

# On the State, Democratization and Some Conceptual Problems: A Latin American View with Glances at Some Postcommunist Countries

GUILLERMO O'DONNELL\*  
*University of Notre Dame, Indiana*

**Summary.** — The article argues that for proper understanding of many processes of democratization, current conceptions of the state must be revised, especially with reference to its legal dimension. On this basis several contrasts are drawn between representative, consolidated democracies and the democratic (i.e., polyarchical) forms that are emerging in most newly democratized countries, East and South. From this perspective, various phenomena not presently theorized (except as deviations from a presumed modal pattern of democratization) are discussed. Concepts such as delegative democracy, low-intensity citizenship and a state which combines strong democratic and authoritarian features are introduced for the purpose of that discussion.

## 1. INTRODUCTION

I must warn the reader at the outset. This paper contains ideas which are summarily developed. I am in the process of writing a book in which these and other ideas, and their empirical referents, are treated much more properly. I decided to publish the paper after the gentle insistence of various colleagues — including, indeed, the editor of this issue — persuaded me that it would make sense to offer for discussion, even in their present form, my views about themes and problems which I believe have been neglected at rather serious cost in the current studies on democratization. Given the character of this text I have limited citations to the barest minimum; the arguments I present here draw on various streams of literature and many valuable contributions to which I will do proper justice in my book.

## 2. THE STATE AND NEW DEMOCRACIES

In the last two decades, the breakdown of various kinds of authoritarian systems has led to the emergence of a number of democracies. These *are* democracies: they are political democracies or, more precisely, following the classic formulation of Robert Dahl (see Dahl, 1971), they are polyarchies. Several contributions have shown that there are various types of polyarchies.

They differ, as Lijphart (1968 and 1984) first showed, even in such important dimensions as whether they are based on majoritarian or on more consensual rules for the access to, and for the exercise of public authority. But they share

---

\*The ideas presented here owe much to the meetings and various intellectual exchanges of the project "East-South System Transformation," supported by the MacArthur Foundation. I am particularly grateful to the director and intellectual leader of this project, Adam Przeworski, for his many extremely helpful criticisms and suggestions. Some of the ideas of this paper have been inserted and polished by Przeworski in a volume (*Sustainable Democracy*, forthcoming) of which he is the principal author. I presented a previous version of this paper at the meeting on "Democracy, Markets and Structural Reforms in Latin America," sponsored by the North-South Center and CEDES, held in Buenos Aires, March 1992, and at the meeting on "Economic Liberalization and Democratic Consolidation," sponsored by the Social Science Research Council, for the project "Democratization and Economic Reform," held at Bologna-Forlì, April 1992. I am grateful for many useful comments received during those meetings, including those of Eduardo Gamarra, Carlos Acuña and William Smith, codirectors of the first mentioned project. I owe very special thanks to Laurence Whitehead, director of the SSR project, not only for his helpful criticisms and suggestions but also for his generous efforts to make the present text a reasonably readable one — that he did not entirely succeed is certainly not his fault. I also thank my colleagues at CEBRAP and at the Kellogg Institute for several enlightening discussions.

one crucial characteristic: they are all representative, institutionalized democracies. In contrast, most of the newly democratized countries are not moving toward a representative, institutionalized democratic regime nor seem likely to do so in the foreseeable future. They are polyarchies, but of a type not yet theorized. The present text is a preliminary attempt to contribute to that theorizing.<sup>1</sup> This exercise may be warranted for two reasons. First, a sufficient theory of polyarchy should encompass all existing (political) democracies, not only the representative, institutionalized ones. Second, since many of the new democracies have a peculiar political dynamic, one should not assume that their societal impacts will be similar to those of present and past representative, institutionalized polyarchies.<sup>2</sup>

On the other hand, recent typologies of the new democracies based on characteristics of the preceding authoritarian regime and/or on the modalities of the first transition have little predictive power concerning what happens after the first democratically elected government has been installed. In regard to the countries of central concern here — Argentina, Brazil, and Peru — the first was an instance of transition by collapse while the second was the most protracted and probably the most negotiated (although not formally pacted) transition we know of; on the other hand, Argentina and Brazil were exclusionary bureaucratic-authoritarian regimes, while Peru was a case of incorporating military-authoritarian populism. In spite of these and other differences, today it seems clear that in the period after a democratic installation, these countries (as well as Ecuador, Bolivia, the Dominican Republic and the Philippines, all the democratizing or liberalizing East Asian and African countries, and most postcommunist ones) share important characteristics, all of them pointing toward their “noninstitutionalized” situation.<sup>3</sup>

In relation to those countries, the existing literature has not gone much beyond indicating what attributes (representativeness, institutionalization, and the like) they do not have, along with a descriptive narration of their various political and economic misadventures. These contributions are valuable, but they are not deemed to yield the theoretical clues we need. Furthermore, the characterization of these cases by the absence of certain attributes may imply a teleology which would hinder adequate conceptualization of the varied types of democracies that have been emerging. Other more policy and “elite”-oriented streams of the literature offer useful advice for democratizing political leaders,

but the practicability of such prescriptions is contingent on the contextual situation in which those leaders find themselves.

Although for “normal” liberal democracies, or polyarchies, the conceptual baggage of political science may be satisfactory, to analyze the present situation and prospects of most new democracies in Asia, Africa, Latin America, and Eastern/Central Europe, we must go back and do some basic work in political and legal sociology. The discussion in this text will have as its main referents Argentina, Brazil, and Peru, but many of the points have wider applicability.

The analysis that follows is premised on one point: states are interwoven in complex and different ways with their respective societies. This embeddedness means that the characteristics of each state and of each society heavily influence the characteristics of what democracy will be likely (if at all) to consolidate — or merely endure or eventually break down. These statements are rather obvious, but we have not pursued sufficiently their implications in terms of the *problématique* of democratization. Part of the reason is that we handle concepts (especially that of the state) which, as they are formulated by most of the contemporary literature, are not very helpful for our theme.

It is a mistake to conflate the state with the state apparatus, the public sector, or the aggregation of public bureaucracies. These, unquestionably, are part of the state, but are not all of it. The state is also, and no less primarily, a set of social relations that establishes a certain order, and ultimately backs it with a centralized coercive guarantee, over a given territory. Many of those relations are formalized in a legal system issued and backed by the state. The legal system is a constitutive dimension of the state and of the order that it establishes and guarantees over a given territory. That order is not an equal, socially impartial order; both under capitalism and bureaucratic socialism it backs, and helps to reproduce, systematically asymmetric power relationships. It is, however, an order, in the sense that manifold social relationships are engaged on the basis of stable (if not necessarily approved) norms and expectations. In one of those moments when ordinary language expresses the power relationships in which itself is embedded, when decisions are made at the political center (the “orders given”) those decisions usually “give order,” in the sense that those commands are regularly obeyed. This acquiescence affirms and reproduces the existing social order. Social relations, including those of daily, preconscious acquiescence to political authority, can be based, as Weber argued, on tradition, fear of punish-

ment, pragmatic calculation, habituation, legitimacy, and/or the effectiveness of the law. The effectiveness of the law over a given territory consists of innumerable habituated behaviors that (consciously or not) are usually consistent with the prescriptions of the law.<sup>4</sup> That effectiveness is based on the widely held expectation, borne out by exemplary evidence, that the law will be, if necessary, enforced by a central authority endowed with the pertinent powers. This is the supporting texture of the order established and guaranteed by the contemporary nation-state. We see that the law (including the habituation patterns that the expectation of its regular enforcement leads to) is a constitutive element of the state: it is the "part" of the state which provides the regular, underlying texturing of the social order existing over a given territory.

In both the continental and the Anglo-Saxon traditions the law is, ultimately, a codified dimension, subject to the interpretations of professionalized knowledge. The law has its own organizational expressions, highly ritualized and institutionalized in contemporary democracies. Congress is supposed to be the place of debate and enactment of the main laws of the land, and the judiciary is the place where conflicts of interest and, ultimately, disputes about the very meaning of the political community, are argued and decided. As also occurs with other aspects of the state, congress and the judiciary are the perceivable organizational embodiments of the broader phenomenon consisting of the social effectiveness of the law.

The recognition of the law as a constitutive dimension of the state has been hindered by the various approaches that have dominated Anglo-Saxon political science since the "behavioral revolution." On the other hand, in spite of the contributions by authors such as Max Weber and Herman Heller, the approaches that prevailed in continental Europe were narrowly legalistic; they were based on a formalistic analysis of the written law, with scant attention to its sociological and political aspects. One way or the other, these two great traditions have been color-blind to the state as the complex reality entailed by its organizational/bureaucratic *and* legal dimensions.

There is still another dimension of the state, ideological, that must be considered. The state (more precisely, the state apparatus), claims to be and is normally believed to be a state-for-the-nation. The state claims, from explicit discourses up to the recurrent invocation of the symbols of nationhood, that it is the creator of the order discussed above as well as — in contemporary democracies — of the individual and associ-

ational rights that underlie this order. We saw that in all societies order is unequal, even if from the apex of the state it is claimed that such order is an equal one for everyone *qua* member of the nation. But this concealment (which is supported by the law, which structures the inequalities entailed by that order) does not preclude the reality of two fundamental aspects. First, as already noted, this order is actually the supreme collective good: it furnishes generalized social predictability backed by eventually decisive actions of pertinent public bureaucracies. Second, even though it does not extend to other social relations, the equality guaranteed to all members of the nation in terms of citizenship is crucial for the exercise of the political rights entailed by the workings of democracy and, also, for the effectiveness of the individual guarantees consecrated in the liberal tradition.

From the perspective I am proposing, citizenship does not stay within the (narrowly defined, as most of the contemporary literature does) confines of the political. For example, citizenship is at stake when, after entering a contractual relationship, a party which feels it has a legitimate grievance may call upon a legally competent public agency, from which it can expect fair treatment, to intervene and adjudicate the issue. Even in the apparently more private realms of the private (or common) law, the legal system imposes the *public* dimension entailed by the virtual remission of that relationship for legal adjudication by a properly authorized agency of the state. This inherently public dimension of private relationships (or, equivalently, this texturing by the state-as-law of those relationships) is violated when, for example, a peasant is *de facto* denied access to the judiciary against the landowner. This "private" right must be seen as no less constitutive of citizenship than the "public" right of voting without coercion.

Argentina, Brazil, and Peru (as well as other countries in Latin America and other regions) are not only going through a most serious social and economic crisis. Although with different timing and intensity, these countries are also suffering a profound crisis of their states. This crisis exists in the three dimensions just discussed: of the state as a set bureaucracies capable of discharging their duties with reasonable efficacy; of the effectiveness of its law; and of the plausibility of the claim that the state agencies normally orient their decisions in terms of some conception of the public good.<sup>5</sup> These countries are living the protracted crisis of a state-centered and inward-oriented pattern of capital accumulation, and of the position of the state in such a pattern. By contrast, some countries — Spain,

Portugal, South Korea, Taiwan, and Chile, among the recently democratized or liberalizing ones — under circumstances that do not concern us here, were able to evade that generalized crisis. They emerged as export-oriented economies actively integrated into the world economy. For this task they counted (with variations I cannot discuss here) with a lean but powerful and activist state apparatus.

Too often contemporary discussions confound two different dimensions. One pertains to the size and relative weight of the state apparatus. There is no question that in most newly democratized countries the state is too big, and that this leads to numerous negative consequences. But, in this context, the antonym of big is not small but lean; i.e., an effective and less weighty set of public organizations that is capable of creating solid roots for democracy, for progressively solving the main issues of social equity, and for generating conditions for rates of economic growth suitable for sustaining the advances in the areas of both democracy and social equity. The second dimension refers to the strength or weakness of the state as a whole; i.e., not only but including the state apparatus. A “big” or “small” state apparatus may or may not effectively establish its legality over its territory; according to the view I am proposing, a strong state, irrespective of the size of its bureaucracies, is one that effectively establishes that legality and that is not perceived by most of the population as just an arena for the pursuit of particularistic interests. I argue below that current attempts at reducing the size and deficits of the state-as-bureaucracy, mostly unknowingly but with nefarious consequences of all sorts (including for the long-run success of the economic policies that inspire those attempts, to say nothing of the achievement of institutionalized democracy), are also destroying the state-as-law and the ideological legitimation of the state.

Current theories of the state often make an assumption which recurs in current theories of democracy: that of a high degree of homogeneity in the scope, both territorial and functional, of the state and of the social order it supports. It is not asked (and, if it is, seldom is problematized) if such order, and the orders issued by the state organizations, have similar effectiveness throughout the national territory and across the existing social stratification.<sup>6</sup> The ideal of “equality before the law” has not fully been achieved in any country; see, for example, the universal finding of class biases in the administration of justice. But the Scandinavian countries come quite close to full homogeneity, while the United States, both territorially and functionally, is close

to the lower limit among contemporary institutionalized democracies.

In Latin America the countries of relatively high homogeneity (especially territorial) are the ones which have an older and more solid democratic tradition — Costa Rica, Chile, and Uruguay. Peru is the polar opposite, recently further accentuated by *Sender Luminoso* and its sequels. Bolivia, Ecuador, and Colombia are close to the pole of extreme heterogeneity. Brazil and Mexico, in spite of decades of centralizing authoritarian rule, are also cases of high territorial and functional heterogeneity. Argentina, together with Venezuela and Colombia — two rather old but presently troubled democracies — lie somewhere along the middle of this continuum.

What happens when the effectiveness of the law extends very irregularly (it does not altogether disappear) across the territory and the functional relations (including class, ethnic and gender relations) it supposedly regulates? What kind of state (and society) is this? What influences this may have on what kind of democracy may emerge?

Here I will limit myself to discussing some themes that relate to the crisis of the state in the three dimensions I identified. In these situations, ineffective states coexist with autonomous, also territorially based, spheres of power. States become ostensibly unable to enact effective regulations of social life across their territories and their stratification systems. Provinces or districts peripheral to the national center (which are usually hardest hit by economic crises and are already endowed with weaker bureaucracies than the center) create (or reinforce) systems of local power which tend to reach extremes of violent, personalistic rule — patrimonial, even sultanistic — open to all sorts of violent and arbitrary practices. In many emerging democracies, the effectiveness of a national order embodied in the law and the authority of the state fades off as soon as we leave the national urban centers. But even there the functional and territorial evaporation of the public dimension of the state shows up. The increase in crime, the unlawful interventions of the police in poor neighborhoods, the widespread practice of torture and even summary execution of crime suspects from poor or otherwise stigmatized sectors, the actual denial of rights to women and various minorities, the impunity of the drug trade, and the great numbers of abandoned children in the streets (all of which mark scant progress in relation to the preceding authoritarian period) reflect not only a severe process of urban decay. They also express the increasing inability of the state to implement

its own regulations.<sup>7</sup> Many public spaces disappear, both because of its invasion by the desperate misery of many and because of the dangers entailed in using them. Fear, insecurity, the seclusion of rich neighborhoods, and the ordeals of public transportation shrink the public spaces and lead to a perverse kind of privatization that, as we shall see, has close correlates in other spheres. To be sure, these and other ills are not new, and some of them are more acute in a given country than another. But, not only in Latin America, they have become worse with the superimposition of a huge crisis upon a feeble process of democratization.

Consider those regions where the local powers (both those formally public as well as *de facto*) establish power circuits that operate according to rules which are inconsistent, if not antagonistic, with the law that supposedly regulates the national territory. These are systems of private power (or, better, of privatized power, since some of the main actors hold state positions), where some rights and guarantees of democratic legality have close to nil effectiveness. This extends to numerous private relationships which are usually decided, even by the judiciary of those regions, on the basis of the naked power asymmetries that exist among the parties. These neofeudalized regions contain state organizations, national, provincial, and municipal. But the obliteration of legality deprives the regional power circuits, including those state agencies, of the *public*, lawful dimension without which the national state and the order it supports vanish. The mistake of reifying the state may not be evident when theorizing about homogeneous countries; but it becomes apparent when the obliteration of their public dimension makes of some state organizations part of circuits of power which are perversely privatized.<sup>8</sup> Parts of the northeast and the whole Amazonia in Brazil, the highlands in Peru and various provinces in the center and northwest of Argentina, are examples of the evaporation of the public dimension of the state and, consequently, of the odd "reification" of the state as exclusively consisting of organizations that, in those regions, are part of privatized, often sultanistic, circuits of power.

Although these characteristics of Latin America are well known, to my knowledge no attempt has been made to link them with the kinds of democracy that have emerged in Argentina, Brazil, Peru, and similar countries in Latin America and elsewhere. Let us imagine a map of each country in which the areas covered by blue would designate those where there is a high degree of state presence (in terms of a set of reasonably effective bureaucracies and of the

effectiveness of properly sanctioned legality), both functionally and territorially; the green color indicates a high degree of territorial penetration and a significantly lower presence in functional/class terms; and the brown color a very low or nil level in both dimensions. In this sense, say, the map of Norway would be dominated by blue; the United States would show a combination of blue and green, with important brown spots in the South and in its big cities; Brazil and Peru would be dominated by brown, and in Argentina the extensiveness of brown would be smaller — but, if we had a temporal series of maps, we could see that those brown sections have grown lately.<sup>9</sup>

In these areas there are elections, governors, and national and state legislators (in addition, in many cases those regions are heavily overrepresented in the national legislatures). The parties operating there, even if they are nominally members of national parties, are no more than personalistic machines anxiously dependent on the prebends they can extract from the national and the local state agencies. Those parties and the local governments function on the basis of phenomena such as personalism, familism, prebendalism, clientelism, and the like. As anthropologists know, this is a world that functions according to an elaborate, if unwritten, set of rules, where — in contrast to "traditional" societies — there exist state bureaucracies, some of them big and complex, and where under extremely politicized and poorly paid bureaucracies the very meaning of the term "corruption" becomes fuzzy.

These circuits of power are re-presented at the center of national politics, beginning with the congress, the institution that is supposedly the source of the existing, nationally encompassing legality. In general, the interests of the "brown" legislators are quite limited: to sustain the system of privatized domination that has elected them, and to channel toward that system as many state resources as possible. The tendency of their vote is, thus, conservative and opportunistic. For their success they depend on the exchange of "favors" with the executive and various state bureaucracies and, under weakened executives that need some kind of congressional support, they often obtain the control of the state agencies that furnish those resources. This increases the fragmentation (and the deficits) of the state — the brown spots invade even the bureaucratic apex of the state. Furthermore, the game that these individuals play (both in and out of congress) benefits from the existence of parties which are not only of very low ideological content (which *per se* is not necessarily bad), but are also totally

opportunistic in their positions, have no discipline, and where changing parties or creating new ones can be done at virtually no cost — extreme *transformismo* is the rule. Some recent studies have pointed out the deleterious consequences that this has, among other areas, on the functioning of congress and on the emergence of a reasonably stable party system (see Mainwaring, 1990) — hardly a good prospect for institutionalizing democracy. For obvious reasons these politicians, too, converge with the delegative, caesaristic orientations of the executive in their hostility to any form of horizontal accountability; even though sometimes they have acute conflicts with the executive, they work together with the latter in preventing the emergence of solid representative institutions.

In a sense the regime that results from this is very representative. It is consistent with the reality of countries whose patterns of political representation further heterogenize them. The problem, of course, is that this representativeness entails the introjection of authoritarianism — understood here as the denial of the publicness and of the effective legality of a democratic state and, hence, of citizenship — at the very center of political power of these countries.<sup>10</sup>

Some important issues, none of which I fully address here, are raised by our mapping exercise. What type of state are those of countries where the brown areas dominate? What kind, if any, of democratic regime can be established over such heterogeneity? To what extent can we extrapolate to those cases theories of the state and of democracy which assume far more homogeneous countries? In their more general terms these questions have been central to the comparative endeavors of the social sciences. But they have to be recalled and specified when the generalized feeling of a universal victory of capitalism, and maybe of democracy, has led to their neglect. We may be going back to some mistakes of the 1960s, when many theories and comparisons were flat, if not ethnocentric: they consisted of the application of supposedly universally valid paradigms which ignored the structured variation to be found outside of the developed world. Today, mainstream economics is a clear case of this problem, but sociologists and political scientists are not exempt from it.

We should remember that in a properly functioning democratic order, its legality is universalistic: it can be successfully invoked by anyone, irrespective of his or her position in society. Coming back to a rather old discussion, can the attributes “democratic” and “authoritarian” be applied to the state or should they be exclusively reserved for the regime? This, of

course, depends on how we define state and regime. In respect to the latter, I will repeat my proposed definition

... the ensemble of patterns, explicit or not, that determines the forms and channels of access to principal governmental positions, the characteristics of the actors who are admitted and excluded from such access, and the resources [and] strategies that they can use to gain access (O'Donnell and Schmitter, 1986, Vol. IV, p. 73).

With some variations, this kind of definition is noncontroversial in the literature. Instead, as we saw, the definition of the state is problematic. Against the prevailing view, what I am arguing leads to the conclusion that attributes such as “democratic” or “authoritarian” do not only correspond to the regime but also to the state.

This can be seen reasoning *a contrario*. An authoritarian context has a fundamental characteristic: there does not exist (or, if it exists, it does not have real effectiveness, or can be annulled *ad hoc*, or is subordinate to secret rules and/or to the whim of the rulers) a legal system that guarantees the effectiveness of rights and guarantees that individuals and groups can uphold against the rulers, the state apparatus, and others at the top of the existing social or political hierarchy. This is a truncated legality: even in the case of institutionalized authoritarianism, it does not contain the guarantee of its own enforcement against the rulers and other higher powers. This affects a constitutive dimension of the state: the type of legality (which may entail, in extreme cases, almost absolute arbitrariness) that textures the particular order that is enforced over a territory. From this point of view I do not see how we can evade the conclusion that the state may also be authoritarian.

The converse seems to me no less clear. As long as a legal system includes the rights and guarantees of Western constitutionalism and that there exist public powers which are capable and willing to enforce — according to properly established procedures — such rights and guarantees even against other public powers, that state and the order it helps to implant and reproduce, are democratic. Against the truncated legality of the authoritarian state, that of the democratic state, as Kelsen argued in a somewhat different context, is complete; it “closes” its own circuits by the universalistic application of its rules even against other state organizations. This is what happens in the blue areas and what does not happen in the extensive (and increasing) brown areas of many new democracies.

In countries with extensive “brown” areas, democracies are based on a schizophrenic state: it complexly mixes, functionally and territorially,

important democratic and authoritarian characteristics. It is a state in which its components of democratic legality and, hence, of publicness and citizenship, fade away at the frontiers of various regions and class, gender and ethnic relations.

As a political form effective over a given territory, democracy is necessarily connected with citizenship, and the latter can only exist within the legality of a democratic state. The complete universalization of citizenship is an ideal which existing democracies approximate more or less closely. But the big (and growing) brown areas in many new democracies should not be written off as irrelevant to our theories of state and democracy. Nor should we assume that there is some inherent virtuous effect of political democracy and/or of economic change that will eliminate those areas. It is not the case, as it is in institutionalized democracies, of some authoritarian components in a state which can still be considered democratic; in the countries that concern us here, the authoritarian dimension intermixes complexly and powerfully with the democratic one. This mixing demands reconceptualization of the very state and the peculiar democracy (and regime) that exists there.

A state that is unable to enforce its legality supports a democracy of low-intensity citizenship. In most of the brown areas of the newly democratized countries, the *political* rights of polyarchy are respected. Usually, individuals are not subject to direct coercion when voting, their votes are counted fairly, in principle they can create almost any sort of organization, they can express their opinions without censorship, and they can move freely within and outside the national territory. These and other attributes of polyarchy are met in those regions. This is the difference between say, Poland and Argentina on one side, and Romania and Guatemala on the other; whatever their constitutions say, the actual workings of political life disqualify the latter as polyarchies. But countries with extensive brown areas which actually meet the attributes of polyarchy — arguably, the universal core of democracy — are democracies.

Among the countries that meet the criteria of polyarchy, different degrees and dimensions of “democraticness” can be distinguished. This refers to issues of equity and equality in various societal spheres (or, equivalently, to social and economic democratization; O’Donnell and Schmitter, 1986). But the concept of low-intensity citizenship does not refer to those — admittedly very important — issues. It refers specifically to the political sphere, to the *political* theory of political democracy, or polyarchy. As noted above, in the brown areas of new democra-

cies, usually the specifically political conditions for the existence of polyarchy are met. But peasants, slum dwellers, indians, women, etc. often are unable to receive fair treatment in the courts, or to obtain from state agencies services to which they are entitled, or to be safe from police violence, etc. These are “extrapolycharchical” but still politically relevant restrictions; they entail the ineffectiveness of the state-as-law, the abating of some rights and guarantees that, as much as voting without coercion, are constitutive of citizenship. From this results a curious disjuncture: in many brown areas the democratic, participatory rights of polyarchy are respected. But the liberal component of democracy is systematically violated. A situation in which one can vote freely and have one’s vote counted fairly, but cannot expect proper treatment from the police or the courts, puts into serious question the liberal component of that democracy and severely curtails citizenship.<sup>11</sup> This disjuncture is the other side of the coin of the powerful mix of democratic and authoritarian components of these states.

The denial of liberal rights to (mostly but not exclusively) the poor or otherwise deprived sectors is analytically distinct from, and bears no necessary relation to various degrees of social and economic democratization. But, empirically, various forms of discrimination and extensive poverty and their correlate, extreme disparity in the distribution of (not only economic) resources, go hand in hand with low-intensity citizenship.<sup>12</sup> This is the essence of the social conditions necessary for the exercise of citizenship; how can the weaker and the poorer, even if they remain poor, be empowered in terms consistent with democratic legality and, thus, gain their full, democratic and liberal, citizenship? Even a political definition of democracy (such as that recommended by most contemporary authors, and to which I adhere) should not neglect posing the question of the extent to which citizenship is really exercised in a given country. This, let me insist on a point which lends itself to misunderstandings, is not *per se* how much one regrets inequalities and would like to redress them; the argument refers to the consequences of those social conditions on the type of polyarchy and on the extent of citizenship with which we are dealing in each case.

In the following sections I discuss, in the highly stylized way that space permits, some themes that relate, first, to the crisis of the state and, second, to a certain kind of economic crisis. These discussions will allow us to gain a more concrete perspective on some of the issues raised in the present section.

### 3. ON SOME ASPECTS OF THE CRISIS OF THE STATE

There is abundant evidence that the extraordinarily severe socioeconomic crisis most newly democratized countries are suffering furthers the spread of brown regions. These impacts derive not only from various processes of social and economic disintegration; they also result from the profound crisis of the state, as effective legality, as a set of bureaucracies and as a legitimized agent of the common interest. But those impacts also result from the strong antistatism of neoliberal ideas and policies,<sup>13</sup> especially the commitment to diminish at all costs the size of the state bureaucracies and its deficit.

Many efforts are being made to reduce the fiscal deficit. On the expenditure side, the main features have been privatizations and attempts to get rid of "excess personnel." The latter has not been easy, in part because in most cases the tenure of those employees is legally protected, and in part because strenuous opposition from the latter's unions has proven costly for shaky governments. More effective for reducing the fiscal deficit have been policies that resulted in the precipitous decline of the salaries of most public employees.

In addition to sharply falling salaries, there are many indications of a severe degradation of the functioning and of the very idea of a public service. Many of the more capable officials have left the public for the private sector. For those that have remained, their status has declined no less sharply than their salaries: prevailing anti-statist ideologies view their jobs at best with mistrust, and the news as well as public lore are replete with anecdotes of their (too often true) idleness, lack of competence and interest in their jobs, and corruption. If some time ago to be a state official was a symbol of high status, nowadays it is almost the opposite.

Probably worse still, before the present crisis to be a public official was to be installed in a career. This meant to work in a setting which provided a predictable path toward promotions, and to receive a monthly income and various fringe benefits which allowed a solid middle-class lifestyle (which usually included good housing and affording the university education of their children). Except for some privileged pockets (typically the central banks) this is no longer true in the countries affected by the present crisis. The bleak picture results from the decapitation of the top and more specialized bureaucracies due to the exodus of the more qualified individuals, the politicization of those positions, numerous and always failed "rationalizations" and "reorganizations," and the

spectacular decay of the physical plant (perhaps nothing is more discouraging than hammering at a worn-out mechanical typewriter in an office the painting and furniture of which have not been renewed for many years). This is extremely propitious for the existence of a poorly motivated and unskilled bureaucracy. This feeds back into the innumerable anecdotes that support the all-out assault on the state, and erodes the political support that would be necessary for effecting a better balanced policy of the government toward its own bureaucracy.

Furthermore, under conditions of high and erratic inflation, in one month state employees may lose 30, 40, and even 50% of their real income. Under these circumstances they cannot but despair and demand immediate redress. They go on strike and demonstrate, at times violently. The result is frequent paralysis of essential public services. The consequences of these protests hit the largest cities hardest, the center of power and politics. These protests make a large contribution to the feeling that democratic governments and politicians are unable, and for demagogic reasons even unwilling, to prevent "chaos" and further general economic deterioration. Furthermore, the rational — and desperate — behavior of state employees feeds the generalized image of an unruly public bureaucracy that is far more interested in defending its "privileges" than in discharging its duties. Finally, even though the evidence on this matter is impressionistic, the public employees' strikes and other protests, as they paralyze and further degrade essential public services, antagonize the public, including many middle-class segments. The anger of these sectors, who are more dependent on most public services than the higher classes, adds weight to the antistatist offensive and mixes up the (necessary) task of achieving a leaner state apparatus with the (suicidal) weakening of the state in all its dimensions.

Shrinking personal income, dwindling career prospects, bad working conditions, a hostile political environment and, at the same time, the countless interventions that the state undertakes are perfect soil for an enormous growth of corruption. In many bureaus few things work without graft that is petty for the rich but which heavily taxes the poor. At the top and even middle levels of the bureaucracy, corruption entails huge amounts of money which plunder the slender public resources. In addition, when some of those acts become public scandals, they undermine trust, not only in the workings and role of the state but also in governments which appear incapable of correcting this situation, if not active participants in it.



For governments desperate for funds, the temporary solution has been to increase indirect taxes and the prices of public services. But this feeds inflation and has deleterious distributional consequences. In terms of an income tax, it can only be easily applied as withholdings on the salaries of the formal sector of the economy (including public employees). If we consider, in addition, that the formally employed are the main contributors to social security, the result is a powerful incentive, both for them and for their employers, to leave the formal sector; in periods of uncertain employment and falling salaries, the sharp deterioration of most social services (observed both in Latin America and in postcommunist countries) adds to the misfortunes of vast segments of the population. Furthermore, the income and the social security taxes imposed on the formally employed entail a burdensome tax rate which very few pay but which is nominally effective for the whole economy — this increases the incentives for tax evasion, and diminishes the cost of bribing. The result is generalized protests about “excessive taxes” at the same time that the overall tax income for the state diminishes, with direct taxes — those that, supposedly, a democratic government would emphasize — dropping even more sharply. The long agony of the state-centered, import-substitutive pattern of capital accumulation has left us with a dinosaur incapable even of feeding itself, while the “solutions” undertaken lead toward an anemic entity which may be no less able to support democracy, decent levels of social equity, and economic growth.

#### 4. ON CERTAIN ECONOMIC CRISES

I will discuss here a particular kind of economic crisis: the one suffered by countries — Argentina, Brazil, and Peru — that locked themselves into a pattern of high and recurrent inflation<sup>14</sup> (eventually reaching hyperinflation), punctuated by repeated failed attempts to control inflation and undertake “structural reforms” of the kind presently recommended by international lending organizations. This is, fortunately, a small set of countries; but several postcommunist and African countries seem to have already fallen in, or are at the brink of falling into this pattern. It can be postulated that the longer and the deeper this crisis, and the less the confidence that the government will be able to solve it, the more rational it becomes for everyone to act: at highly disaggregated levels, especially in relation to state agencies that may solve or alleviate the consequences of the crisis for a given firm or sector; with extremely short time horizons; and

with assumptions that everyone else will do the same. A gigantic — national level — prisoner’s dilemma holds when a profound and protracted economic crisis teaches every agent the following lessons: (a) Inflation will continue to be high, but it is next to impossible to predict in the medium run, to say nothing about the long run, inflation fluctuations; (b) among such fluctuations will probably be periods of extremely high or hyperinflation (say, rates of 50% and above per month); (c) at some point the government will make some drastic intervention, aimed at taming inflation, but that intervention is likely to fail; (d) expectations about the future situation of the economy are strongly pessimistic; and (e) predictions about the future economic situation of each agent are contingent on shrewd and timely adaptation to the conditions imposed by the preceding points.

Although there is a dearth of studies at the appropriate micro level, anyone who has lived under these circumstances knows that this is a harsh, nasty world. Rationally, the dominant strategy is to do whatever is necessary to protect oneself against the losses threatened by high and erratic inflation. Remaining passive and/or not having the power resources for running at the speed of inflation guarantees heavy losses — in extremes, for some bankruptcy and for others falling into abysmal poverty.

This is a world of *saive qui peut*, and playing this game reinforces the very conditions under which it is played. The first, more basic phenomenon is generalized desolidarization. Every rational agent acts at the level of aggregation and with the time horizon that she deems more efficacious in her defensive moves. The adequate time horizon is the very short term; what sense would it make to sacrifice short-term gains for the sake of longer term ones, when the future situation of the world cannot be predicted with any accuracy, and if abstaining from maximizing short-term gains may provoke heavy losses? Some agents, difficult to identify topically with the data available, reap big profits. The ways to achieve this are many, but the chances across classes are extremely skewed. Some of the more important of those ways entail the plundering of the state apparatus. For players of this game, broad, long-run economic policies, negotiated and implemented with the participation of highly aggregated, interest-representation associations are not important; as the government also has to dance at the rhythm of the crisis, its capacity to formulate those policies is very limited, and very often their implementation is canceled or captured by the disaggregated strategies just described. What is truly important for defending oneself,

and for eventually profiting from the crisis is (basically but not exclusively for capitalists) open and fast access to the state agencies that can deliver the resources hoped for. Privileges and favors of all kinds are procured by the minimum-size coalition that is able to obtain the appropriate decisions by a given public agency. Moreover, those advantages must be obtained quickly, if not, continuing inflation would eat them up. Under this situation, the rational strategy consists of a double disaggregation: first, act alone or allied to the minimum possible set of agents that can guarantee the desired outcome; second, colonize the state agencies that can provide the sought-after benefits, avoiding more aggregated and/or public arenas that would only complicate the attainment of the topical benefits expected. Various processes noted in the literature, such as the loosening of popular collective identities, the implosion of historically rooted parties, and the decreased importance of capitalists' organizations are expressions of the perverse collective consequences of rational defensive behavior.

Capitalists in Argentina, Brazil, and Peru have an important advantage. This is not a new game for them; only the urgency, the stakes, and the level of disaggregation have increased. Capitalists in those countries, and elsewhere in Latin America, have long experience in living off the largesse of the state, and in colonizing its agencies. They do not have to find many new counterparts inside the public bureaucracies, or to invent new ways to engage them in manifold forms of mutual corruption. But, nowadays, the depth of the crisis has accentuated those ills. First, there is evidence of a great increase in corruption. Second, there is an enormous fragmentation of the state apparatus — or, equivalently, its sharp decline of autonomy — not in relation to “a” capitalist class but in relation to the innumerable segments in which this class has disaggregated itself at the rhythm of the crisis. The problems noted in the preceding section are multiplied by these consequences of the economic crisis, at the same time that the resulting disintegration of the state apparatus makes it even less capable of solving that crisis.

Every spiral of the crisis is unlike the preceding one. Actors learn. Those who were cunning enough to survive and even gain ground, can buy at bargain prices assets the losers had. The rapid concentration of capital in these countries reflects the gains of the Darwinian survivors. Agents assume that as the previous stabilization efforts failed (and as the government was further weakened by that failure) the future efforts of the government will also fail. Thus those agents hedge their bets against the high estimated

probability of future policy failure, which of course increases the likelihood of that same failure.

On their part, the more spirals occur, the more desperately governments try to find a way out of the crisis. But the accompanying disintegration of the state apparatus, increasing fiscal deficits, a hostile public opinion, political parties that anticipate future electoral gains by harshly criticizing the government (including leaders of the governing party, who see themselves dragged into the abyss of the government's unpopularity), and the anticipatory hedging of powerful economic actors diminish the probability that the next policy attempt will succeed. This also means that, for an economy with increasing levels of immunization, the next stabilization attempt will be a more radical intervention than the preceding one. The stakes of the game become higher at every turn of the wheel.

The repetition of policy failure continues the process of Darwinian selection, at each turn made easier by the decreasing ability of the government to control the distributional consequences of its policies. In particular, since many segments of the middle class are, in relative terms, affected most severely, widespread cries of “the extinction of the middle class” are heard, sometimes with overtones that are not exactly consistent with the foundations of democracy. In this situation, the government projects a curious image that mixes omnipotence with naked impotence. On one hand, every attempt at solving the crisis is resonantly announced as the one that will succeed, and therefore justifies further sacrifices of the population. On the other hand, aside from the welcome relief of a temporary decline in inflation (usually at high cost in terms of economic activity and distribution) it soon becomes evident that the government will not be able to implement other, also necessary, policies. This is another factor in shortening the time horizons and in worsening the expectations that dynamize the overall game.

In these conditions, a society perceives an ugly image of itself. One could collect thousands of expressions of the deep *malaise* that follows. The evidence of widespread opportunism, greed, lack of solidarity and corruption does not present a positive image. Furthermore, many of those actions entail blatant disregard for the existing laws; when it becomes clear that many violate the law and that the costs of doing so are usually nil, the lesson learned further erodes the predictability of social relations; widespread opportunism and lawlessness increase all sorts of transaction costs, and the texturing of society by the state-law weakens at every turn of the spiral.

Bitter denunciations and desperate appeals to overcome the "moral crisis" follow. The media and daily conversations become full of exhortations for "restoring national unity," for the panacea of socioeconomic pacts (that in these conditions no rational actor would enter into in good faith), for "moralizing" public administration and business, and the like. Moralistic criticisms and pious exhortations — however valuable they are as an indication that basic values of public morality somehow survive — ignore the locking in of social action in a colossal prisoner's dilemma.<sup>15</sup> Moreover, such utterances can easily escalate into a full-fledged condemnation of the whole situation, including a democracy that performs poorly in so many respects.

The angry atomization of society is the other side of the same coin of the crisis of the state, not only as a set of bureaucracies but also — and even more — as the lawful source of social predictability. In addition, the crisis leads to the decreasing plausibility of the state as an authoritative agent of the country's interests; rather, it increasingly appears as a burdensome apparatus allowing itself to be plundered by the powerful. The disintegration of the state apparatus and the decreasing effectiveness of the state-as-law makes it incapable of implementing minimally complex policies. It is no easy matter to decide what segments of the state should be given priority for making them more effective; or to implement an industrial policy; or to decide the degree and sequencing of the financial and commercial opening of the economy; or to agree on salaries and employment policies, etc. Without this "restructuring" neither the current neoliberal policies or alternative ones may succeed.

In order for those policies not only to be decided (the easier part, obviously) but to be implemented, three conditions must be met. First, both private and state agents must have at least the medium run as their relevant time horizon. But in the conditions we discussed this is unlikely to be the case. Even government leaders are unlikely to have other than a short time horizon because the crisis means that they must focus their attention in extinguishing the fires that pop up everywhere, and that their jobs are in perpetual jeopardy. In addition, if stabilization and especially structural policies are going to be something more than a crude translation of whatever interests have access to them, the relevant state agencies must be able to gather and analyze complex information, be sufficiently motivated in the pursuit of some definition of the public interest, and see their role in putting up such policies as a rewarding episode in their careers. As we saw, except for some organizatio-

nal pockets, these conditions nowadays are nonexistent. Finally, some policies can be successfully implemented only if they go through complex negotiations with the various organized private actors that claim legitimate access to the process. The extreme disaggregation with which it is rational to operate under the crisis, however, erodes the representativeness of most organized interests. Who can *really* speak for someone else in these countries? What *ego* can convince *alter* that what he agreed to with her will be honored by those he claims to represent? The atomization of society mirrors and accentuates the disintegration of the state.<sup>16</sup>

How can this world of actors behaving in extremely disaggregated, opportunistic and short-term ways be politically represented? Which can be the anchors and links with the institutions (of interest representation and the properly political ones, such as parties and congress) that texture the relationships between state and society in institutionalized democracies? What representativeness and, more broadly, which collective identities can survive these storms? The answer is that very little, if any, progress is made toward achieving institutions of representation and accountability. On the contrary, connecting with historical roots which are deep in these countries, the atomization of society and state, the spread of brown areas and their peculiar ways of pushing their interests, and the enormous urgency and complexity of the problems to be faced feed the delegative propensities of these democracies. The pulverization of society into myriad rational/opportunistic actors and their anger about a situation which all — and, hence, apparently nobody — seems to cause, has a major culprit: the state and the government. This common sense is, on one hand, fertile ground for simplistic anti-statist ideologies; on the other, it propels the abysmal loss of prestige of the democratic government, its shaky institutions, and of all politicians. Of course, these evaluations have good groundings: the policy failures of government, its blunderings and vacillations, its impotent omnipotence, and too often the evidence of its corruption, as well as the dismal spectacles also too often offered by politicians in and out congress and parties, give the perfect occasion for the projective exculpation of society into the manifold ills of state and government.

The least that can be said about these problems is, first, that they do not help to create a consolidated, institutionalized democracy; second, that they make extremely difficult the implementation of the complex, long-term, multi-sided negotiated policies that could take these

countries out of the muddle; and, third, that (not only in Latin America, indeed) these problems powerfully interact with a tradition of conceiving politics in a caesarist, anti-institutional, and delegative fashion.

At this point an overdue question must be posed: is there a way out of these downward spirals? Or, more precisely, at what point and under what conditions is there such a way out? We must remember that we are dealing with countries (Argentina, Brazil, and Peru) which unfortunately suffered a pattern of recurrent high inflation, punctuated by periods of hyperinflation or very close to it (depending on definitions I need not argue with here), and which suffered several failed stabilization programs.

One country which recently suffered these problems but that seems to have found a way out is Chile. The policies of the Pinochet government accomplished, with an effectiveness that Lenin would have admired, the destruction of most of what was left (after the Allende government) of the domestic-market, import substitution-oriented bourgeoisie — which was too grateful to have been rescued as a class to organize any concerted opposition. Of course, the Pinochet government also brutally repressed the labor organizations and the political parties which could have mounted an effective opposition to its policies. In this societal desert, huge social costs were incurred, and although with various changes and accidents, the neoliberal program was mostly implemented. The new democratic government in this country has the still serious but less vexing problem of preserving low inflation, reasonable rates of economic growth, and a favorable international climate. That government is also faced with the problem of how to alleviate the inequalities that were accentuated by the preceding authoritarian regime. But the sober fact is that the distributional consequences of more ambiguous and less harsh policies in countries such as Brazil, Argentina, and Peru have not been better than the ones under the Pinochet's government. Furthermore, the resources presently available to the Chilean government for alleviating equity problems are relatively larger than the ones available to Brazil, Peru, and Argentina. Finally, the fact that Chile was some time ago, but is no longer trapped in the spirals depicted here means (although this is not the only reason, there are other historical ones which I cannot elaborate here) that its state is in better shape than in the countries discussed above for dealing with the equity and developmental issues it inherited.

Another such country could be Mexico. But inflation (with its manifold social dislocations)

never was as high in Mexico as in Argentina, Brazil, and Peru (or, for that matter, as it is today in most of the former Soviet Union); the PRI provided a more effective instrument for policy implementation than anything available to the latter countries; and the geopolitical interests of the bordering United States are helping the still painful and uncertain but comparatively easier navigation of this country toward the achievement of the long-run goals of its current policies. Another country is Bolivia, where the implementation of policies which were successful in taming inflation and liberalizing trade and finance (but not, at least until now, in restoring growth and investment) was accompanied by a brutal repression which can hardly be seen as consistent with democracy. A more recent candidate for this list is Argentina. Focusing on the South American cases, what do Chile, Bolivia, and Argentina have in common? Quite simply, the crisis in these countries — in the first under authoritarian and in the two latter under democratically elected governments — reached the very bottom. The bottom is the convergence of the following conditions. First, state that as a principle of order has a tiny hold on the behavior of most actors, as a bureaucracy reaches extreme limits of disintegration and ineffectiveness, and at some point becomes unable to support the national currency. Second, a workers' movement is thoroughly defeated, in the sense that it is not any longer able to oppose neoliberal policies except by means of very disaggregated and short-lived protests. Third, a capitalist class has to a large extent devoured itself, with the winners transforming themselves into financially centered and outwardly oriented conglomerates (together with the branches of commerce and the professionals that cater to luxurious consumption). Finally, there is a generalized mood that life under continued high and uncertain inflation is so intolerable that *any* solution is preferable, even if that solution ratifies a more unequal world in which many forms of solidaristic sociability have been lost. At this point whoever tries to control inflation and initiate the "restructuring" advised by neoliberal views does not confront powerful blocking coalitions: the more important fractions of the bourgeoisie no longer have antagonistic interests, the various expressions of popular and middle-class interests are weak and fractionalized, and the state employees that have survived their own ordeal can now hope to improve their situation. The pulverization of society and of the state apparatus, together with the primordial demand to return to an ordered social world, end up eliminating resistances that, unwillingly but effectively, fed the previous turns of the spiral. In

Chile this happened through the combined effects of the crisis unleashed under the Unidad Popular government and the repressive and determined policies of the Pinochet period. In Bolivia and Argentina it is no small irony that, after hyperinflation, the (apparently, far from clearly achieved yet) end of the spirals came under presidents originating in parties/movements such as MNR and Peronismo; it was probably incumbent on such presidents, and only to them, to complete the defeat of the respective workers' movement.

Brazil was the last of the countries discussed here encountering this type of crisis. This was closely related to the larger size of its domestic market and to its more dynamic economic performance, which have created a more complex and industrialized economy than that of its neighbors. In a "paradox of success"<sup>17</sup> this advantage may turn out to be a severe disadvantage. In Brazil there are more and more powerful agents capable of blocking the more or less orthodox neoliberal policies that, in any case, have been and will be attempted again. Conversely, if there were no alternatives to continuing the downward spiral until a complete collapse, the degree of economic destruction would be much larger. Furthermore, socially, in contrast with the situation of the Southern Cone countries before their own spirals, in Brazil there is already a vast segment of the population that has nowhere lower to fall.

## 5. A PARTIAL CONCLUSION

Are there alternatives to the crisis I have

depicted? The prisoner's dilemma has a powerful dynamic: invocations to altruism and national unity, as well as policy proposals that assume wide solidarities and firm identities, will not do. If there is a solution, it probably lies in finding areas which are important in their impacts on the overall situation and in which skilled action (particularly by the government) can lengthen the time horizons (and, consequently, the scope of solidarities) of crucial actors. The best-known invention for such achievement is the strengthening of social and political institutions. But under the conditions I have depicted this is indeed a most difficult task. In the contemporary world, the joyful celebration of the advent of democracy must be complemented with the sober recognition of the immense (and, indeed, historically unusual) difficulties its institutionalization and its rooting in society must face. As Haiti, Peru, and Thailand have shown, these experiments are fragile. In addition, there are no immanent historical forces which will guide the new democracies toward an institutionalized and representative form, and to the elimination of their brown areas and the manifold social ills that underlie them. In the long run, the new democracies may split between those that follow this felicitous course and those that regress to all-out authoritarianism. But delegative democracies, weak horizontal accountability, schizophrenic states, brown areas and low-intensity citizenship are part of the foreseeable future of many new democracies.

## NOTES

1. In addition to its rather sketchy character, this text has a major limitation: I do not deal directly with international and transnational factors, even though they often enter implicitly in my discussions.

2. One limitation of not dealing with international factors and only very passingly with historical ones is that I will not be able to discuss here an assumption that sometimes creeps into the literature: that new democracies are "only" going through stages that institutionalized democracies passed before.

3. In another work (O'Donnell, 1992) I labeled these "delegative democracies," to contrast them with institutionalized (or, equivalently, consolidated or established or representative or, as we shall see, liberal) democracies. With the term "delegative" I point out to a conception and practice of executive authority as having been electorally delegated the right to do whatever it seems fit for the country. I also argue that delegative democracies are inherently hostile to the patterns of representation normal in established

democracies, to the creation and strengthening of political institutions and, especially, to what I term "horizontal accountability." By this I mean the day-by-day control of the validity and lawfulness of the actions of the executive by other public agencies which are reasonably autonomous from the former. Furthermore, as we shall see, the liberal component of these democracies is very weak. Some authors tend to confuse delegative democracy with populism; both, of course, share various important features. But, in Latin America at least, the latter entailed a broadening (even if vertically controlled) of popular political participation and organization, and coexisted with periods of dynamic expansion of the domestic economy. Instead, delegative democracy typically attempts to depoliticize the population, except for brief moments in which it demands its plebiscitary support, and presently coexists with periods of severe economic crisis. While my previous text was basically a typological exercise, this paper examines some societal processes which seem closely related to the emergence and workings of delegative democracies.

4. I am using cautious language because I cannot deal here with the various nuances and qualifications that a more extended treatment of this matter would have to introduce. For a good discussion of these matters see Cotterrell (1984).
5. Many postcommunist countries suffer the additional, and enormous, problem that not even their geographical boundaries are beyond dispute and that various ethnic and religious cleavages prevent minimal degrees of allegiance to the respective states. In this sense, while several Latin American countries are undergoing processes of acute erosion of an already existing nation-state, several postcommunist ones are facing the even more vexing problem of beginning to build, under very uncongenial economic and social circumstances, a nation-state.
6. Truly, "state penetration" was one of the "crises" conceptualized in the famous 1960s series of volumes on "political development" of the Social Science Research Council (see LaPalombara, 1971, pp. 205–232). This same issue is central to Huntington (1968). But while these works are concerned with the spread of any kind of central authority, my discussion here refers to the effectiveness of the type of legality that a democratic state is supposed to implant.
7. Of course, these are matters of degree. For example, the United States stands as a case where in the past some of these problems were pervasive — and they have not been entirely eliminated until today. But there (as well as in England before) those problems motivated the creation of a rather effective "apolitical" national civil service. In contrast, underlining some of the tragic but mostly ignored effects of the deep crisis some countries are undergoing and of the economic policies in course, the inverse is what is happening there: the destruction of whatever effective state bureaucracies and notions of a public service existed.
8. One important symptom of this is the degree to which the main operations of the drug trade thrive in these regions, often in coalition with local and national authorities based there. This convergence (and that of numerous other criminal activities) further accentuates the perverse privatization of these regions.
9. It should be noticed that the measures of heterogeneity I am suggesting do not necessarily mean only one nationality under one state (for example, the dominant color of Belgium is blue). The disintegration of supranational empires such as the Soviet Union and Yugoslavia may or may not lead, in the respective emerging units, to states which are homogenous in the sense I am specifying here. For example, the erosion of public authority and the widespread disobedience of legislation issued in Russia mean that, even though this unit may be more "national" in the sense of containing a rather homogeneous population, in terms of the dimensions of "stateness" I have suggested, it would indeed be dominated by brown. For a vivid description of the fast and extensive "browning" of today's Russia, see Reddaway (1993), pp. 30–35.
10. Consider the present political problems of Italy, which is arguably the most heterogeneous of institutionalized democracies (with the exception of India, if this extremely heterogeneous country can still be considered to belong to that set) but is much more homogenous than most of the countries I am discussing. Those problems are closely connected to Italy's brown areas and to the penetration of legal and illegal representatives of those areas in its national center. In the United States, it seems indisputable that in the past decade the brown areas (particularly around large cities) have experienced a worrisome growth. Furthermore, these problems are also appearing in other rich countries, related to a series of global (especially economic) transformations. But in the present text I want to stress some factors, specific to certain countries, that greatly accentuate those problems. Again, and as always, comparisons are a matter of degree.
11. As Ware (1992) puts it, "The claim of the liberal democracies to be liberal democracies rests on the claim that they have both well-established and also accessible procedures for protecting the liberties of individual citizens."
12. The extensive poverty and high inequality found in most of Latin America and the rest of the Third World (the sediment of a long history, accentuated by the current crisis and economic policies) is different from the process of rapid *unequalization* taking place in postcommunist countries; whichever pattern turns out to be more explosive, the latter points toward democracies which, almost at the very moment of their inauguration, are suffering a steep decrease in the intensity of their citizenship.
13. By "neoliberal" policies I mean those advocated by international lending institutions and mainstream neoclassical theories. These policies have undergone some changes, presumably prompted by the very mixed record of their application. But a very strong — and indiscriminate — antistatist bias continues to be at their core. For a critique of these policies, see especially Przeworski *et al.* (forthcoming) (even though I agree with this critique and am one of the cosigners of this book, it is ethically proper to add that I did not participate in that part of this volume). See also Przeworski (1992).
14. By this I mean periods of three years or more when monthly inflation averaged above 20% per month, with peaks of three-digit figures per month.
15. Although I cannot expand on this point here, it should be noted that the situations I am depicting do not have any of the conditions that the literature has identified as conducive to cooperative solutions in the prisoner's dilemma.
16. One should not forget the longer term effects of the crisis and of the indiscriminate anti-statist ideology that underlies the current economic policies, on factors crucial for sustaining economic growth. I refer in particular to education, health, and science and tech-

nology policies, and to the modernization of the physical infrastructure. These areas are being grossly neglected, in spite of many warnings and complaints. But to undertake those policies a reasonably lean and

effective state apparatus is required.

17. I have discussed Brazil's apparent paradoxes of success in O'Donnell (1992a).

## REFERENCES

- Cotterrell, Roger, *The Sociology of Law: An Introduction* (London: Butterworths, 1984).
- Dahl, Robert, *Polyarchy. Participation and Opposition* (New Haven: Yale University Press, 1971).
- Huntington, Samuel, *Political Order in Changing Societies* (New Haven: Yale University Press, 1968).
- LaPalombara, Joseph, "Penetration: A crisis of governmental capacity," in Leonard Binder, *et al.*, *Crises and Sequences in Political Development* (Princeton: Princeton University Press, 1971).
- Lijphart, Arend, "Consociational democracy," *World Politics*, Vol. 21, No. 1 (January, 1968), pp. 207-225.
- Lijphart, Arend, *Democracies: Patterns of Majoritarian and Consensus Government in Twenty-One Countries* (New Haven: Yale University Press, 1984).
- Mainwaring, Scott, "Politicians, parties and electoral systems: Brazil in comparative perspective," Working paper No. 141 (Notre Dame, IN: Kellogg Institute, June 1990).
- O'Donnell, Guillermo, and Philippe Schmitter, *Transitions From Authoritarian Rule: Tentative Conclusions About Uncertain Democracies*, Vol. IV of Guillermo O'Donnell; Philippe Schmitter, and Laurence Whitehead (Eds.), *Transitions From Authoritarian Rule: Prospects For Democracy* (Baltimore: Johns Hopkins University Press, 1986).
- O'Donnell, Guillermo, "Transitions, continuities, and paradoxes," in Scott Mainwaring, Guillermo O'Donnell, and Samuel J. Valenzuela (Eds.), *Issues in Democratic Consolidation: The New South American Democracies in Comparative Perspective* (Notre Dame: Notre Dame University Press, 1992a), pp. 17-56.
- O'Donnell, Guillermo, "Delegative democracy?," Working paper No. 172 (Notre Dame, IN: Kellogg Institute, March 1992).
- Reddaway, Peter, "Russia on the brink," *New York Review of Books* (January 28, 1993), pp. 30-35.
- Przeworski, Adam, "The neoliberal fallacy," *Journal of Democracy*, Vol. 3, No. 3 (July, 1992), pp. 45-59.
- Przeworski, Adam, *et al.*, *Sustainable Democracy* (forthcoming).
- Ware, Alan, "Liberal democracy: One form or many?," *Political Studies*, Vol. 40 (1992), pp. 130-145.