

# Modeling authoritarian regimes

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**abstract**

In the past few years, a body of ideas based on political economy theory has been built up by North and Weingast, Olson, Przeworski, and Acemoglu and Robinson. One theme that emerges from this literature concerns the transition to democracy: why would dominant elites give up oligarchic power? This article addresses this question by considering a formal model of an authoritarian regime, and then examining three historical regimes: the Argentine junta of 1976–83; Francoist Spain, 1938–75; the Soviet system, 1924–91. We argue that these historical analyses suggest that party dictatorships are more institutionally durable than military or fascist ones.

**keywords**

democratic transition, authoritarian regimes, rational choice theory

## Introduction

Since at least Machiavelli's time, political scientists have studied how government structure influences regime durability. Today, with democracy ascendant over dictatorship in most of the world, political scientists have attempted to construct models of the transition to democracy, and have also examined how it is that autocratic regimes can stay in power and why some apparently democratic regimes can fall back into semi-dictatorship.<sup>1</sup> Zimbabwe, under the autocratic rule of Mugabe since 1987, has inflation of 15,000 percent and unemployment of

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80 percent (as of July 2007). A country such as Zimbabwe is likely to fall into civil war. Whether this may lead eventually to democracy or further debilitating civil war is a matter of debate.<sup>2</sup> While Przeworski has noted that once a political economy reaches a GDP of about US\$7000 per capita (in PPI or purchasing parity terms) it is unlikely to fall back from democracy to autocracy, it is still the case that resource-rich economies such as Iran (at a current GDP per capita of US\$8400), Kazakhstan (at US\$8300), and China (at US\$6800) are autocracies. Perhaps more alarmingly, Russia has invented the institution of 'sovereign democracy', a kind of oligarchic democracy.<sup>3</sup>

This article contends that to understand autocracies and the possibility of a transformation to democracy, it is appropriate to construct a model that is general enough to be able to incorporate both democratic and autocratic institutions.

We first start with the political economic assumption that power derives from the control of the factors of capital, land, and labor. The allocation of these factors can be described by a point in a high dimensional economic factor space. For purposes of exposition, Figure 1 gives an extreme simplification of this idea, representing the factor space as a horizontal axis with Labor and Land at one end and Capital at the other. Perpendicular to the economic space is the political space. Again, for purposes of exposition, we can assume this space is unidimensional. In modern democracies, this axis can be identified with civil and social rights.

The idea underlying this figure follows from the work of North and Weingast, as applied by Schofield to examine the political bargains instituted in Britain in the 1740s and the United States in 1787–1800.<sup>4</sup>

For example, the ability of Britain to deal with the debt associated with its wars with France in the 18th century depended on the willingness of the landed and capitalist elite to commit to payment on the escalating interest on the debt. This was done by a complex bargain between Whigs and Tories, involving high excise and customs taxes. Since this protected the landed interest, it had the indirect effect of raising the value of land. The second indirect effect was that the poor suffered. Schofield has argued that for this bargain to be maintained, it was necessary to restrict the franchise. The Reform Acts and the repeal of the Corn Laws came much later, in response to the fear of starvation and civilian unrest. In the United States in the period up to the election of Jefferson in 1800, capital and landed elites were in conflict over whether a similar bargain could be instituted. A tariff would protect manufactures, thus raising the price of capital-intensive goods in terms of the price of land. The contract that was put in place gave the landed interest the upper hand, by suppressing the question of slavery (on the political axis) until at least 1850–60.

These comments are meant to suggest that the political economic equilibrium in a society is the result of a bargain between the elite holders of factors and those who govern the institutions. A political leader, whether democratically elected or holding onto power by force, must have enough support from the elite or the

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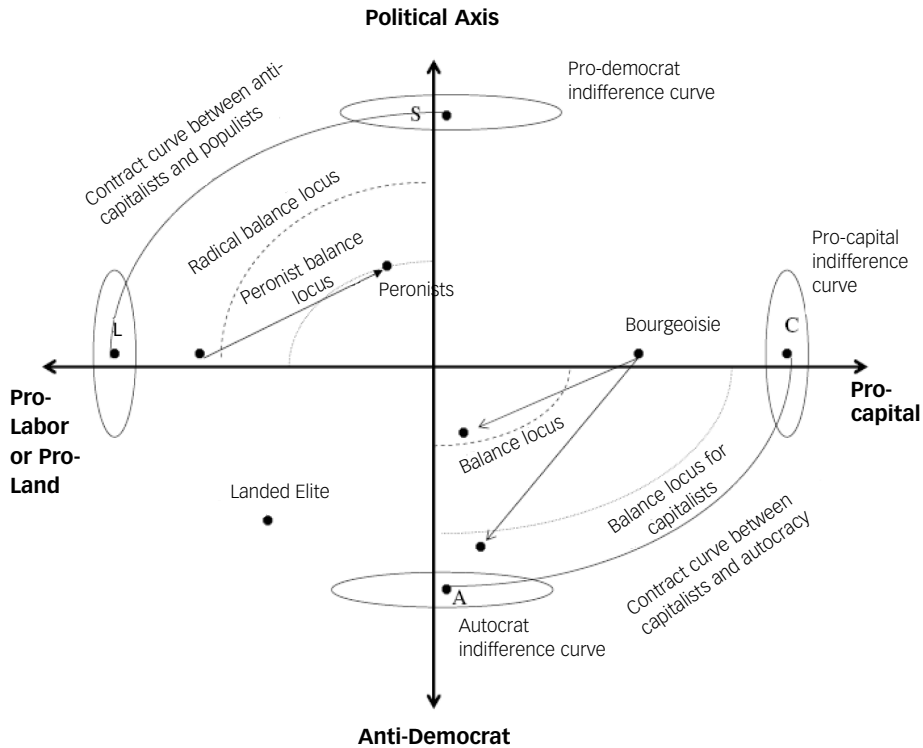


Figure 1 The balance locus of the autocrat

people, or both, to stay in power. The formal model of power that is used here has the following features.

First, each factor elite has an ellipsoidal utility function, as illustrated in Figures 1 and 2, indicating their primary concern with that factor. Similarly, the political elite, whether autocrat or prime minister or president, is less interested in the particular disposition of factors, but rather in their utilization in order to maintain power. As Figure 2 illustrates, the particular assumption on elite utilities allows the economic and political elite to bargain. Figure 2 presents a contract curve between the capital elite and an autocrat, representing the set of bargains that are possible.

In some autocratic regimes, of course, the 'autocrat' can be identified with a military elite. In this case, the contract curve specifies the nature of the resources, military and capitalistic, that can be made available to the political leader. Again, it is not crucial that the bargain be only between capital and the political or military elite. It is quite possible in some regimes that the landed elite control the

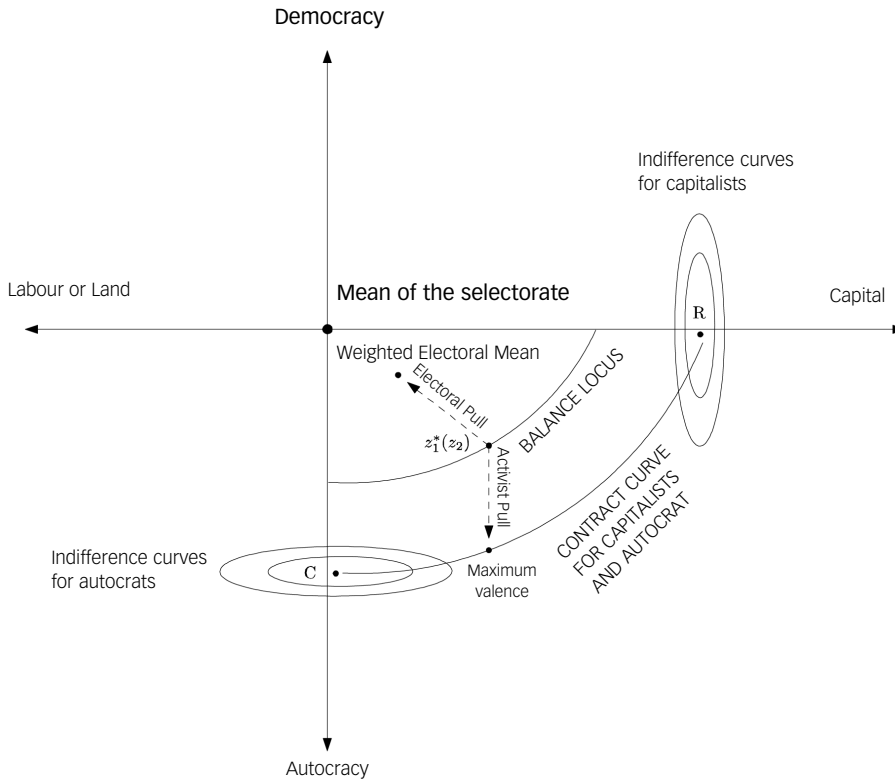


Figure 2 The weighted electoral mean and equilibrium position,  $z_1^*(z_2)$ , of the autocrat in response to an opposition strategy  $z_2$ .

critical factor. The resources made available by this contract can then used to maintain political power.

In the formal model, each member of the population has a utility function, based partly on some preferred position in the factor space, but also on what we call the 'valences' of the various political leaders. The formal model distinguishes between exogenous (or intrinsic) valence and the valence that results from the resources made available to the political leader by the factor elite. As an example, film of the crowd's response to Mussolini when he came to power suggests that the people regarded him very highly, at least initially. Revolutionary leaders, such as Castro, also have very high intrinsic valence. Autocrats, such as Mugabe, may be hated by some of the people, but can keep power through intimidation, precisely because of their control of resources. While the contract curve

specifies the locus of actions that maximizes resources, the balance locus gives the equilibrium locus of the political leader. In a democratic regime, this will depend on the intrinsic valences of political opponents and the activist contributions. In the model used here, the equilibrium position of the leader will be a weighted sum of the preferred positions of those with some power in the polity (the selectorate). In both models, the leader with greater intrinsic valence will be less dependent on the resource support of activists or the factor elite. Moreover, the greater the intrinsic valence of an opponent, whether a revolutionary or a leader of a democratically chosen opposition, the further will the leader's position be from the center. In Figure 2, the point denoted the 'Mean of the selectorate' is used to denote the center.<sup>5</sup>

One obvious inference from this model is that the 'equilibrium' position of the autocrat may be so far from the center that the populace will be induced to revolution. On the other hand, some authoritarian systems have evolved so that the 'autocratic equilibrium' is stable. While we cannot overlook culture and historical distinctiveness, the authoritarian government's institutional design almost certainly contributes to its relative durability. By applying the model just proposed, we suggest we can pinpoint which authoritarian systems are more durable and why. Three types of authoritarian regimes have predominated in the 20th century: bureaucratic military dictatorship, fascist dictatorship, and communist party dictatorship.

Applying the model suggests that the bureaucratic military regime seems the least durable, fascism more durable, and the socialist party dictatorship very stable. To illustrate, we examine three regimes: Argentina's military junta (1976–83), Francoist Spain (1938–75), and the Soviet system (1924–91).<sup>6</sup> We show how the theoretical prerequisites for regime change to democracy were sequentially harder to meet. The prerequisites include:

1. Enough economic or political inequality to induce an oppositional underclass to demand formally institutionalizing some power redistribution.
2. Not so much inequality in economic or political power that the authoritarian elite is willing to incur almost any cost to keep power.
3. The ability of the regime's opponents to overcome the collective action problem inherent in organizing a revolution.
4. For democracy to be achieved, reformers within the authoritarian bloc must align themselves with moderate opposition leaders to force authoritarian hardliners into accepting transition.

Argentina's wealth and political power distribution were neither egalitarian nor acutely concentrated. Spain's economic inequality was not profoundly different from Argentina's, but its political organization was more centralized. The Soviet system both brutally imposed comparative economic egalitarianism and sharply concentrated political power. This reduced the revolution's economic boon to the citizenry while encouraging the government to spare nothing to defend its power.

Francoism's early corporatism raised Spain's hurdle for oppositional collective action higher than Argentina's and Soviet party-oriented social organization raised it higher still.

The Argentine junta could not effectively penetrate or Balkanize the organizations that kept that regime in power. This afforded some of the regime's erstwhile supporters enough autonomy to negotiate with the opposition and pressure the authoritarian elite to reach an accommodation with them.

Although Franco's regime also could not effectively penetrate and Balkanize certain support organizations, Franco's complete personal control over the cabinet helped him manipulate the power distribution within his elite, hampering any single Francoist faction from attaining enough power to combine with the opposition and tie his hands. Without Franco, the system disintegrated.

Lastly, the Soviet system centralized all personnel decisions for organizations that propped up the government within the apparatus of the Communist Party of the Soviet Union (CPSU). This precluded the emergence of an autonomous reformist clique within the Soviet political elite without the general secretary's consent.

Our analysis depends on Przeworski's observation that the ability of the elite and the citizenry to compromise depends on their cohesiveness. Przeworski follows O'Donnell by dividing society into four political actors: Hardliners and Reformers in the authoritarian elite and Moderates and Radicals in the oppositional citizenry.<sup>7</sup> Hardliners have the most vested interest in the regime. In the Soviet Union, the Communist Party apparatus and KGB were prominent Hardliners. Franco himself and the Falange were the Spanish Hardliners and in Argentina the Hardliners were the military brass. 'Reformers tend to be recruited from among the politicians of the [authoritarian] regime and from some groups outside the state apparatus: sectors of the bourgeoisie under capitalism, and some economic managers under socialism.'<sup>7</sup> Reformers maintain weaker bonds to the regime and some may even gain from regime change if it leads to a (centrist) voter on the economic or power axis closer to themselves. Moderates want regime change, but can accept some institutionalized commitments to elites that temper regime change's power redistribution. The Radicals, furthest away from Hardliners on the economic and political axes, oppose most concessions short of thorough institutional overhaul in their own favor. Clearly, the Hardliners are the elite, Radicals the citizenry, and Reformers and Moderates a 'bifurcated' middle class.

Przeworski argues that regime change 'can result only from an understanding between Reformers and Moderates' and then only when 'an agreement can be reached between Reformers and Moderates to establish institutions under which the social forces they represent would have a significant political presence in the democratic [or successor] system'.<sup>8</sup> Reformers and Moderates sometimes secure Hardliners' and Radicals' assent to agreements with convincing rhetoric. However, typically, the Reformers and Moderates must either align themselves

with the Hardliners or Radicals to force the remaining members of the autocracy to accept the new political order. Because the Hardliners control the authoritarian regime's repression apparatus, they normally make a more attractive partner. As will become apparent from the discussion below, Hardliner–Reformer–Moderate coalitions were more institutionally viable in Argentina and Spain than in the Soviet Union because the Communist Party apparatus did not depend on a co-opted middle class's cooperation to endure – instead, every organization relied on the Communist Party. Such a transition could only take place in the Soviet Union when the Hardliners' leader was himself a Reformer. That happened with Gorbachev. In terms of our model, the exogenous or intrinsic valence of the Hardline leaders of the regime had become very low indeed in contrast to oppositional Reformers. Although Gorbachev could retain power through the support of the Communist Party elite, when he tried to adopt a Reformer position, moving nearer the center, he lost to higher valence Reformers.

Although Figure 2 is not immediately applicable to the fall of the Soviet Union, we can note that the control exercised by the CPSU can be interpreted as a position on the contract curve close to the autocrat position. Similarly, the stability of 'sovereign democracy' in Russia at present suggests an equilibrium position for Putin that is characterized by cooperation with, or control over, capital and a high degree of economic inequality, politically sustained by his high valence in contrast to the valences of the fragmented opposition.

## Political economy theory

Political economy theory (PET) is based on the postulates of the 'new institutionalism', two of which seem of greatest importance. First, political 'actors take rational actions to maximize the probabilities of re-election, career advancement, or some other positive benefit'.<sup>9</sup> According to Kenneth Shepsle, 'a rational agent [or actor] is one who comes to a social situation with preferences over possible social states, beliefs about the world around him, and a capability to employ these data intelligently'.<sup>10</sup> Douglass North systematized the second postulate in his inquiries into institutional design and economic performance: 'Institutions are the rules of the game in a society . . . the humanly devised constraints that shape human interaction . . . they structure incentives in human exchange, whether political, social, or economic.'<sup>11</sup> PET can illuminate a political system's institutionally engendered incentive structures to determine whether they are more or less likely to encourage rational agents to behave in ways that render a regime more susceptible to collapse.

In gauging an authoritarian system's susceptibility to collapse, we ask:

1. How do the political institutions provide incentives to citizens to oust their autocratic elite?
2. What are the institutionally induced prospects of a successful ouster?

Smith wrote that ‘authoritarian regimes can break down because of external war, economic crisis, social upheaval, or defections from the ruling coalition. Pressures can come from without, from within, or from below.’<sup>12</sup> We start with the assumption that, in theory, any regime can be dislodged by a foreign army. This limits the inquiry to the authoritarian elite’s power vis-à-vis its subjects and cohesion. The case studies were selected partly because their regimes were not ejected by foreign invasion. It is obvious, however, that certain authoritarian systems, particularly fascist varieties, rely more on saber-rattling nationalism to keep the citizenry mobilized behind the dictator, heightening the chance of war, military defeat, and invasion.

PET identifies two sources of political power. Acemoglu and Robinson make the following points. ‘The first source of political power is simply what a group can do to other groups and the society at large by using force. [We] refer to this as *de facto* political power.’ *De facto* political power’s distribution is not static. ‘Harvest failures, economic depressions, international financial or debt crises, and wars . . . are intrinsically transitory and lead to short-term fluctuations in *de facto* political power.’ The other source of political power, ‘allocated by political institutions’, is called ‘*de jure* power’. The literature identifies three societal groups who exercise those powers: an elite, a citizenry, and a middle class. By definition the elites are a minority and the citizenry the majority. In this body of theory, they have conflicting interests. ‘For example, if the elites are the relatively rich individuals . . . [they] will be opposed to redistributive taxation; whereas the citizens . . . will be in favor of taxation that would redistribute resources to them.’<sup>13</sup>

As suggested in the introduction, the present study extends this idea and refers to economic elites and political elites, located in distinct policy spaces. The economic factor space is a way of presenting the control exercised by each individual over the relevant factors, and, by inference, the individual’s utility function. For example, a capitalist (or capital interest) at C in Figure 1 will be obviously opposed to redistribution of capital wealth, but may agree to a redistribution of the factor of land. Capital and the landed interest may also bargain effectively to retain their power (as illustrated by the example above from Britain in the 18th century). An individual at L, endowed only with labor, would prefer capital, and perhaps land, redistribution. Similarly, the political axis represents an individual’s policy preferences on the distribution of political rights. Figure 1 suggests that a capitalist at C may not prefer the extreme concentration of political power implied by A. Again, holders of the labor factor may be conservative in their views about the rights to be allocated to minorities, for example. Both the elite ‘activists’, who bargain in the political realm, and the citizenry will be characterized by the distribution of their preferred points in the political economic space, W.

In Argentina and Spain, the political and economic elites were allies. In the Soviet Union, however, because of the proscription of the private ownership of



capital, no traditional economic elite existed. Instead, there was only a political elite (the CPSU), which collectively managed all Soviet capital. In some sense, therefore, the political elite was the economic elite – however, they only reaped a political reward from it. Between the elite and great mass of citizens lies the middle class, which often sees itself as a distinct group with distinct interests and thus a player in the contest for more *de jure* and *de facto* power in order to realize its interests. The economic elite, owning a disproportionate share of capital, will generally be most redistribution averse, while the citizenry will be most in favor of redistribution. The middle class's capital-redistribution preference will generally lie between the elite's and citizenry's (represented by the position marked 'Bourgeoisie' in Figure 1).

The greater the concentration of capital and level of inequality, the further will the centrist citizen be from the elite-preferred position and the more redistribution he will prefer. However, one can similarly think of the distribution of political power. Certain individuals, whether CPSU apparatchiki or Argentine generals, will disproportionately influence state policy, while others, such as non-party members in the USSR or former Republicans in Francoist Spain, are under-represented in policy-making.

Centrist redistribution explains why elites oppose democracy. 'Nondemocracy, especially compared to the ideal of democracy, is neither egalitarian nor fair. Therefore . . . citizens have a constant desire to change the outcome, the policies, and the regime. What prevents them is the fact that the elites control the political institutions and military power in nondemocratic societies.'<sup>14</sup> While the citizens lack *de jure* power in authoritarian systems, their majority status confers some *de facto* power, which they can use to threaten revolution unless the elite promises greater redistribution. The elite must always choose an equilibrium, based on cost–benefit analysis, between redistributive concessions and repression to forestall revolution.

Repression is attractive when it is marginally cheaper than concessions. However, North and Weingast suggest that policy concessions are sometimes insufficient to stave off revolution because 'commitment problems arise when political power is not in the hands of the beneficiaries of the promised policies. In essence, those with political power cannot commit not to use it to renege on promises made in the past.'<sup>15</sup> To forestall elite renegeing when *de facto* power's distribution swings back in their favor, the temporarily empowered citizens regularly demand institutional changes that transfer some policy-making powers to themselves. While some citizen revolutionaries might call for institutionalizing a dictatorship of the citizenry, such demands are rare because they give the elite the incentive to spare no cost to block the citizens' aims.

The response of the elite depends on the cost–benefit analysis of the balance between the revolutionary threat's credibility against democratization's probable impact on their assets. For the revolutionary threat to be credible, its leaders must overcome revolution's inherent collective action problems. As Acemoglu and

Robinson state, 'the payoff for not taking part is always greater than the payoff for taking part in a revolution. Therefore, all citizens prefer to free-ride on others' revolutionary activities rather than incurring the costs themselves.'<sup>16</sup> Like the elite, the citizens perform cost-benefit analyses to discern whether revolution is profitable. 'The simplest way to think of a post-revolutionary society is . . . that some of the resources of the economy are destroyed in the turbulence of the revolution and the rest are distributed in some way among the citizens.'<sup>17</sup> Some revolutionary leaders successfully impart an ideological utility calculus to their followers, so they receive sufficient reward from serving the group. However:

Most real-world revolutionaries try to generate private benefits, monetary or otherwise, for taking part in revolutionary activities that the participants can keep, even if the revolution fails . . . In practice, the most common strategy to deal with collective action problems is 'exclusion.' Exclusion limits the benefits from collective action to only those who take part in the action.<sup>18</sup>

Not only the citizens are divided. Different members of the elite have different interests, reflecting the nature of their economic resources:

Turbulence and disruption lead to the breakdown of complex economic relations . . . much more important for capitalist production than agrarian production. This is natural because there is less concern about the quality of products in agriculture than in manufacturing. Moreover, the importance of complex relationships between buyer and supplier networks, and of investments in skills and in relationship-specific capital, is far greater in more industrialized activities.<sup>19</sup>

Therefore, repression and revolution's disorder is marginally more costly for industrialists than for landowners, making industrialists marginally more congenial to granting violence-averting concessions. 'Because land is supplied more inelastically, when allowed, citizens impose higher taxes on land than on capital.'<sup>20</sup> This further widens the difference between industrialists' and landowners' marginal willingness to repress. Likewise, political elites whose power relies more on autonomous organizations, such as economic elites and independent technocrats, risk losing more from repression that breaks down complex political networks and alliances.

Usually, a middle class is an independent political actor in the haggle between the elites and the citizens over the extent of enfranchisement. The middle class's greater income endowment positions it as the citizenry's natural vanguard. However, that greater income endowment simultaneously makes them less inclined toward resource redistribution than the citizenry. Indeed, the elite may enfranchise, and thus co-opt, the middle class if it calculates that the economic cost of the consequent redistribution regime, induced by the new, poorer centrist voter, is less than that of repressing an alliance of the middle class and citizenry. 'A large affluent middle class may act like a buffer between the elites and the citizens in democracy. It does this by simultaneously making democratization

more attractive for elites than repression and changing policy enough that the citizens are content not to revolt.<sup>21</sup>

In this article, the idea of a middle class is important in both an economic and political context. It indicates that certain economic and political groups are able and willing to align themselves with either pole of the economic or political axis. When centrist groups have a lot of latitude, they decide whether the authoritarian regime remains intact or liberalizes. Therefore, when the middle class or part of the middle class has been co-opted to keep the authoritarian regime afloat, the authoritarian regime's survival depends on the cohesiveness of the alliance of the elite and middle classes. In terms of the model illustrated by Figure 2, the stronger the bourgeoisie, the closer will be the regime's balance locus to the mean of the selectorate.

The second element of an authoritarian regime's durability is its elite's cohesiveness. Smith delineates two types of authoritarian elites, 'personalistic and institutional . . . personalistic dictatorships are ruled by strong-willed individuals who dominate the political process. Their principal interest is power. They are tyrants. They do not subscribe to substantive ideologies and they do not have programmatic missions.'<sup>22</sup> Obvious examples are Trujillo's Dominican Republic and Duvalier's Haiti. Basically, the political elite of a personalistic regime is the tyrant and his coterie. 'Institutional authoritarian regimes [are] very different. Power [does] not belong to individuals. It belongs to committees, bureaucracies, or institutions.'<sup>23</sup> The juntas of Argentina and Brazil belong to this category. Obviously, this measure is relative. Even personalistic dictatorships have delegated some administrative, and thus some de facto, power to bureaucracies.

Smith contends that:

There are two broad types of change: transition via *ruptura*, a complete and usually sudden and violent break with the authoritarian past and transition via *reforma*, a process of give-and-take negotiation between incumbents and dissidents . . . gradual and pragmatic changes via 'reforma' tend to be incremental, not revolutionary, and include formal or informal compacts designed to achieve political transformation with a minimum of risks.<sup>24</sup>

Smith illustrates the incentives for citizens to revolt and elites to hold tenaciously to power in order to uncover when transitions either via *ruptura* or via *reforma* are more likely. He concludes:

Personalistic regimes have been most susceptible to sweeping and violent overthrow . . . Dissidents usually believed it was necessary to eliminate the tyrant via assassination and that with this accomplishment the entire regime would crumble. There was neither room nor need for negotiations with surviving collaborators: without the dictator they had no remaining power base . . . In dominant-party regimes, as in Mexico, members of the erstwhile ruling party could simply move into the opposition . . . Military regimes also [have] a ready exit: they [can] return to the barracks . . . More than any other autocrats, military rulers [have] a place to go. This often [makes] it easier for them to engage in negotiations with the opposition.<sup>25</sup>

Smith's distinction between 'personalistic' and 'institutional' dictatorships is similar to Machiavelli's distinction between absolute princes (personal dictators who face no real organized opposition) and limited princes (limited by institutions which give some others substantial power to oppose the autocratic leader). Machiavelli argued that absolute princes are more difficult to bring down and violence is probably needed to do so, but once the old regime is upset, the new prince or dictator can maintain his power relatively easily, with the implication that this kind of regime is relatively durable until the next round of violence occurs. On the other hand, Machiavelli claimed that limited princes are easier to bring down because their various opponents can be attracted into a revolutionary coalition by the promise of more power and other benefits, yet the new autocratic leaders will have a relatively difficult time maintaining power for the same reason.

Some of Machiavelli's observations can be related to the idea of valence. An absolute prince may well be strongly loved by the majority, though hated by a minority, of the citizenry. Indeed, successful imperial houses can be long lived precisely because they surround the prince with pomp and circumstance, raising the intrinsic valence, just as it may be raised by media attention in a modern democracy. Limited princes may face much less variance in the valence by which they are perceived by the citizens.

With this background on political economic theory, we can now proceed to our case studies.

## Case studies

### Argentine junta (1976–83)

O'Donnell defines bureaucratic authoritarianism as 'a system of exclusion of the popular sector, based on the reaction of dominant sectors and classes to the political and economic crises to which populism and its developmentalist successors led'.<sup>26</sup> In the 1960s and 1970s, Latin American militaries adopted such systems in Brazil, Uruguay, and Argentina. However, unlike earlier exclusions of the popular sector, the military ruled both directly and collegially, not simply supporting economic elites' hegemony. Argentina's 1976–83 experience is paradigmatic.

After the coup of 24 March 1976, the Argentine military reorganized the government so that the military command selected the president and cabinet, both of whom, acting together, made and executed all laws.<sup>27</sup> The president derived little power from his title and policy decisions required some consensus among military notables:

Each service had its 'feudal domains' and active duty officers were appointed to a much wider range of subordinate posts, as commanders of the federal police, intervenors of the central labor federation and key unions, and heads of the major state enterprises. Military control, furthermore, also penetrated the provincial level, dividing governor-

ships between the branches, and at times reached all the way down to local government.<sup>28</sup>

There was no umpire who could utilize referee powers to impose stability and mitigate factional acrimony. Thus government decisions reflected the policy preferences of those officers possessing the most de facto power. Wynia described the junta's governing operation as:

Never very neat, no matter how hard the junta work[ed] to appear united behind the president . . . [and grew] worse when commands [were] rotated . . . New service commanders [did] not necessarily come from the same factions as those who originally appointed the president, which, when ignored, [could] escalate into agitation for his replacement.<sup>29</sup>

By the time the military installed its first president, General Jorge Videla, the junta had already split into three factions on issues of the longer-term political future. One, headed by Admiral Emilio Messera, wanted to cow the hitherto combative working class by mimicking Peronist populism, but trading economic nationalist rhetoric for anti-Marxist rhetoric and, as effective counter-insurgency and antisubversive campaigns subsided, reasserting old irredentist claims.<sup>30</sup> The second faction, headed by Generals Carlos Masón and Mario Menéndez, favored unrelenting war against everything Peronist and leftist and completely replacing Argentina's protectionist trade policy and bloated public sector with market fundamentalism. The third clique, led by General Videla and his successor, General Roberto Viola, wanted economic recovery. Although they deemed greater reliance on markets as a wise recovery tactic, they did not sanction fundamentally dismantling all state enterprises and even reversed some early trade-liberalization policies to aid the industrialist elite at the agrarian elite's expense.<sup>31</sup> In October 1979, Menéndez launched a rebellion against what he saw as too moderate a regime. Videla and Viola's military allies squelched the insurrection, but, in 1981, the harder-line General Leopoldo Galtieri obtained enough support within the military to threaten a coup against Viola. Politically weakened by economic crisis and perceived softness on the left, attributable to his releasing Isabel Peron from government custody, Viola resigned and Galtieri replaced him.<sup>32</sup>

After the 1976 coup, Videla 'went to work right away, unleashing the three [military] services' intelligence and counterinsurgency units to make war on the clandestine military movements whose members had been terrorizing the country with kidnappings and bombings for over three years'.<sup>33</sup> The guerillas:

Sought the violent overthrow of the government and the institution of a revolutionary socialist regime along Marxist-Leninist lines. They were predominantly middle class and many were university students or recent graduates. [They were] desperately idealistic and deeply alienated by the merry-go-round of Argentine politics.<sup>34</sup>

Videla gave military intelligence and counter-insurgency units wide latitude to arrest, interrogate, and kill virtually autonomously. Many who never committed terrorist acts:

Lived in fear, never knowing whether or not they, too, might be taken away from their homes in one of the government's infamous, unmarked gray Ford Falcons, never to be seen again. Suspects were taken to one of 280 clandestine prisons, most of them on military bases in or near the nation's largest cities, where they were tortured and killed without any records of their deaths being kept.<sup>35</sup>

Between 10,000 and 20,000 'disappeared' that way in what is called 'Argentina's Dirty War'.<sup>36</sup>

Like many other Latin American countries, an economically liberal agrarian oligarchy had dominated Argentina until the Great Depression. The resulting contraction of foreign demand for Argentine agricultural goods spurred limited industrialization to provide no longer importable consumer goods. Peron accelerated industrialization during his presidency (1946–55), imposing heavy tariffs on foreign manufactured goods and overvaluing the exchange rate to encourage capital goods' importation.<sup>37</sup> 'In spite of the liberal restoration in 1955, the agricultural capitalists never regained full political power, and they became even more economically marginalized in the expansive industrialization of the 1960s.'<sup>38</sup> Peron's bloc included the industrial elite, urban middle class, and working class. However, between 1955 and Peronism's 1973 resuscitation foreign direct investment generated substantial capital accumulation and growth of the industrial elite and urban bourgeoisie, undermining their political alliance with the working class and increasing the number of interests they shared with the residual agrarian elite.

In 1975, many labor 'unions began negotiating new contracts with 100 percent wage increases or more'.<sup>39</sup> The Peronist government annulled the new contracts, inciting massive strikes, forcing the government to reinstate them. Concurrently, inflation reached 335 percent and Marxist guerillas staged provocative attacks on the police and military, assassinating some bigwigs.<sup>40</sup> The military cunningly waited to overthrow Isabel Peron until she had thoroughly discredited her regime. Peronism failed:

Due in large measure to the loss of control by the trade union bureaucracy over the working class . . . Finally the deepening economic crisis made it imperative to the bourgeoisie to move toward a 'strong state' that could suppress the living standards of the masses sufficiently to restore a 'healthy' rate of profit for capitalism.<sup>41</sup>

Argentina's economic evolution sundered the industrial elite and urban bourgeois Peronist political alliance with the working class and the 1970s' economic situation deprived the bourgeoisie of the maneuvering room needed to grant reforms to the workers without threatening the profitability of industry'.<sup>42</sup> Genuinely socialist labor organizations, outflanking the official unions and coordinating officially unsanctioned strikes and other collective action, drove the middle class into the military's lap.

The military needed extensive elite and middle-class support because of the military establishment's limited expertise. Not only did they need technocrats to

formulate macroeconomic policy, they needed the elite's and middle class's acquiescence to implement the policy. The Argentine junta's key economic initiatives were:

- (1) The reduction of real wages by nearly 50 percent in relation to the previous five years, an increase in the price of public services, and an end to the subsidy of social services such as health and housing
- (2) A program of progressive reduction of import tariffs, no subsidies to nontraditional exports, encouragement of agricultural exports
- (3) A liberalization of the exchange and financial markets
- (4) The reduction of government expenditure and employment, and the reprivatization of state owned firms.<sup>43</sup>

The junta's policies contributed to a flood of foreign capital, which started when OPEC's 1973–74 and 1979–81 production halts provided OPEC countries' governments with so many dollars they could not invest them all domestically. The OPEC governments deposited huge sums in American and European banks, lowering interest rates and enticing Latin American borrowers. 'Between 1976 and 1980 the [Argentine] financial sector grew by 45 percent. Finance capital, a fusion of banking and capital, became the hegemonic [faction] within the ruling class [bloc].'<sup>44</sup> The new preponderant elite faction soon faced calamity and grew disenchanted with their military partners, no longer trusting them to steward the economy.

In the early 1980s, First World recession depressed demand for Latin America's raw materials and Argentina's obsession with comparative advantage pushed many industrialists into bankruptcy, making raw materials a very high percentage of exports. At the same time, international interest rates rose markedly, stretching Latin American borrowers to the limit. After Mexico defaulted on its foreign loans, the supply of loanable funds to all Latin American countries plummeted. Unable to continue profligate deficit spending, capital flowed out of Argentina to its creditor nations. The Argentine financial elite, facing widespread bank failure, lost all confidence in the junta. Simultaneously, skyrocketing unemployment and poverty triggered citizen demands for regime change, and increased the popularity of a Reformer–Moderate regime. Carlos Menem, the candidate of the Partido Justicialista, won the election of 1989 on a populist platform, but won the second election in 1995 by instituting the Convertability Plan to tie the peso to the dollar. This generated significant benefits for the bourgeoisie and capitalists, at considerable cost to the working class. In terms of the model deployed here, Menem won the 1989 election because of his high intrinsic valence, and then capitalized on activist support to move further away from the electoral center in 1995.

### **Francoist Spain (1938–75)**

No universally accepted definition of fascism exists. In fact, the word 'fascist' is used frequently simply as a pejorative to denigrate regimes resembling those



most associated with fascism: Nazi Germany and Mussolini's Italy. Seymour Martin Lipset claims that 'mainstream fascism of the Mussolini and Hitler variety sprang from the same secular, petit bourgeois sources as classical liberalism'. Lipset sees such 'mainstream fascism' as 'a movement of the center . . . a reaction of the lower middle-class that, frightened by communism, had lost its faith in democracy'. Moreover, Lipset divided that movement into a right wing, 'violent reactionaries who use extremist tactics and modern mobilization techniques to defend traditional cultural values', and a left wing, 'anti-democratic anti-Marxist movements that compete with communists for working class support'.<sup>45</sup> He would include Portugal's Salazar and Austria's Dolfuss in the former group and Argentina's Peron and Brazil's Vargas in the latter.

Payne typifies fascist movements' ideology as an 'espousal of an idealist, vitalist, and voluntaristic philosophy, normally involving the attempt to realize a new modern, self-determined, and secular culture' and their goals as creating a novel, nationalist authoritarian state with an imperialist or assertive foreign policy.<sup>46</sup> He depicts them as antiliberal, anticommunist, and, although they may temporarily ally with conservative groups out of expediency, anti-conservative. Their anti-conservatism stems from their desire to transform modern society radically through society's militarization, emphasizing emotions and mysticism, and exalting youth over other stages of life.<sup>47</sup> However, Payne concedes that his typology is only a base and that many fascist movements add additional unique elements or do not meet a few of his criteria, but are still fascist. He attributes some of the variety to fascism's intrinsic nationalism, which is expressed differently in countries with different histories and cultures.<sup>48</sup> Payne argues 'all fascist movements generally . . . subordinated economic issues to the state and to the greater well-being of the nation, while retaining the basic principle of private property . . . [and] most fascist movements espoused corporatism'.<sup>49</sup> Politically, he notes 'a general tendency to exalt leadership, hierarchy . . . [and] deferring to the creative function of leadership more than to prior ideology or a bureaucratized party line'.<sup>50</sup>

Spain's fascist movement did not enjoy the degree of support accorded fascist parties in the other European countries in the early 1930s. Previously a marginal political group, even on the right, the fascist, corporatist Falange, founded and charismatically led by José Antonio Primo de Rivera, the deposed General Rivera's son, gained prominence after the electoral failure of the less radical right in 1936. The country's subsequent lurch to the left discredited politicians committed to democratically implementing a rightist agenda. Falangist ideology 'identified the age of Spain's greatness as the 15th century, the heyday of Castilian centralism' and melded imperialism, devout Catholicism, the adulation of military values, and 'vague promises to "redeem" the working and peasant classes'<sup>51</sup> and urged the violent seizure of power.

Even with mainstream rightist parties discredited, the Falange was too important to consider independently toppling the Republic. When the Civil War



erupted, Republican forces arrested most Falangist leaders, weakening the movement even more. The weakened Falange joined the Nationalist movement and integrated its militias into the Nationalist army, thereby surrendering its autonomy to Franco. On 18 April 1937, Franco unified, by decree, all rightist organizations. The new organization (called Falange Espanola Tradicionalista y de las JONS) was more ideologically, symbolically, and organizationally Falangist than anything else. He assumed the conglomerate's leadership, and outlawed all other political organizations. Franco forced unification with carrots and sticks. He jailed rightist leaders who opposed his takeover, but simultaneously gave each faction powers. Most rightists agreed to unite, even if dissatisfied with their role in the Nationalist organization, because the Republicans were still formidable and many, particularly the Falangists, never realistically believed they would have as much power as they then held. They did not want to risk losing it in the pursuit of complete power and ideological purity.<sup>52</sup> Despite Franco's overlordship and need to share power with other rightist groups, the Falange set the ideological tone and ran the corporatist trade syndicates until the end of the Second World War.

The *de jure* political institutions of Francoist Spain developed during the Civil War. After the Civil War's eruption, an imprecisely defined decentralized Junta of National Defense, under General Miguel Cabanellas's nominal leadership, directed the Nationalist Army, while General Emilio Molo commanded Carlist forces,<sup>53</sup> and the Falangist militias and other anti-Republican forces fought for the most part independently.<sup>54</sup> On 6 August 1936, Franco flew to Seville to set up his headquarters. 'By mid-August, it had already become clear that the key to [a Nationalist] victory lay in the tough and disciplined Army of Africa, which Franco himself had done so much to create in his brilliant military youth . . . And since Franco controlled this impressive weapon, he was already[,] in fact if not in name, the Supreme Commander.'<sup>55</sup>

On 12 September 1936, to foster greater tactical unity, ten Nationalist generals and two colonels met outside Salamanca to resolve whether there should be a unified Nationalist command. All present but Cabanellas supported anointing Franco Generalissimo of the Nationalist forces, but to keep the decision secret until the National Defense Junta at Burgos could meet and make the public announcement.<sup>56</sup> They then scheduled a further meeting to specify the Generalissimo's powers and appoint a Chief of State. The group reconvened on 29 September and, after heated debate, voted on a compromise decree, which Cabanellas signed as Chairman of the National Defense Committee at Burgos. The decree stated:

His Excellency Don Francisco Franco Bahamonde has been appointed Head of the Government of the Spanish State and will assume all the powers of the New State. He is likewise appointed Generalissimo of the National Land, Sea, and Air Forces, and the post of Chief General of the Operational Armies is conferred upon him.<sup>57</sup>

Cabanellas formally bestowed these powers on Franco on 1 October 1936. If the decree did not specifically grant Franco dictatorial powers, he immediately assumed them and commenced issuing decrees as Chief of State. With the Nationalist military victory, every semblance of democracy disappeared. Franco manufactured an irrelevant unicameral Cortes:

One third of the members were directly nominated by the Generalissimo. A further third were *ex officio* members – government ministers, members of the Consejo Nacional, the President of the Supreme Court, the Alcaldes of the fifty provincial capitals, rectors of universities and so on – all of whom had also been nominated to their posts by Franco or his ministers. Finally, the remaining third were ‘elected’ by the Falangist syndicates from carefully prepared lists of candidates . . . Although the ‘representative’ elements would be widened over the years, the Cortes met very rarely and always approved legislation submitted to it. Ministers were responsible to the Caudillo, not to the Cortes.<sup>58</sup>

The Council of Ministers became the only consequential policy-making body. Franco established a Council of Ministers on 30 January 1938, with himself as its President, and appointed 11 ministers the following day. Franco ‘appointed and dismissed [ministers] at will, and could dictate and promulgate laws without previously consulting them. Franco laid down the general guidelines of policy . . . So long as his ministers stayed within his guidelines they had considerable latitude in running their departments.’<sup>59</sup> The Council normally held all-day sessions weekly or biweekly:

In the regime’s early years Franco tended to dominate the discussions, but later he preferred to encourage debate among others while he listened. When he thought the matter had been discussed sufficiently he would call for a resolution. If there was general agreement, the resolution was passed; if not, the ministers were told to study the matter further and try to come to a consensus before the next meeting.<sup>60</sup>

Franco focused on foreign policy, clerical matters, and public order issues and left what he considered mundane administration to his cabinet.<sup>61</sup> His power hinged on preserving right-wing unity, but not allowing any single Nationalist faction from dominating the rest, which would have necessarily sidelined Franco. From the cabinet’s opening to Franco’s death, three factions (the Alphonist monarchists,<sup>62</sup> Carlist monarchists, and the Falangists) constantly jockeyed for dominant influence. Each faction had a following in the military and broader Nationalist network and Franco’s personal control stemmed from his referee position. As ostensibly impartial as possible, Franco played a shrewd political balancing game, appointing ministers, who he thought amenable to his will, from each Nationalist faction and the military. He subtly encouraged factional competition for ministries, but cultivated enough unity to avoid a Nationalist coalitional fracture that might draw some leftist groups back into politics.

Franco fostered factional competition and managed to prevent the formation of power centers through frequent cabinet shake-ups, 13 in all.<sup>63</sup> Franco’s first

cabinet included five Alphonists, one Carlist, three Falangists, and two military officers. Despite their political strength, Radical Falangists could not overcome Franco's regime of compromise. Indeed, some of them planned a coup. Franco responded with another cabinet shake-up, appointing more Falangists to the cabinet, but more moderate ones loyal to himself, and stationing potential coup plotters in prestigious, but innocuous, government posts, such as the ambassadorship to Brazil.<sup>64</sup> To diffuse power further, Franco trifurcated the military command, creating a ministry for each military branch and handing them to different Nationalist factions.<sup>65</sup> Until the defeat of the Axis became apparent, Franco devoted most energy attending to the Falangist-monarchist and military cleavage and sidelining Falangist Radicals vitalized by Hitler's early military successes. However, after the Second World War, the Falangists lost their initiative and Franco subordinated them.

Facing critics at home and abroad in the wake of the Second World War, Franco composed a Spanish bill of rights to temper their censure and obfuscate his recent amity with Hitler and Mussolini. The bill of rights, the Charter of the Spaniards (*Fuero de los Españoles*), dated 16 July 1945 and released the next day, did not really change the contours of power. While proclaiming 'respect for the dignity[,] integrity and liberty of the human person'; enshrining freedom from arbitrary arrest; and guaranteeing the right to education, work, and security in distress as well as the inviolability of property, it stated that Spaniards owed loyalty to the Chief of State. Moreover, many rights were abrogated as quickly as they were given. Article 12 read, 'All Spaniards may freely express their ideas, so long as these do not prejudice the fundamental principles of the State' and Article 16 read, 'Spaniards may assemble and associate freely for lawful purposes and in accordance with the law.'<sup>66</sup> Although the rights enumerated in *Fuero de los Españoles* were nominally democratic, the Charter lacked internal provisions for ensuring the rights' protection. Article 34 deputized the Franco-appointed Cortes to pass necessary legislation to protect the rights specified in the Charter. However, the Cortes passed few laws translating Charter-guaranteed rights into state commitments. Furthermore, Article 35 allowed the government to suspend 'temporarily' certain articles detailing citizens' individual rights.<sup>67</sup> The *Fuero de los Españoles* also proclaimed Spain a monarchy, although Franco did not identify its monarch.

As Franco aged, internal pressures mounted to name a successor. That Spain would revert to monarchy after Franco's death was assured, but nobody knew whom Franco would choose as king. Alfonso XIII's son, Juan de Borbón, and grandson, Juan Carlos, appealed to Alphonists, but Franco could not jilt his arch-conservative Carlist allies. Franco thought Juan de Borbón too liberal. Consequently, Franco passed him over for his Francoist Spanish-educated son, Juan Carlos, whom Franco thought would oversee Francoist absolutism's continuation after proper grooming.<sup>68</sup> On 21 July 1969, Franco informed the Council of the Realm<sup>69</sup> and Cortes that he had named Juan Carlos his successor. The

Council of the Realm immediately approved the decision and the Cortes joined them the next day. Upon installation as heir apparent, Juan Carlos began officiating at state events along with Franco and showed no inclination toward democracy. Although, nearer to Franco's death, Juan Carlos met with some exiled opposition leaders, Franco dismissed any possibility that Juan Carlos might betray Francoist political principles.

Descending into dotage and the infirmity of Parkinson's disease, Franco appointed Secretary to the President Admiral Carrero Blanco as Vice-President of the Council of Ministers, with the responsibility of supervising the cabinet's daily activities. On 9 July 1973, Franco 'resigned as president of the Council of Ministers and turned the job over to Admiral Carrero Blanco . . . [Franco remained] Chief of State, Commander in Chief of the Armed Forces, and Caudillo of the National Movement, but for the most part he [became] just a figure head'.<sup>70</sup>

Spain rapidly industrialized in the first quarter of the 20th century. By 1929, more than half of the working population was employed in industry or the service sector, producing a large proletariat and severe urban wealth inequalities. Concurrently, on the Mediterranean coast, an agrarian elite owned large estates on which masses of rural laborers cultivated valuable exports, including wine, fruit, and nuts (for low wages).<sup>71</sup> The urban and rural wealth inequalities spawned outspoken socialist groups calling for wealth redistribution. Royal governments and General Primo de Rivera (dictator 1923–30) vacillated between repression and concessions to the citizenry, but no policy secured enough support to produce a stable coalition of societal actors. The left dominated the first Republican government and instituted stridently pro-labor policies: 'an eight-hour working day, compulsory wage arbitration, security of tenure for leaseholders and sharecroppers, and agrarian reform to redistribute the large estates'.<sup>72</sup> Though labor assertiveness and socialist fractiousness handed the 1933 election to a right-wing coalition, a reunited and revitalized left recaptured power in 1936 and applied redistributive policies even more forcefully than before, rallying the economic elite and even most of the middle class behind the Nationalists when the coup came.

While Spain's economic elites favored Franco over the Republican socialists and communists, the Nationalists were not wedded to big business interests. Equating free markets with individualism and destabilizing class warfare, Franco and other Nationalists, bent on consolidating their power, resorted to a limited, corporatist command economy:

The economy was to be run, literally, on military lines; objectives were to be identified and the necessary factors of production brought together . . . economic policy before and after the war was placed largely in the hands of the military. At all levels of economic policy-making and implementation men in uniform abounded . . . a bewildering array of bodies at national and provincial levels [were] created to supervise every aspect of economic life.<sup>73</sup>

However, the Nationalists returned assets expropriated by the Republicans when they could and imposed an exceedingly pro-elite labor policy.

Franco's labor policy smashed independent trade unions and labor parties and replaced them with official Falangist syndicates for each trade:

With everyone engaged in each area of the economy enrolled in a syndicate, representatives from both the employers and the employed were supposed to act together to ensure harmonious labor relations. In practice, while all workers were dragged into the syndicates, employers successfully demanded exemption and the official organizations became devices for disciplining the labor force. With strikes and collective bargaining outlawed, the syndicates controlled employment, and set wages and conditions of work. Not surprisingly, it was the interests of employers that were mainly favored.<sup>74</sup>

Although the syndicates were Falange appendages, the cabinet set economic policy. Government controls spurred economic inefficiencies and a significant black market. The economy stagnated and the economic and political authoritarian elites accrued disproportionately large percentages of the formal and black market economies' surpluses. By the 1950s, the citizenry's economic position grew so bad that anti-regime protests and strikes erupted and numerous Falangist syndicate leaders joined them, reasoning that only more balanced syndicate employer–employee mediation, not repression, could avert disruptive revolutionary activity. Realizing many of his economic elite allies would open political transition negotiations with oppositional moderates should he violently repress the anti-regime protestors and keep the status quo, Franco responded with a cabinet reshuffle. In 1957, Franco introduced another faction to the authoritarian elite, three Opus Dei-affiliated, neoliberal, professionally trained economists. The technocrats liberalized trade, reduced inflation, raised interest rates, curtailed public spending, and liberalized capital markets. However, onerous labor regulations remained, as did extra-Falange labor organizations' proscription.<sup>75</sup>

Spain's neoliberal program benefited physical capital and banking interests more than landowning and the economic elite quickly transformed into a primarily capitalist one. Simultaneously, Spain's stellar GDP growth, averaging 7.5 percent per annum from 1960 to 1973, manifested itself in a large, new middle class of professionals and white-collar employees. Franco co-opted the new middle class and retained their support with continued low taxes and career preferment.<sup>76</sup> Yet, as is so often the case with economic liberalization, wealth inequality grew and the working class and the informal sector bore the brunt. The inequality spurred calls for regime change and a new workers' movement organization. While Francoist Hardliners wanted to crush all dissent, the new economic elite and middle class had little stomach for it and preferred secret negotiations with non-Falange union leaders rather than repression (since this would surely lower industrial productivity). When OPEC reduced petroleum exports, raising petroleum prices and stimulating extensive inflation, Spain's trade declined, unemployment surged, and living standards eroded:

The paralysis of the regime in the face of these deep economic problems helped convince its own chief supporters that the dictatorship was now an obstacle rather than an aid to the pursuit of their interests. With strikes growing in their intensity and overt political purpose, employers abandoned the official syndical apparatus to deal directly with the 'illegal' unions.<sup>77</sup>

The neoliberal program intended to secure fascist longevity divided the economic elite from their political allies and precipitated a negotiated transition to democracy in the manner discussed by Przeworski. Briefly, in terms of the model, the crisis induced a collapse of the valence of the regime, so that elite support was no longer sufficient to retain power.

### **The Soviet system (1924–91)**

The Communist Party of the Soviet Union dominated the Soviet polity. The rigidly hierarchical CPSU concentrated authority in the hands of the General Secretary (Gensek) of the Central Committee of the CPSU. While Stalin forged the Gensek dictatorship, which lasted until glasnost, the CPSU's hierarchical organizational structure emanated from Lenin's notion of democratic centralism. Party statutes stated:

The guiding principle of party organizational structure is democratic centralism, which means:

- a. Election of all leading party organs from the lowest to the highest organ.
- b. Periodic accountability of party organs to their party organizations and higher organs.
- c. Strict party discipline and subordination of the minority to the majority.
- d. The decisions of the higher organs are absolutely binding on lower organs.<sup>78</sup>

The emphasis of democratic centralism on electing party leaders from the bottom up just feigned accountability of top party organs to their subordinate organs. The Gensek and Secretariat party apparatus determined who was on the party election ballots. Fealty to majority decisions imposed by democratic centralism resulted in unquestioned obedience to resolutions passed by Gensek-approved party assemblies.

Democratic centralism translated into a branched political hierarchy, founded on the primary party organization (PPO). As the basic units of party organization, PPOs were formed in any Soviet institution or enterprise containing at least three party members. They were 'found in factories, farms, schools, universities, research institutes, stores, cultural institutions, government bureaus and offices, armed forces and police units'.<sup>79</sup> PPOs implemented party policies and decisions in the institution in which they were embedded. In addition to producing propaganda, organizing workers to meet party economic plans, striving to strengthen labor discipline, and struggling to improve production standards, PPOs were 'promptly [to] inform the party organs of any shortcomings in the work of the establishment or individual workers, regardless of their positions'.<sup>80</sup> Thus, party

loyalists infiltrated every Soviet organization. PPO members usually did not directly manage PPO activities, but elected local party committees, which acted for the PPOs when they were not in session. The committees then elected local party secretaries, who handled the PPOs' day-to-day work.

Above the PPOs, all CPSU units were territorially based<sup>81</sup> and supervised all party activities in their territories. Each territorial tier of party organization consisted of five organs:

1. The constituent body, 'the highest governing organ of party organization', which elected from among its members the next highest constituent body in the party's territorial hierarchy, a committee to exercise power during the constituent bodies' recess, and an inconsequential auditing commission.
2. A committee, which elected from among its members an executive decision-making bureau to govern when the committee was not in session and the territory's party secretaries.
3. The aforementioned decision-making bureau.
4. A secretariat, consisting of several secretaries (including a first and second secretary at higher levels) and their staffs to handle the party's day-to-day work for the territorial unit.
5. An auditing commission, which inspected the work of the party organization itself.

The CPSU's all-union constituent body was the Party Congress, elected by the Party Congresses of the 14 non-Russian Republics and the Party Conferences of the *krais* and *oblasts*. The Party Congress's formal authority remained relatively static throughout the Soviet years:

The Congress:

- (a) hear[ed] and approve[d] the reports of the Central Committee, the Central Auditing Commission, and other central organizations;
- (b) review[ed], amend[ed], and approve[d] the party program and statutes;
- (c) determine[d] the party line on questions of domestic and foreign policy and examine[d] and decide[d] on the most important problems in the building of Communism;
- (d) elect[ed] the Central Committee and the Central Auditing Commission.<sup>82</sup>

However, the Party Congress's infrequent convention<sup>83</sup> and unanimous decisions on proposals offered by the All-Union Central Committee<sup>84</sup> gives evidence that it was little more than a sounding board for Central Committee, Politburo, and Secretariat initiatives. The Central Committee set the Congress's agenda. The Congress listened to the Central Committee's foreign affairs, domestic affairs, and party affairs reports, approved all acts introduced by the leadership and Central Committee resolutions promulgated since the last Party Congress, and elected a new Central Committee.

The Central Committee was a convention of the party elite. It made the fateful decision of 10 October 1917 to seize power and initially served as the Soviet



Union's de facto parliament. In the Lenin and early Stalin years, it contained representatives of the party's important pre-revolutionary factions and entrenched interests. However, following the revolution, it mainly rubber-stamped Politburo and Secretariat decisions. That is not to say that the Politburo members and General Secretary disregarded the Central Committee members. Responsible for implementing party policy in their localities and state institutions, Central Committee members wielded some power and collectively held a common interest in preserving their privileges. Although Stalin broke their autonomy after murdering a majority of its members in the 1930s, by the 1960s and until glasnost, the Soviet system granted 'unprecedented personal security and stability of tenure' to Central Committee members.<sup>85</sup> In addition to full voting members, Party Congresses elected candidate members to the Central Committee, who participated in deliberations and filled vacancies in the Central Committee caused by expulsion, resignation, or death.<sup>86</sup> Like the Party Congress, the Central Committee's size increased and it also met intermittently, twice a year, for a few days each time. Consequently, the Central Committee became nearly as ponderous as the Party Congresses. To make policy in its absence, the Central Committee created three bodies to articulate party policy and manage the party between Central Committee sessions: the Political Bureau (Politburo), Organizational Bureau (Orgburo, which was merged with the Politburo in 1952), and Secretariat.

The Politburo started as the party's most important decision-making organ. Since PPOs were embedded in every important enterprise and most government employees and civil servants were party members, democratic centralism made Politburo directives the ultimate authority. But soon after Lenin died, the Secretariat subordinated it. In 1925, General Secretary Stalin and the General Department of the Secretariat commenced drafting the Politburo meetings' agendas.<sup>87</sup> 'Many draft decisions were prepared in the Secretariat under the supervision of the Secretary-General and the other secretaries, and discussed in a secretaries' meeting before they reached the Politburo agenda.'<sup>88</sup> Often, Politburo meetings consisted solely of confirming the Secretariat-authored agenda, a process facilitated by the General Secretary presiding over Politburo meetings.<sup>89</sup> The Politburo could confer assent through majority vote in sessions or by initialing circulated proposals, which were raised in the next meeting if they did not garner unanimous support. However, when Stalin or successive Genseks approached Politburo members individually with proposals already initialed by the Gensek himself, few refused to co-sign them. Like the Central Committee, the Politburo had full and candidate members.

The Secretariat supervised the implementation of party policies in administrative, economic, military, social, cultural, and professional institutions, organizations, and establishments. The All-Union Secretariat implemented all-union policies, but, due to democratic centralism, rigidly directed lower-level Secretariats' activities too. The hierarchy of secretaries formed the 'party apparatus', the corps of full-time professional party functionaries. As such, they:



Determine[d] key appointments in all party, state, economic, social, cultural, and military institutions at every level; they explain[ed] and implement[ed] the policies of the state and party in all sectors of Soviet life; they check[ed] and ensure[d] the fulfillment of party and state directives; they mobilize[d] and manipulate[d] the energies and pressures required for the implementation of the party's will; they accumulate[d] and organize[d] information and prepare[d] reports and recommendations for action, which [were] transmitted to the Politburo; [and] they [kept] a close tab on public moods and sentiments, report[ed] their impressions to the central authorities, and maintain[ed] an extensive file of dossiers on party members.<sup>90</sup>

Party policy, and thus government policy, was what the party apparatus chose to implement. Moreover:

As the network of local secretaries was absorbed into the central apparatus and became dependent on it for assignments and promotions, the secretarial hierarchy emerged as a distinct group with vested interests of its own. The drive to stabilize its own position and to extend its authority became an end in itself . . . The rising influence of the General Secretary symbolized its own aspirations; every effort to delimit his influence was construed as an effort to undermine the power of the apparatus itself.<sup>91</sup>

As democratic centralism made the Gensek the party apparatus's logical standard-bearer, the Gensek arrogated power that ensured his indisputable leadership of the party and thus the Soviet Union.

The system of party elections demonstrates the supremacy of the party apparatus, and the Gensek. Regional party secretaries, beholden to the Gensek, chose who was on the ballot for elections to the next highest territorial constituent body.<sup>92</sup> Then, the delegates in the relevant constituent body registered their preferences by voting, when party rules were followed, secretly, for or against each candidate selected by the local secretariat.<sup>93</sup> Of course, since the All-Union Party Congress (the CPSU's highest constituent body) elected the Central Committee and Politburo, the Gensek, short of a secretariat revolt, effectively selected those bodies and could pack them with allies.

The Soviet constitutional order, established by the Soviet constitutions of 1924, 1936, and 1977, created a federal institutional structure, parallel to the party, that carried out party-promulgated state policy. From 1936 onward, the Soviet Union boasted universal suffrage. The Soviet electorate directly chose delegates for local soviets, *rayon* soviets, and a soviet for every territorial level parallel to the CPSU territorial bodies, up to the All-Union Supreme Soviet. Most delegates were CPSU members and subject to party discipline and, moreover, elections followed the same process as for party constituent bodies, placing full power in the Secretariat's hands:

Every soviet elect[ed] an executive committee to function as an administrative and supervisory body, with a chairman who in effect function[ed] as the chief administrative officer of the unit concerned. At the Union, Union Republic, and Autonomous Republic levels, instead of an executive committee, there [was] an elected Presidium and Council of Ministers, each with a chairman.<sup>94</sup>

The executive committees exercised authority during the soviets' recesses. They controlled the legislative, executive, and judicial power in their territories and, like the CPSU, lower-tier soviets and committees were subordinate to those of higher territorial rank.

The Supreme Soviet was a rubber-stamp, bicameral legislature, each house holding equal power. One house, the Soviet of the Union, was directly elected by the citizenry from single member districts, while the other, the Soviet of Nationalities, included representatives of the federal units and gave each national unit equal representation. The soviets had a remarkably high turnover rate, about two-thirds of delegates at each session being new.<sup>95</sup> Each house had a 'council of elders', which was primarily a ceremonial role awarded for loyally servicing the party. Both chambers devoted most of their time to listening to ministers' reports and enacting government legislation drawn up between Supreme Soviet plenums. The Supreme Soviet elected a Presidium to wield its power between sessions and a Council of Ministers (government) to issue executive decrees and implement the legislation enacted by the Supreme Soviet or Presidium. The Supreme Soviet also amended the constitution, elected the Supreme Court, and appointed the Procurator General.<sup>96</sup> As party functionaries, the Supreme Soviet's delegates' votes echoed Secretariat decisions.

The Soviet of the Union and the Soviet of Nationalities elected the Presidium in joint session. The Presidium promulgated decrees, which were supposed to conform with hitherto-passed Supreme Soviet legislation, during the Supreme Soviet's recess. While the Presidium promulgated decrees, the Council of Ministers executed them through their ministries, making the Council of Ministers the real governing organ. All-union ministry decisions filtered down to their union Republic counterparts, which implemented Moscow's policies at the periphery. The Supreme Soviet's Presidium contained many Politburo and All-Union Secretariat members and the Council of Ministers was usually almost indistinguishable from the Politburo. The Council of Ministers, with dozens of ministers and their staffs, like so many other state and party organs, was unwieldy and delegated a lot of its authority to its own small presidium and chairman, who was often the Gensek.<sup>97</sup>

The economic system Stalin built upon and expanded outlawed moneylending and all private ownership of capital.<sup>98</sup> 'Stalin's innovation was to confiscate for his own purposes almost the total natural and tangible capital stock of the country and then to use [those] resources to produce a mix of output that was much more intensive in capital goods and other goods Stalin wanted than would have otherwise been produced.'<sup>99</sup> Therefore, Soviet citizens only earned income by labor. Party technocrats set base wages very low and consumer goods' prices comparatively high, maximizing the output of goods desired by the authoritarian political elite. To retain natural worker productivity incentives, the system levied 'little or no implicit taxation on extra, overtime, above-the-norm or "bonus" work and productivity' and made use of progressive piece rates that increased the

per-unit payment with the amount a person produced.<sup>100</sup> Stalin applied the system most brutally on the former agricultural landowners (kulaks). Stalin collectivized agriculture in his first five-year plan (1928–33) to make certain kulaks meet their output quotas to the state before selling practically untaxed output produced on their tiny CPSU-allocated private plots on the market. Put simply, the economy of the workers' paradise operated much like the slave economy of the antebellum South in the United States.

Unlike the economy of the antebellum South, the Soviet economy relied on CPSU technocrats' direction. Managers needed to collect and exploit an enormous amount of information to coordinate their activities with other managers and execute the CPSU elite's decisions. Competition with other managers discouraged them from skimming resources, understating production possibilities, and feeding misinformation to cast them in a more favorable light. Astute superiors could usually uncover shirking or graft by looking for output discrepancies between factories or farms that produced the same goods.<sup>101</sup>

However, the surveillance system foundered once managers forsook competition for collusion. Because all output belonged to the state, managers had no inherent incentive to protect it and deliver all of it. Without Stalinist purges eliminating collusive links, the links metastasized both vertically (with managers colluding with inferiors and superiors to split stolen output) and horizontally (with managers in nominally competing factories or farms colluding together). As the collusive links expanded, those colluding pilfered more output, reducing government revenue.<sup>102</sup>

## The durability of regimes

Measured by the amount of capital owned by the elite, by the middle class, and by the citizenry, it is clear that economic inequality characterized the institutionally engendered economic systems of both Argentina and Francoist Spain. Since capital generated the personal income of the elite, while the citizens' income came from labor, wide income differentials existed. Therefore, inequality was always acute enough to provide incentives to citizens to oppose the regime. Moreover, it implied enough of a redistributive reward to make revolutionary activity extremely profitable.

Conversely, in the non-collusive Soviet economic model, almost all income accrued from labor, meaning income differentials originated nearly exclusively from wage disparities, effectively imposing relative egalitarianism and greatly diminishing the value of redistribution and the economic returns of revolutionary activity. After Khrushchev delivered his 1956 de-Stalinization speech and the 1957 extirpation of the Stalinist 'anti-party group', vertical and horizontal collusive syndicates surfaced that illegally increased inequality. The politically connected had better opportunities to steal state assets and could buy off or threaten to use their political leverage to harm the politically inconsequential

people who protested. However, the inequality was not nearly as marked as in Argentina and Spain, and was kept secret.

The CPSU's economic power issued from its dictatorial management of the country's capital stock and its monopoly on privileged information. Later, many Soviet factory and farm managers accrued power by stealing public industrial and agricultural output. Democratization in Argentina or Spain meant a more redistributive tax rate, but the economic elites would still survive. Conversely, the Soviet elite's status depended on the nature of the particular system from which it benefited. With democracy, the CPSU could no longer direct the economy and the managers' parasitic syndicates would vanish from competition. Therefore, while the citizenry's economic incentive to topple the system was trivial, the political elites had a strong interest in protecting the system. Consequently, Soviet collective preferences were comparatively less inclined to regime change than their Argentine and Spanish counterparts.

As regards political power, the Argentine military elite lost the least from abdication because power was less concentrated in their hands than in Franco's or than in the apparatus of the CPSU, because it had a place to go (the barracks) and because it retained more *de facto* power than the other systems. The Argentine military could, and did, negotiate an agreeable transition to democracy, securing painful concessions from the oppositional Moderates. These concessions included the 'National Pacification Law', giving amnesty to the perpetrators of the 'Dirty War'. Moreover, whenever the military brass felt their civilian successors were renegeing on their side of the bargain, their institutional autonomy allowed them to threaten another coup.

Unlike the Argentine junta, Francoism concentrated power in one man. While an army can retain a healthy bargaining leverage, a single man loses it. Franco's unparalleled power derived from his exclusive control over cabinet and high military appointments and from his masterful *ad hoc* political maneuvers to protect his regime. As long as the fascist dictator lived, he would not accede to institutional transition and could only be ejected *via ruptura*. However, once the fascist dictator dies, PET implies that his frangible coalition may (and did in Spain's case) accede to transition, especially if the members of the new coalition reserve some voice on future choices. Spain's right proved its electability in 1933. After Franco, the right could reasonably assume that it could succeed in democratic elections, especially under a Franco-picked king and with a vigilant, politicized military.

The CPSU could have resigned itself to a democratic contestation of power. After all, many communist parties have fared well at the ballot box, even in some former Soviet states such as Moldova.<sup>103</sup> However, democratization would have stripped the Secretariat of control over the CPSU itself. The dictatorship was of the CPSU apparatus, not the CPSU. The power of the Gensek and party apparatus flowed from their control over CPSU elections and personnel distribution. This was only sustainable so long as it was enforced by the police and mil-

itary. Moreover, unlike in Spain, the elite was self-perpetuating. The Secretariat and entire CPSU maintained a reliable electoral succession protocol to choose a new, dictatorial Gensek when one died in office. Only Khrushchev was forced out and it was by an antagonistic CPSU apparatus led by the All-Union Second Secretary, Brezhnev, after much furtive plotting. They rebelled because they feared that Khrushchev's 1962 decision to divide provincial and local party machines into industrial and agricultural branches would jeopardize their grip on power.<sup>104</sup>

In contrast, Gorbachev was not exactly ousted. Recognizing the economic danger facing the Soviet Union, he concluded that only economic and political liberalization (*glasnost* and *perestroika*) could revitalize the Soviet economy and narrow the growing gap between US and Soviet output. We may conjecture that he hoped that by this liberalization he would win the political support of a newly enfranchised citizenry and recast himself in the public's imagination as a Reformer instead of chief Hardliner, thus becoming the new center of a Hardliner–Reformer–Moderate coalition. Gorbachev could not recreate himself in this way, and the voters chose Yeltsin.

The three regimes examined here could deploy brutal and efficient repression methods against oppositional citizenry's organization and its efforts to overcome the collective action problem. However, the Soviet system stands out for two reasons. First, overcoming the collective action problem requires paying revolutionaries. This becomes marginally harder as wealth inequality abates. As detailed above, Soviet citizens gained less of a payoff from income redistribution than Argentine and Spanish citizens. Second, many Soviet citizens probably estimated that destroying the hegemony of the CPSU apparatus might wreak economic chaos, especially because few Soviet enterprises could withstand any competition.

The Argentine and Spanish governments could not effectively filter their decisions into nonmilitary and police organizations and enterprises. The Argentine junta relied nearly exclusively on the police and military, through their control over *de jure* governmental institutions, to enforce their edicts. However, they could not directly enforce these edicts in factories, cultural organizations, and universities. Franco controlled the police and military too and could also tame and fracture the working class through Falangist syndicates.

The Gensek and CPSU apparatus not only controlled the police and military through their command of *de jure* governmental institutions. They also controlled every meaningful Soviet organization or enterprise, because the territorial party hierarchy's tentacles reached into them through PPOs. The secretariats (due to democratic centralism and the vested interest in preserving secretarial prerogatives) enforced the dictator's decisions.

Argentina's junta and Franco's coterie exited via *reforma*, the compromise transition, as Przeworski has suggested. In contrast, the Soviet system imploded. When Gorbachev weakened the CPSU for his own benefit, he created incentives

for his party subordinates to grab what they could before the center of power collapsed. This led to a rush to appropriate state assets – tearing the system apart by wanton piracy. The key is that no effectual Reformers besides the dictator (Gensek) and CPSU apparatus could exist in the Soviet Union. The economic elites and middle classes (that the Argentine and Spanish governments needed to stay in power) did not exist in the Soviet Union. Lenin tried co-optation with his New Economic Policy during the Russian Civil War.<sup>105</sup> In contrast, Stalin had no need of co-optation because he had expropriated all capital, thus eliminating all who resisted, and enslaving the rest of the population, making them dependent on PPO taskmasters.

A historical analysis demonstrates that party dictatorships are more institutionally durable than military or fascist ones. That conclusion has obvious foreign policy implications. Soviet-like party systems, including China and North Korea, are very unlikely to collapse from internal pressures, though they may fall from external pressure or from reforms from the top. However, Gorbachev's fate suggests that few party dictatorship elites will willingly democratize. China is liberalizing its economy, but not its polity, maintaining the dominance of the party apparatus even as reliance on technocrats increases. Either outright confrontation or *détente* are viable policy approaches toward those states, but there would seem to be no effective strategy in between these extremes.

## Concluding remarks

Acemoglu and Robinson have done a great service to scholarship by offering a model that connects democracy and dictatorship. There are four problems with their analysis that the PET model presented here attempts to rectify.

First, they work in the Downsian context, where the policy space is essentially one-dimensional. This implies a focus on the conflict between labor and capital, with the median (or centrist) citizen being pivotal between left and right.<sup>106</sup> Various recent empirical studies of elections in developed polities clearly indicate that there is usually a second 'social' axis, characterized by citizens' preferences on civil rights, sometimes involving religious beliefs, as in Israel and Turkey. Although the meaning of this social axis varies across different polities, it typically has an interpretation that is consistent with the notion of the political axis shown in Figure 1.<sup>107</sup>

Second, valence has been shown by the empirical studies to be statistically relevant in modeling voter choice.<sup>108</sup> The valence idea provides a formal reason why the median citizen will not be pivotal. Instead, asymmetries in the perception of the citizens of the autocrat and opposition will cause their 'equilibrium' policy positions to be very different. The two varieties of valence that we use are intended to accommodate two different aspects of a leader's appeal. It is entirely possible that a revolutionary leader is blindly supported because of his intrinsic valence, or charisma, so that the policy position chosen by the leader is uncriti-

cally supported by the masses.<sup>109</sup> On the other hand, a charismatic leader, such as Castro or Lenin, can gain even more support by articulating revolutionary policies that are opposed to those of the autocrat. This second aspect of valence we formally model by the notion of activist (or policy-dependent) valence. An autocrat's response to opposition will depend on the degree to which the opposition is united. For example, a fragmented opposition will tend to be characterized by the low valence of its leaders. An equilibrium response would be to accommodate the demands, by adopting a position close to a weighted electoral mean. This weighted mean takes account of whatever support there is in the citizenry for the leader. The discussion, above, about Gorbachev's strategy suggests that his policy position was adopted due to an incorrect belief on his part about the low valence of the opposition.

The third key point is the high dimensionality of the factor space. We have tended to emphasize the possibility of collusion between the autocrat and capital. In less developed, capital-poor economies, a more likely coalition is between the landed elite interest and the autocrat, with a revolutionary leader promising land reform. It is probable that a leader such as Mugabe in Zimbabwe was able to take power initially by such promises. It seems, however, that Mugabe has maintained his control by a strategy based on manipulation of capital. By the device of an artificial exchange rate, available only to his cronies, he has destroyed the wage rate, and probably the factor price of land, even as the citizens were impoverished. While his intrinsic valence has fallen, the fragmented opposition and the support of his clique have allowed him to keep power. More generally, collusive contracts are possible between the autocrat and either capitalist or landed elites.

The fourth point is related to the first. In the empirical studies noted above, the intrinsic valence of a political leader is a measure of the 'quality' of the leader as viewed by the citizens. This will vary among the population, and is assumed to be distributed in a stochastic fashion.<sup>110</sup> However, in the empirical analyses of elections, it is possible to use socio-demographic characteristics of citizens as an additional source of information in modeling political choice. Formally, this can be interpreted as allowing leader valences to be very different in the various, heterogeneous segments of the society. It is obvious enough that, in a fragmented society such as Iraq, with the autocrat removed, the valences of the political leaders may be so heterogeneous that civil war ensues. We have not discussed how exactly the intrinsic valence of leaders is generated or determined, but recent work emphasizes the possibility of belief cascades in the perception of leaders.<sup>111</sup> This would give a basis for understanding how democracy may be put in place, and then fail, as has happened frequently in Latin America in the past, and more recently in Russia.<sup>112</sup>

As Collier has noted, approximately 750 million poor people in the world are either in the midst of, or have recently been exposed to, civil war.<sup>113</sup> A version of the PET model presented here, consistent with the work of Wantchekon, could



provide some insight into why poor societies seem to be subject to fragmented factions, leading either to the imposition of autocracy or to the chaos of civil war.

## Appendix

### A political economy model of leader support

The model presented here is an extension of the standard multiparty stochastic model, modified by inducing asymmetries in terms of valence.

The key idea underlying the formal model is that political leaders attempt to estimate the effects of their policy positions on the support they receive. Each leader, whether autocrat or opposition, chooses their policy position as a best response to the opposing position(s), in order to obtain sufficient support either to retain power or to gain power. The stochastic model essentially assumes that a leader cannot predict support precisely, but can estimate expected support. In the model with valence, the stochastic aspect of the model is associated with the weight given by each citizen,  $i$ , to the average perceived quality or valence of the party leader.

#### Definition 1: the stochastic model $E(\lambda, \mu, \beta, \psi)$ with activist valence

The data of the spatial model is a distribution of a set  $x_i$  in  $W$  of voter ideal points for the members of the selectorate,  $P$ , of size  $p$ . By the selectorate we mean those citizens who have some potential to influence political choice. We assume that  $W$  is an open, convex subset of Euclidean space,  $R^w$ , with  $w$  finite. Each leader  $j$  in the set  $N$  chooses a policy,  $z_j$  in  $W$ , to declare. Let  $z = (z_1, \dots, z_n)$  in  $W^n$  be a typical vector of leader positions.

Given  $z$ , each citizen,  $i$ , is described by a vector:

$$u_i(x_i; z) = (u_{i1}(x_i; z_1), \dots, u_{ip}(x_i; z_n))$$

where:

$$u_{ij}(x_i, z_j) = \lambda_j + \mu_j(z_j) - \beta \|x_i - z_j\|^2 + \epsilon_j = u_{ij}^*(x_i, z_j) + \epsilon_j$$

Here,  $u_{ij}^*(x_i, z_j)$  is the observable component of utility associated with leader  $j$ . The term  $\lambda_j$  is the fixed or exogenous valence of leader  $j$ , while the function  $\mu_j(z_j)$  is the component of valence generated by activist contributions to leader  $j$ . The term  $\beta$  is a positive constant (called the ‘spatial parameter’) giving the importance of policy difference defined in terms of the Euclidean metric  $\|a - b\|$  on  $W$ . The vector  $\epsilon = (\epsilon_1, \dots, \epsilon_j, \dots, \epsilon_n)$  is the stochastic error, whose multivariate cumulative distribution will be denoted by  $\psi$ .

It is assumed that the exogenous valence vector

$$\lambda^* = (\lambda_1, \lambda_2, \dots, \lambda_n) \text{ satisfies } \lambda_n \geq \lambda_{n-1} \geq \lambda_{n-2} \geq \dots \geq \lambda_1$$

Citizen behavior is modeled by a probability vector. The probability that a citizen  $i$  chooses leader  $j$  at the vector  $z$  is:



$$\rho_{ij}(z) = \Pr[[u_{ij}(x_i; z_j) > u_{ik}(x_i; z_k)], \text{ for all } k \neq j]$$

Here, Pr stands for the probability operator generated by the distribution assumption.

The expected support of leader  $j$  is:

$$V_j(z) = \sum s_{ij} \rho_{ij}(z)$$

The differentiable function  $V: W^n \rightarrow R^n$  is called the ‘leader profile function’.

In democratic polities,  $s_{ij}$  is usually assumed to be  $1/n$  for all  $i, j$ . In fact because of electoral systems, the weight  $s_{ij}$  may differ among voters  $i$  in  $P$ . In non-democratic polities the weights  $s_{ij}$  may differ widely.

In the following, it is assumed that the stochastic errors have the Type I extreme value (or Gumbel) distribution. The formal model parallels the empirical models based on multinomial logit (MNL) estimation.<sup>114</sup>

**Definition 2: the extreme value distribution**

The cumulative distribution  $\psi$  has the closed form:

$$\psi(x) = \exp [-\exp [-x]]$$

The difference between the Gumbel and normal (or Gaussian) distributions is that the latter is perfectly symmetrical about zero.

With this distribution assumption, it follows for each voter  $i$  and leader  $j$  that  $\rho_{ij}(z)$  is the ratio of  $\exp[u_{ij}(x_i; z_k)]$  to

$$\sum_{k=1} \exp[u_{ik}(x_i; z_k)]$$

In this stochastic electoral model, it is assumed that each leader  $j$  chooses  $z_j$  to maximize  $V_j$ , conditional on  $z_{-j} = (z_1, \dots, z_{j-1}, z_{j+1}, \dots, z_n)$ .

**Definition 3: equilibrium concepts**

1.

A strategy vector  $z = (z_1, \dots, z_j, z_{j+1}, \dots)$  is a local Nash equilibrium (LSNE) if for each agent  $j$  there exists a neighborhood  $W_j$  of  $z_j$  in  $W$  such that:

$$V_j(z_1^*, \dots, z_j^*, z_{j+1}^*, \dots, z_n^*) > V_j(z_1^*, \dots, z_j, z_{j+1}^*, \dots, z_n^*) \text{ for all } z_j \text{ in } W_j - z_j^*$$

2.

A strategy vector  $z = (z_1, \dots, z_j, \dots, z_{j+1})$  is a pure Nash equilibrium (PSNE) if:

$$V_j(z_1^*, \dots, z_j^*, z_{j+1}^*, \dots, z_n^*) \geq V_j(z_1^*, \dots, z_j, z_{j+1}^*, \dots, z_n^*) \text{ for all } z_j \text{ in } W$$

Obviously if  $z$  is PSNE it must be an LNE.

We first transform coordinates so that in the new coordinate system  $\sum s_{ij} x_{ij} = 0$ . We shall refer to  $z_0 = (0, \dots, 0)$  as the ‘selectorate origin’.

The following theorem shows that  $z_0 = (0, \dots, 0)$  will generally not satisfy the first-order condition for an LSNE, namely that the differential of  $V_j$  with respect to  $z_j$  be zero. However, if the activist valence function is identically zero, so that only exogenous valence is relevant, then the first-order condition at  $z_0$  will be satisfied.

It follows from the assumption on the distribution that for voter  $i$ , with ideal point,  $x_i$ , the probability,  $\rho_{ij}(z)$ , that  $i$  picks  $j$  at  $z$  is given by:

$$\rho_{ij}(z) = [1 + \sum \exp[f_{jk}]]^{-1}$$

where:

$$f_{jk} = \lambda_k + \mu_k(z_k) - \lambda_j - \mu_j(z_j) + \beta \|x_i - z_k\|^2 - \beta \|x_i - z_k\|^2$$

Schofield<sup>15</sup> shows that the first-order condition for  $z$  to be an LSNE is that it be a balance solution.

**Definition 4: the balance solution for the electoral model**

Let  $[a_{ij}(z)] = [a_{ij}]$  be the matrix of voter probabilities at the vector  $z$ , where:

$$[a_{ij}] = \frac{\rho_{ij} - \rho_{ij}^2}{\sum_{k=1}^n (\rho_{ik} - \rho_{ik}^2)}$$

is the matrix of coefficients.

The vector  $\sum a_{ij} x_i$  is the weighted electoral mean and:

$$D\mu_j = \frac{d\mu_j}{dz_j}$$

is called the ‘marginal activist pull for leader  $j$ ’.

The term  $\sum a_{ij} x_i - z_j^*$  is the marginal electoral pull of leader  $j$  and is a gradient vector pointing toward this leader’s weighted electoral mean. This position is that point where the electoral pull is zero. The balance equation is:

$$0 = 2\beta[\sum a_{ij} x_i - z_j^*] + D\mu_j$$

When these equations are satisfied, for all  $j$ , then  $z^* = (z_1^*, \dots, z_j^*, z_{j+1}^*, \dots, z_n^*)$  is called a ‘balance solution’.

In the case  $\mu_j = 0$  for all  $j$ , then if all weights  $s_{ij}$  are identical, it can be shown that for each  $j$ , all  $a_{ij}$  are identical. Thus, when there is only exogenous valence, the balance condition gives  $z_j^* = \sum a_{ij} x_i$ , where  $a_{ij} = 1/n$ .

In this case, the marginal electoral pull is zero at the origin and the joint origin  $z_0 = (0, \dots, 0)$  satisfies the first-order condition. However, there is a necessary condition based on the parameters and the electoral variance that must be satisfied for  $z_0$  to be an LSNE.

## Theorem

1. Consider the electoral model  $E(\lambda^*, \mu, \beta, \psi)$  based on the Type I extreme value distribution, and including both exogenous and activist valences. The first-order condition for  $z^*$  to be an LSNE is that it is a balance solution. If all activist valence functions are highly concave, in the sense of having negative eigenvalues of sufficiently great magnitude, then the balance solution will be a PSNE.<sup>116</sup>
2. If  $\mu = 0$ , then there is a coefficient,  $c$ , defined in terms of all parameters and the electoral variance of preferred points such that  $c \leq w$  is a necessary condition for  $z_0$  to be an LSNE.<sup>117</sup>
3. When  $\mu = 0$  and  $c > w$ , then  $z_0$  cannot be a PSNE.

We conclude this Appendix by emphasizing that the marginal electoral pull of leader  $j$  is a gradient vector pointing toward the weighted electoral mean of the leader, and represents the centripetal pull to the center. The marginal activist pull for leader  $j$  represents the centrifugal force generated by the resources made available by activists.

In principle, this model can be used to examine the equilibrium position of a political leader, responding to activist demands, and balancing the pull of the electorate, in order to gain resources that can be used to compete with political opponents. Even without activists, convergence to a centrist position, as in the Downsian model, is impossible if the population is sufficiently heterogeneous in its beliefs or preferences.

## notes

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51. Sheelagh M. Ellwood, *Spanish Fascism in the Franco Era: Falange Española de las JONS, 1936-76* (New York: St Martin's Press, 1987), p. 13.

52. *Ibid.*, pp. 32–55.
53. As the once-conservative King Fernando VII (reigned 1813–33) relied increasingly on liberal ministers in his later years, because they were the only ones able to secure funds in European money markets, he angered his ultra-reactionary brother Carlos, who had only recognized Fernando's claim to the throne so long as he bequeathed the throne to him. However, Fernando left the throne to his daughter Isabella, igniting the Carlist Wars (1833–40, 1847–49, 1872–76) between Cristinos (or Isabelinos) and the Carlists. Even after Carlos's death, many Carlist conservatives, supporting royal absolutism and expansive ecclesiastical privilege, upheld his progeny's claim to Spain's throne.
54. Paul H. Lewis, *Latin Fascist Elites: The Mussolini, Franco, and Salazar Regimes* (Westport, CT: Praeger, 2002), p. 75.
55. Brian Crozier, *Franco* (Boston, MA: Little, Brown and Company, 1967), p. 201.
56. *Ibid.*, p. 209.
57. *Ibid.*, p. 211.
58. Paul Preston, *Franco: A Biography* (New York: Basic Books, 1994), p. 489.
59. Lewis, *Latin Fascist Elites*, p. 76.
60. *Ibid.*, p. 77.
61. *Ibid.*
62. Alphonist monarchists upheld the royal claim of the line descended from Fernando's daughter, Isabella. King Alfonso XIII, from that line, was expelled at the Second Republic's genesis.
63. Lewis, *Latin Fascist Elites*, p. 112.
64. *Ibid.*, p. 83.
65. Payne, *The Franco Regime, 1936–1975*, p. 235.
66. Crozier, *Franco*, p. 436.
67. *Ibid.*
68. Payne, *The Franco Regime, 1936–1975*, p. 378.
69. The 1947 Act of Spanish Succession established the Council of the Realm, Franco's chief advisory body.
70. Lewis, *Latin Fascist Elites*, p. 102. Admiral Carrero Blanco was assassinated in December 1973 by the Basque freedom/terrorist organization, ETA. This may have contributed to the subsequent democratization of Spain.
71. Jean Grugel and Tim Rees, *Franco's Spain* (London: Arnold, 1997), p. 104.
72. *Ibid.*, p. 105.
73. *Ibid.*, p. 106.
74. *Ibid.*, p. 108.
75. Payne, *The Franco Regime, 1936–1975*, p. 450.
76. Grugel and Rees, *Franco's Spain*, p. 118.
77. *Ibid.*, p. 122.
78. Samuel E. Finer, Roy C. Macridis, Karl W. Deutsch, Eric A. Nordlinger and Vernon V. Aspaturian, *Modern Political Systems: Europe*, 2nd edn. (Englewood Cliffs, NJ: Prentice Hall, 1968), p. 526.
79. *Ibid.*, p. 527.
80. *Ibid.*, p. 528.
81. Above the PPOs, the first territorial tier represented *rayons*, cities, and boroughs. The second territorial tier represented *krays*, *oblasts*, and ethnic units. The third

- territorial tier represented individual union republics. The highest tier covered the entire Soviet Union.
82. Finer et al., *Modern Political Systems*, p. 533.
  83. The Leninist era saw annual Party Congresses. However, as Stalin consolidated his power, the Party Congress convened less frequently – first biennially, then triennially. Finally, party statutes were amended to require a Party Congress meeting only every four years, but Stalin ignored the statute, which was not upheld until 1956. Then, in the 1960s, the interlude between Congresses was raised to five years.
  84. Finer et al., *Modern Political Systems*, p. 534.
  85. Evan Mawdsley and Stephen White, *The Soviet Elite from Lenin to Gorbachev: The Central Committee and its Members, 1917–1991* (Oxford: Oxford University Press, 2000), p. 286.
  86. Finer et al., *Modern Political Systems*, p. 537.
  87. John Löwenhardt, James R. Ozinga and Erik van Ree, *The Rise and Fall of the Soviet Politburo* (New York: St Martin's Press, 1992), p. 105.
  88. *Ibid.*, p. 116.
  89. *Ibid.*, p. 117.
  90. Finer et al., *Modern Political Systems*, p. 545.
  91. Merle Fainsod, *How Russia is Ruled* (Cambridge, MA: Harvard University Press, 1954), p. 157.
  92. Jerry F. Hough and Merle Fainsod, *How the Soviet Union is Governed* (Cambridge, MA: Harvard University Press, 1979), p. 144.
  93. Finer et al., *Modern Political Systems*, p. 530.
  94. *Ibid.*, p. 568.
  95. *Ibid.*, p. 577.
  96. PoliticsForum, '1936 Constitution of the USSR', URL (consulted 15 April 2006): [http://www.politicsforum.org/documents/constitution\\_ussr\\_1936.php](http://www.politicsforum.org/documents/constitution_ussr_1936.php).
  97. Finer et al., *Modern Political Systems*, p. 576.
  98. Edward A. Hewett, *Reforming the Soviet Economy: Equality vs. Efficiency* (Washington, DC: Brookings Institution, 1988), p. 47.
  99. Mancur Olson, *Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships* (New York: Basic Books, 2000), p. 114. See also the review of Olson's work in Norman Schofield, 'Power, Prosperity and Social Choice: A Review', *Social Choice and Welfare* 20 (2003): 85–118 and Schofield, *Architects of Political Change*.
  100. Olson, *Power and Prosperity*, p. 116.
  101. *Ibid.*, pp. 139–42.
  102. *Ibid.*, p. 141.
  103. 'In February 2001[, i]n elections certified by international observers as free and fair, slightly over half of Moldova's voters cast their ballots for the Communist Party. Under the rules of Moldova's proportional representation system, the Communist faction, which in the previous Parliament consisted of 40 of Parliament's 101 seats, jumped to 71 – a clear majority. The Parliament then elected the leader of the Communist faction, Vladimir Voronin, to be President.' See US Department of State, 'Background Note: Moldova, Political Conditions', URL: <http://www.state.gov/r/pa/ei/bgn/5357.htm> (Washington, DC: US

- Department of State, Bureau of European and Eurasian Affairs, August 2005).
104. Löwenhardt et al., *The Rise and Fall of the Soviet Politburo*, pp. 54–56.
  105. Decreed on 21 March 1921 by the 10th Congress of the Russian Communist Party, the New Economic Policy restored private ownership in many sectors of the economy, particularly agriculture, because government ownership of all factories and requisitioning farmers' surpluses had precipitously shrunk output.
  106. Anthony Downs, *An Economic Theory of Democracy* (New York: Harper and Row, 1957). In such a model, as we have noted, the median voter, being poor, will favor higher taxes, and thus more redistribution, which will be opposed by the rich.
  107. See Norman Schofield and Itai Sened, *Multiparty Democracy: Elections and Legislative Politics* (Cambridge: Cambridge University Press, 2006) for an overview. For the detailed studies of Israel, see Norman Schofield and Itai Sened, 'Multiparty Competition in Israel: 1988–1996', *British Journal of Political Science* 35 (2005): 635–63. For Argentina, see Norman Schofield and Guido Cataife, 'A Model of Political Competition with Activists Applied to Elections in Argentina, 1985–1995', *Mathematical Social Science* 53 (2007): 213–31. For Turkey, see Norman Schofield and Ugur Ozdemir, 'A Spatial Model of Party Positioning under Proportional Representation and Plurality Rule', *Public Choice* (forthcoming).
  108. The idea of valence, the electoral perception of the quality of a political leader, was originally that of Donald Stokes, 'Spatial Models and Party Competition', *American Political Science Review* 57 (1963): 368–77. See also Donald Stokes, 'Valence Politics', in *Electoral Politics*, edited by Dennis Kavanagh (Oxford: Clarendon Press, 1992), pp. 141–64.
  109. We are very grateful for this observation, and other very helpful remarks, made by the anonymous referee. A number of the observations made by the referee have been incorporated in the article.
  110. For details, see Norman Schofield, 'The Mean Voter Theorem: Necessary and Sufficient Conditions for Convergent Equilibrium', *Review of Economic Studies* 74 (2007): 965–80 and Schofield, 'Equilibria in the Spatial Stochastic Model of Voting with Party Activists'. A sketch of the formal model is given in the Appendix. The use of a formal stochastic model of popular support is also compatible with models of leadership turnover. See Maria Gallego, 'Economic Performance and Leadership Accountability: An Econometric Analysis', *Economics and Politics* 10 (1998): 249–87 and Maria Gallego and Carol Pitchik, 'An Economic Theory of Leadership Turnover', *Journal of Public Economics* 88 (2004): 2361–82.
  111. Schofield, *Architects of Political Change*, suggests that valence in a population can be subject to rapid 'belief cascades', generating significant changes in electoral perceptions, thus changing the rationality of political choice. Though presented in a different context, a similar suggestion is made in Rasma Karklins and Roger Petersen, 'Decision Calculus of Protesters and Regime: Eastern Europe 1989', *Journal of Politics* 55 (1993): 588–614. Fragmenting belief cascades may thus induce civil war. It has also been argued recently that voters respond to political leaders on the basis of psychological cues, much as suggested by the idea of valence. See Drew Westen, *The Political Brain* (New York: Perseus Books, 2007).



112. Sergei Kovalev, 'Why Putin Wins', *New York Review of Books* 54 (18) (22 November 2007): 64–6. See also Lilia Shvetsova, *Putin's Russia* (Washington, DC: Brookings Institution, 2003); Thomas F. Remington, *Politics in Russia* (New York: Longmans, 2005); Thomas F. Remington, 'Presidential Support in the Russian State Duma', *Legislative Studies Quarterly* 31 (2006): 5–31; Leon Aron, *Russia's Revolution: Essays 1989–2006* (Washington, DC: AEI Press, 2006).
113. Paul Collier, *The Bottom Billion* (Oxford: Oxford University Press, 2007).
114. John K. Dow and James Endersby, 'Multinomial Probit and Multinomial Logit: A Comparison of Choice Models for Voting Research', *Electoral Studies* 23 (2004): 107–22.
115. Schofield, 'Equilibria in the Spatial Stochastic Model of Voting with Party Activists'.
116. *Ibid.*
117. Schofield, 'The Mean Voter Theorem'. The empirical studies strongly suggest that the electoral center is unlikely to be a political equilibrium.