

Why Do Authoritarian Regimes Provide Welfare?

Sanghoon Park ¹

¹University of South Carolina
Department of Political Science

June 26, 2019

Summary

- 1 Research Question
- 2 Literature Review
- 3 Arguments
- 4 Variables and Data Sources
- 5 Empirical Analysis
- 6 Conclusion

Motivation

- *Major Topic*: Distribution and Redistribution
 - Initial modern welfare state

Motivation

- *Major Topic*: Distribution and Redistribution
 - Initial modern welfare state → Germany of 1880s.
 - Still, non-democracies provide welfare programs
 - For example, China's full employment policy / Singapore's housing system
- How can we explain why authoritarian regimes provide welfare?

Trends

- Studies of redistribution within democracies.
 - Compensations (Boix 2001; Adserà and Boix 2002)
 - Power resources (Huber, Ragin and Stephens 1993; Bradley et al. 2003; Lupu and Pontusson 2011; Lim and Kwon 2016)
 - Median Voters (Meltzer and Richard 1981; Iversen and Soskice 2006)
- However, these explanations requires fully democratic regime

Trends

- Studies of redistribution within democracies.
 - Compensations (Boix 2001; Adserà and Boix 2002)
 - Power resources (Huber, Ragin and Stephens 1993; Bradley et al. 2003; Lupu and Pontusson 2011; Lim and Kwon 2016)
 - Median Voters (Meltzer and Richard 1981; Iversen and Soskice 2006)
- However, these explanations requires fully democratic regime
 - Govt. should be responsive to the citizens.

Trends

- Studies of redistribution within democracies.
 - Compensations (Boix 2001; Adserà and Boix 2002)
 - Power resources (Huber, Ragin and Stephens 1993; Bradley et al. 2003; Lupu and Pontusson 2011; Lim and Kwon 2016)
 - Median Voters (Meltzer and Richard 1981; Iversen and Soskice 2006)
- However, these explanations requires fully democratic regime
 - Govt. should be responsive to the citizens.
 - Power resources can be aggregated when the right of association is guaranteed and protected.

Trends

- Studies of redistribution within democracies.
 - Compensations (Boix 2001; Adserà and Boix 2002)
 - Power resources (Huber, Ragin and Stephens 1993; Bradley et al. 2003; Lupu and Pontusson 2011; Lim and Kwon 2016)
 - Median Voters (Meltzer and Richard 1981; Iversen and Soskice 2006)
- However, these explanations requires fully democratic regime
 - Govt. should be responsive to the citizens.
 - Power resources can be aggregated when the right of association is guaranteed and protected.
 - Median voters can be effective when the election is 'important' to political elites.

Trends

- Studies of redistribution as alternatives for democratization.
 - The elites vs. The masses (Acemoglu and Robinson 2006)
 - The ruling elites vs. The rival elites (Ansell and Samuels 2015)
 - Winning Coalition (Bueno de Mesquita, Morrow and Smith 2003)
- However, they do not focus on redistribution/welfare itself.

Trends

- Studies of redistribution as alternatives for democratization.
 - The elites vs. The masses (Acemoglu and Robinson 2006)
 - The ruling elites vs. The rival elites (Ansell and Samuels 2015)
 - Winning Coalition (Bueno de Mesquita, Morrow and Smith 2003)
- However, they do not focus on redistribution/welfare itself.
 - Ignore the features of redistribution (Acemoglu and Robinson 2006; Ansell and Samuels 2015).

Trends

- Studies of redistribution as alternatives for democratization.
 - The elites vs. The masses (Acemoglu and Robinson 2006)
 - The ruling elites vs. The rival elites (Ansell and Samuels 2015)
 - Winning Coalition (Bueno de Mesquita, Morrow and Smith 2003)
- However, they do not focus on redistribution/welfare itself.
 - Ignore the features of redistribution (Acemoglu and Robinson 2006; Ansell and Samuels 2015).
 - *Selectorate theory* is difficult to test the theory empirically.
 - POLITY dataset for measuring W/S may have a democracy-prone bias (Ross 2006).
 - Winning coalition size to explain all social outcomes can lead to conceptual stretching and logical leaps (Gallagher and Hanson 2015).

Varieties of Authoritarian Regimes

- Unlike BDM, some argue to explain the different outcomes across authoritarian regimes with ‘varieties of authoritarian regimes’ as discrete concepts.
- Authoritarian regimes cannot be aligned on the continuous and interval spectrum.
 - Measuring democracy and authoritarian regimes with same rules, it is challenging due to the available information.
 - Relatively high level of uncertainty → Need to be more cautious
- How previous empirical research approaches to the issues of authoritarian regime classification?

Varieties of Authoritarian Regimes

- The most common way: to identify the decisive factor in decision-making.
 - There exists a consensus which distinguishes among authoritarian regimes that are personalist or military-led, and party-based (Wilson 2014)
 - However, underlying theories of authoritarian regime typologies have fundamental differences caused by different level of analysis.
- Three major pieces

Varieties of Authoritarian Regimes

- The most common way: to identify the decisive factor in decision-making.
 - There exists a consensus which distinguishes among authoritarian regimes that are personalist or military-led, and party-based (Wilson 2014)
 - However, underlying theories of authoritarian regime typologies have fundamental differences caused by different level of analysis.
- Three major pieces
 - Individual leader-level(Cheibub, Gandhi and Vreeland 2010)

Varieties of Authoritarian Regimes

- The most common way: to identify the decisive factor in decision-making.
 - There exists a consensus which distinguishes among authoritarian regimes that are personalist or military-led, and party-based (Wilson 2014)
 - However, underlying theories of authoritarian regime typologies have fundamental differences caused by different level of analysis.
- Three major pieces
 - Individual leader-level(Cheibub, Gandhi and Vreeland 2010)
 - Electoral institution-level(Wahman, Teorell and Hadenius 2013)

Varieties of Authoritarian Regimes

- The most common way: to identify the decisive factor in decision-making.
 - There exists a consensus which distinguishes among authoritarian regimes that are personalist or military-led, and party-based (Wilson 2014)
 - However, underlying theories of authoritarian regime typologies have fundamental differences caused by different level of analysis.
- Three major pieces
 - Individual leader-level(Cheibub, Gandhi and Vreeland 2010)
 - Electoral institution-level(Wahman, Teorell and Hadenius 2013)
 - Leadership group-level(Geddes 1999; Geddes, Wright and Frantz 2014)

Varieties of Authoritarian Regimes

- The most common way: to identify the decisive factor in decision-making.
 - There exists a consensus which distinguishes among authoritarian regimes that are personalist or military-led, and party-based (Wilson 2014)
 - However, underlying theories of authoritarian regime typologies have fundamental differences caused by different level of analysis.
- Three major pieces
 - Individual leader-level(Cheibub, Gandhi and Vreeland 2010)
 - Electoral institution-level(Wahman, Teorell and Hadenius 2013)
 - Leadership group-level(Geddes 1999; Geddes, Wright and Frantz 2014)

Problems and Solutions of Authoritarian Regimes

- Two problems (Svolik 2012) suggests:
 - Power-Sharing: The ruling elites vs. The rival elites (Ansell and Samuels 2015)
 - Power Control: The elites vs. The masses
- The two different problems and the way leaders to solve them in the authoritarian regime can be conflicting.
 - Which political power is more threatening? The rival elites or the masses?
 - The perception makes different solutions/reactions.
- And welfare is a kind of institutions in authoritarian regimes.
 - Authoritarian institution is important (Brownlee 2007; Gandhi and Przeworski 2007; Wright 2008)
 - Authoritarian institutions contribute to encouraging regime stability for autocracies through signaling secured property rights and credible commitment (Jensen, Malesky and Weymouth 2014)

The Effects of Leadership Groups

- A leadership group is a small group that makes the most important decisions in the authoritarian regime (Geddes 1999; Geddes, Wright and Frantz 2014).

The Effects of Leadership Groups

- A leadership group is a small group that makes the most important decisions in the authoritarian regime (Geddes 1999; Geddes, Wright and Frantz 2014).
 - Since the approach of Cheibub, Gandhi and Vreeland (2010) only considers the effective head of the authoritarian regime, it cannot trace the possible outcome caused by the different quality of the authoritarian regime.
 - Wahman, Teorell and Hadenius (2013) try to explain all the qualities of an authoritarian regime with electoral institutions, but it does not reflect the distinctive interests of the ruling elites in different authoritarian regimes.

The Effects of Leadership Groups

- A leadership group is a small group that makes the most important decisions in the authoritarian regime (Geddes 1999; Geddes, Wright and Frantz 2014).
 - Since the approach of Cheibub, Gandhi and Vreeland (2010) only considers the effective head of the authoritarian regime, it cannot trace the possible outcome caused by the different quality of the authoritarian regime.
 - Wahman, Teorell and Hadenius (2013) try to explain all the qualities of an authoritarian regime with electoral institutions, but it does not reflect the distinctive interests of the ruling elites in different authoritarian regimes.
- Leadership group expected to show relatively valid and reliable qualities across authoritarian regimes which can affect regime performances.

The Effects of Leadership Groups

- The autocrat must develop legitimation strategies to solve some problems he face and to maintain his/her position (Svolik 2012).
 - If an authoritarian regime largely depends on popular support, it is more likely to provide a higher level of welfare programs.
 - Otherwise, the autocrat is less likely to improve welfare programs but rather to benefit only the particular group he needs.
- Expected: *Personalist* < *Monarchy* < *Military* < *Dominant Party*
- Hypotheses
 - H_1 : *Ceteris paribus*, autocrats in dominant party regimes, compared with other forms of authoritarian regimes, provide the universal welfare programs.
 - H_2 : *Ceteris paribus*, autocrats in personalist regimes, compared with other forms of authoritarian regimes, provide the selective welfare programs.

The Effects of Constraining Institutions

- Constraining institutions, however, may affect the marginal effect of different leadership groups in authoritarian regimes on welfare provision.
- Autocrats allow political institutions not only to co-opt potential rivals (Gandhi and Przeworski 2006, 2007) but also to mobilize citizen supports (Smith 2005; Magaloni 2008).
 - Political parties contribute to solving the legitimacy problems and reducing the probability of defection (Gandhi and Lust-okar 2009)
 - Legislatures as a significant co-optating tools for autocrats (Wright 2008)

The Effects of Constraining Institutions

- In dominant party regime, when the legislatures strong enough to constrain an autocrat, it means that an autocrat successfully co-opts his rival elites into his ruling regime
 - The autocrat is more likely to provide selective welfare programs targeting the members of the legislatures.
- Binding legislatures may be a new or additional constraining factors for the autocrat in other regimes.
- Hypotheses
 - H_3 : *Ceteris paribus*, the higher level of the bindingness of legislature in dominant-party authoritarian regimes decreases the level of provision of welfare programs.
 - H_4 : *Ceteris paribus*, the higher level of the bindingness of legislature in other authoritarian regimes (monarchy, military, and personalist) increases the level of provision of welfare programs.

Variables and Data

■ DV: Welfare Coverage

- Social Policy around the World (SPaW) Database (Rasmussen 2016)
- Range from 0–9, maximum 9-scores indicate all residents are automatically entitled to benefits, a fully universal system.
- The dataset covers 154 countries from 1790 to 2013.

■ IV: Authoritarian regime

- Autocratic Regimes dataset of Geddes, Wright and Frantz (2014)
- The interests represented in the leadership group help to explain and predict the behavior of authoritarian regime while they remain in power.
- Dominant-party, monarchy, military, and personal regimes covering 4,591 observations from 1946 to 2010.

Variables and Data

■ IV: Bindingness Legislature

- 'Legislative constraints on the executive index' (Legislature index) from Varieties of Democracy (Coppedge et al. 2019)

■ Control Variables

- Logged GDP per capita in constant 2010 US dollars, GDP per capita annual growth rate, and the sum of import and export as a percentage of GDP (Bradley et al. 2003; Boix 2001; Adserà and Boix 2002)
- Oil rent as a percentage of GDP and foreign aid as a share of GNI (Ross 2006; Wright 2008; LaPorte 2017)
- Elderly population (Yi 2013)

Descriptive Statistics

Table: Descriptive Statistics of Sample

Statistic	N	Mean	St. Dev.	Min	Pctl(25)	Pctl(75)	Max
Authoritarian Regimes	1,015	2.841	0.940	1	2	4	4
Legislature Binding	832	0.294	0.236	0.028	0.097	0.477	0.871
Old-age Program	1,015	3.658	1.613	0	3	4	9
Mater Program	1,015	2.698	2.094	0	0	4	8
Sick Program	1,015	1.619	2.097	0	0	3	8
Working Program	1,015	3.847	1.314	0	3	5	6
Unemployment Program	1,015	0.666	1.769	0	0	0	9
Family Program	1,015	1.600	2.102	0	0	4	9
Normalized Program	1,015	0.362	0.164	0.000	0.245	0.449	0.857
GDP per capita (logged)	1,015	7.406	1.102	5.327	6.629	8.079	10.575
GDP Growth Rate	1,015	1.760	7.014	-47.806	-1.029	4.798	53.944
Domestic Investment (%GDP)	1,015	0.191	0.119	0.006	0.107	0.250	0.696
Trade Openness (%GDP)	1,015	67.275	51.052	6.320	38.940	79.448	411.035
Oil Rents (%GDP)	1,015	4.790	9.955	0	0	4.3	77
Foreign Aid (%GNI)	1,015	6.100	7.576	-0.122	0.774	9.236	94.946
Age Dependency	1,015	86.544	14.855	37.097	79.886	96.869	113.066

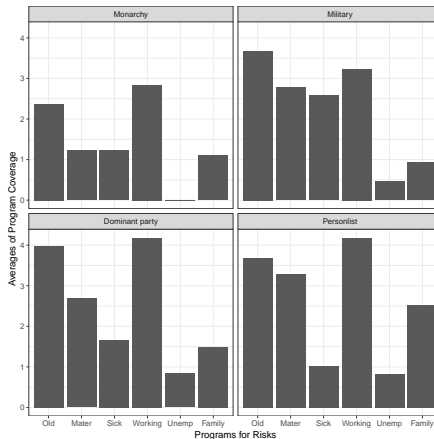
Descriptive Statistics

Table: Averages of Sample by Authoritarian Regimes

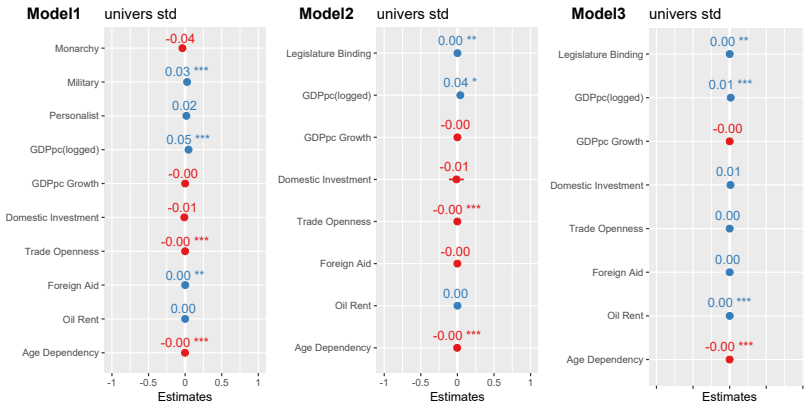
Statistic	Monarchy	Military	Party	Personalist
Legislature Binding	0.35	0.26	0.24	0.22
Old-age Program	1.39	2.59	3.31	3.18
Mater Program	0.67	2.40	2.87	2.62
Sick Program	0.59	1.99	2.27	1.21
Working Program	2.32	2.84	3.92	3.73
Unemployment Program	0.01	0.48	0.73	0.76
Family Program	0.60	1.00	2.01	2.00
Normalized Program	0.15	0.28	0.39	0.34
GDP per capita (logged)	8.58	7.25	7.34	6.90
GDP Growth Rate	1.75	1.94	2.23	1.24
Domestic Investment (%GDP)	0.23	0.17	0.18	0.16
Trade Openness (%GDP)	80.72	42.82	75.68	60.61
Oil Rents (%GDP)	15.71	3.11	5.45	4.49
Foreign Aid (%GNI)	3.69	4.45	6.31	9.65
Age Dependency (%Population)	78.77	82.48	81.77	85.28

Descriptive Statistics

Figure: Average Program Coverage by Authoritarian Regimes



Results



Conclusion

- The sample of this study is too thin to draw valid inference.
 - However, all authoritarian study faces the availability of data.
 - Under the limitations, we need to figure out implications.
- Why do the single-party and personalist regime show similar features in terms of welfare programs provision in Figure 1?
 - Personalist regimes are the regimes, which have the least institutional foundations to rule.
 - However, in the sample, personalist regimes provide their citizens with similar levels of welfare programs.
 - Or we can suspect whether an authoritarian regime disguises their exploitation or diversion with formal rules.
- The bindingness of legislature show expected sign in Model 2 and Model 3 but it is not statistically significant.