoption of international standards is sometimes painful and produces resistance from some groups who enjoyed benefits from the old regime. Even in South Korea, the end of the Cold War followed by the rise of China and the international trade system invoked huge debates about the direction of future international policies. Facing this challenge, Korea had to make a strategic decision about how to build collaborative relationships with other countries. If a country ignores the importance of maintaining collaborative relationships with neighboring countries, the risk of national security will distract it from its focus on economic growth.

Finally, consensus building regarding the long-term direction of economic, social, and administrative policies should be done through intensive discourses with stakeholders. Injudicious and radical attempts to change a society by introducing too many new policies can cause political instability that results in regime turmoil, not change. Looking at the South Korean experience, problems identified in the authoritarian periods were not resolved immediately following democratization. Given the different political ideologies and visions, political groups should engage in more discourses to minimize social conflicts.

In the 20th century, we observed the collapse of many regimes, particularly authoritarian and communist regimes. Ironically, the collapse does not imply the establishment of democratic regimes. Although South Korea achieved economic development and democracy together, this is more of an exception than the norm. In fact, many countries experience another type of authoritarian regime after the collapse of an old regime, such as Belarus. Therefore, it should be acknowledged that many problems arise during regime change that must be tackled carefully. To do so, policy makers should learn lessons from other countries and enhance their capacity for managing complex problems.

The opinions stated in this book are the opinions of the individual researchers, and do not reflect the official position or stance of Korea Institute of Public Administration (KIPA).

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