The Relationship Between Democracy and Public Services in Latin America: A Search for Causal Factors

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Numerous scholars have written about the existence of a strong positive relationship between democracy and public services. Their studies have shown that, when wealth is controlled for: (1) democratic regimes generally provide higher levels of public services than authoritarian regimes; and (2) a country’s provision of public services will tend to improve as it becomes more democratic. Perhaps Lake and Baum (2001) have stated this conclusion most unequivocally, “Democracy has a positive and profound effect on the daily lives and well-being of individuals around the globe” (p. 588).

Despite some remaining skepticism about what democracies can accomplish, the superior performance of democratic regimes in delivering basic public services, particularly in education and health, is rather well-documented by now. One aspect of this relationship that has not been explored as deeply, however, is the specific feature of democracy that leads to these results. A number of authors have posited explanations attributing democracy’s impact on public services to the electoral competitiveness of democracies and the relative ease with which leaders can be removed from office through periodic elections. Few efforts, however, have been made to isolate the specific democratic mechanism at work in the provision of public services (e.g., competitive elections, individual rights, accountability, etc.) and to test empirically the relative effects of individual characteristics or sets of characteristics.

Using Latin America as the setting, this study aims to do precisely that. First, I will evaluate different explanations of the mechanisms that lead to the strong positive relationship between democracy and the provision of public services. These explanations focus on the incentives created by electoral competition for leaders to provide public services; the constraints that mechanisms of

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1 Some of the more common arguments challenge the abilities of democracies to meet the needs of the citizenry in a “timely and effective fashion” (see Lake and Baum 2001, p. 588; Zweifel & Navia 2000, p. 101).
horizontal accountability place on leaders’ rent-seeking tendencies; and the role of civil liberties in giving citizens improved ability to express their preferences more effectively as well as to monitor and disseminate information about government activity. Second, I will argue that elections and mechanisms of horizontal accountability often come up short in producing government responsiveness and accountability, and that civil liberties is the principal factor leading to better public service provision. Finally, I will test empirically the relationship between these different components of democracy and various public service indicators, and find some tentative support for my arguments.

**Democracy and Public Services: A Review**

Democracy has increasingly come to be regarded by much of the world as the most desirable, and in many cases, the only legitimate, form of government. As a result, there have been more concerted efforts to identify the tangible benefits of democracy. One such area of research that has grown significantly in recent years is the effect of democracy on the provision of public services. One of the earliest studies to look at this relationship was by Arthur Banks in the early 1970s. In an empirical study of the correlates of democratic performance, to determine “what came first,” Banks (1972) sought to examine the correlation between democratic performance and eight other variables over time, including political change, urbanization per capita, size of the military establishment per capita, and primary and secondary school enrollment per capita. For the period 1868-1963, Banks found that “school enrollment was the best single correlate of democratic performance throughout the pre-World War I period,” with a tendency for this correlation to decline over time. His analysis also found that earlier democratic performance correlated successively higher with later school enrollment, at least through 1910 (Banks 1972, pp. 225-226). Interestingly, Banks did not find that earlier school enrollment correlated successively higher with later democratic performance. Banks’ study was groundbreaking in many ways, but it was certainly
limited by the relatively few democracies that existed in the period he was examining. Later studies that would look more systematically at the impact of democracy on public services would have a larger number of democracies on which to base their analysis.

Nearly three decades after Banks found a correlation between democratic performance and school enrollment, Brown (1999) sought to examine the relationship between democracy and primary school enrollment in developing countries between 1960 and 1987. Brown found a positive relationship between democratic rule and primary school enrollment, but he also discovered an interesting, though not surprising, interaction between democracy and GDP per capita. He found that incremental changes in democracy have much larger effects at low and middle levels of economic development, and that once per capita income reaches $4,365, the impact of regime type on primary school enrollment waned (Brown 1999, p.694).

The positive effects of democracy go beyond primary school enrollment, as Zweifel and Navia (2000) demonstrated. Looking to test the relationship between regime type and infant mortality rates, which they use as an indicator of the general welfare of a country’s inhabitants, Zweifel and Navia examined data from 138 countries between 1950 and 1990. According to their analysis, democracies outperformed dictatorships, generally yielding lower infant mortality rates at each level of GDP per capita (Zweifel & Navia 2000, p.106). Repeating their study three years later to include additional post-Cold War data, Navia and Zweifel (2003) again found that, although both regime types saw a drop in infant mortality rates between 1990 and 1997, democracies continued to experience less infant deaths than dictatorships (p. 94).

In what is perhaps the most comprehensive study on regime type and public services, Lake and Baum (2001) performed a number of analyses to determine the effect of regime type on seventeen health and education indicators, including adult illiteracy, primary, secondary and tertiary school enrollment, percentage of population with access to clean water, infant mortality,
immunization rates, and life expectancy. Lake and Baum (2001) found that, when wealth is controlled for, democracies generally perform better in the provision of public services than autocracies. Interestingly, they also found that countries whose level of democracy stayed the same over time did not see improvements in public service provision, while countries where democracy increased experienced improvements in public services (Lake & Baum 2002, p. 613).

While the superior capacity of democracies to provide public services has been thoroughly discussed and researched, there remains a need for further study of this relationship in order to determine which feature of democracy is the driving force behind the provision of public services. The analysis, arguments and data presented below will explore this important question and attempt to move closer toward an answer, using the countries of Latin America as the setting.

**Why Latin America?**

Latin America as a whole represents an excellent point of departure for such a study for a number of reasons. First, most of the nations of Latin America are relatively new democracies—in fact, even Costa Rica, the region’s oldest and arguably most successful democracy, is just over fifty years old. While Latin American countries have had previous experience with democratic rule, as the title of Robert Pastor’s *Democracy in the Americas: Stopping the Pendulum* illustrates, there is something qualitatively different that distinguishes this period from earlier “swings” toward democracy. The region is currently experiencing its most profound manifestation of democratic governance to date, largely because—particularly with the fall of the Soviet bloc and after devastating experiences under brutal dictatorships—no other alternative is widely seen as legitimate. Today we are seeing a greater commitment to democratic governance by public officials, as well as increased support for democratic rule by the public, than was the case in the past. Thus, the current period presents an excellent opportunity to evaluate the performance of many new democracies in providing public
services, and to determine whether democracy is living up to the expectations of so many Latin Americans.

Second, there is a relatively greater degree of homogeneity in Latin America than in other developing regions of the world, such as Asia or Africa (Diamond et al. 1999, p. 2). Though they are in no way uniform, Latin American nations are generally similar enough to allow for reasonable comparisons. All of these nations have experienced multiple regime types since independence and they are all relatively low-income countries (some more so than others). However, aside from their common cultural heritage, “similar age of nationhood,” and other shared characteristics, there is still enough diversity in experiences, extent of democratization achieved, population size, and level of wealth to allow for interesting comparisons across the various nations, and to study the impacts of democracy on the provision of public services.

Moreover, there are certain uniquely Latin American characteristics and experiences that complicate the ability of democracy to “deliver the goods,” or in this case, the public services. A central tension facing all Latin American governments (past, present and future), but which presents the greatest challenge for democratic ones, is created by the region’s appallingly high levels of inequality, which are, on average, the highest in the world. The inequality that plagues the region not only presents considerable challenges to the construction of political democracy; it also may well prevent many of these young democracies from achieving “the broad and enduring legitimacy that is the hallmark of democratic consolidation” if more is not done to reduce inequality significantly (Diamond et al. 1999, pp. 50-53).

An additional complication is introduced by the notion of “transition pacts.” During a regime transition, contending elites often negotiate pacts that establish a mutually acceptable set of rules through which power and benefits will be distributed and future decisions will be made. As O’Donnell and Schmitter (1986) acknowledge, such pacts are not necessary for all transitions, but
they are desirable in that they increase the likelihood that the transition will lead to a stable democracy. The authors note that a central feature of pacts is the restriction of “the participation of outsiders in the decision-making process” (O’Donnell & Schmitter 1986, p. 41). Such “outsiders,” of course, include the masses. Karl (1990) argues that these mechanisms serve to ensure the survivability of the regime by reducing uncertainty, but they also make it less likely that the emerging regime will subsequently be responsive to the needs of the majority of the population, such as poverty and inequality (p. 13). For many Latin American democracies constrained by the terms of foundational pacts, a fundamental question is raised: how will these democracies address the needs of the majority of their populations, who have generally been excluded from the political arena, and how will they go about incorporating new actors into the decision-making process as democracy develops? Anyone even slightly familiar with Latin American history can point to the abundance of cases in which the exclusion of significant sectors of the population has led to the emergence of populist leaders, such as Perón in Argentina, Cárdenas in Mexico and Vargas in Brazil, whose ruling practices have often been far from democratic. Latin American nations continue to contend with these issues to this day, as the rise to power of Hugo Chavez in Venezuela demonstrates.

A final, and relatively recent, factor that intervenes in the relationship between democracy and public services throughout the developing world is the enactment of neoliberal economic policies in the aftermath of the economic crisis of the 1980s. One of the policy prescriptions of neoliberalism is a reduction of public spending, which can directly affect the government’s ability to provide public services. In addition, as Weyland (2004) argues, neoliberalism, while strengthening the stability of Latin American democracies by weakening the forces that have traditionally alarmed elites by fighting for greater equality and economic redistribution, has also diminished the quality of Latin American democracies by causing “intermediary organizations, which are crucial for stimulating meaningful popular participation and for holding governments accountable,” to become
“feebler” (p. 114). A key question that arises from this analysis is: has democracy been able to produce the desired outcomes with respect to public services under the circumstances set by neoliberalism?

**Why do democracies provide better public services?**

All of these conditions combine to intensify the pressure for democracies to provide basic public services for the bulk of the region’s population, while simultaneously (potentially) hindering their ability to do so. A determined effort to strengthen democratic rule in Latin America in order to meet better the needs of the region’s impoverished masses is thus a worthwhile undertaking. But how should one go about doing so? What is it about democracies that generally leads them to provide better public services than dictatorships? While several authors have demonstrated empirically the positive relationship between democracy and public services, few have tried to identify the particular aspect of this regime type that leads to these results, though some have offered possible explanations.

Zweifel and Navia (2000) suggest a range of factors that could serve as the causal mechanism for democracy’s effects on “social performance”: democracies’ emphasis on political rights and civil liberties creates an environment more conducive to economic pluralism; leaders in democracies are more accountable than their authoritarian counterparts and are thus better able to address the needs of the people; citizens in a democracy can choose among competing policies the one that best represents their preferences, etc. (p. 100). Brown (1999) similarly presents a number of potential theories to explain the relationship observed between democracy and primary school enrollment including, the importance of civil liberties, human rights and the free flow of information; the connection between democracy and property rights; and the electoral pressures faced by democratic leaders to distribute public spending to broader segments of the population (p. 683).
Lake and Baum (2001), and Bueno de Mesquita, Smith, Siverson and Morrow (2003) provide much more substantive discussions of potential causal mechanisms, with a focus on electoral pressures as the explanatory factor. Bueno de Mesquita et al. (2003) developed their “selectorate theory” to explain the political incentives leaders face in their efforts to hold on to power. In all regime types, leaders must please their winning coalition\(^2\), a subset of a larger selectorate\(^3\), in order to remain in power. In an autocracy, both the winning coalition and the selectorate are relatively small, so leaders can keep them happy by providing “private goods,” which benefit only a small group of people. For example, if the winning coalition in an autocracy consists of one hundred people, the leader could easily bribe each member with a hefty sum. In a democracy, however, both the selectorate and winning coalition are presumably large, making it quite difficult for the leader to offer enough private goods to keep every member of the winning coalition satisfied. Instead, leaders in democracies maintain support through public goods, which are “nonexcludable and nonrival,” and thus, benefit everyone (Bueno de Mesquita et al. 2003, p. 29).\(^4\)

The analysis in Lake and Baum (2001) also focuses on the political incentives of leaders in different types of regimes by introducing the concept of states as “contestable markets.” The contestability of a state depends on the ease with which politicians can be removed from office, which in turn depends on the barriers to entry and exit for potential competitors and on the costs of political participation to citizens. In a democracy, barriers to entry and exit for challengers are low—one knows that if one loses an election, one will not be imprisoned, exiled, or murdered. Barriers to political participation are also low in democracies—people can freely engage in activities such as voting. Thus, in democracies leaders can relatively easily be removed from power, which will

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\(^2\) The winning coalition is the subset of the selectorate whose support the leadership needs to stay in power.
\(^3\) The selectorate is the set of people who are institutionally authorized to participate in the selection of leaders. The key feature of being in the selectorate is the opportunity to join the winning coalition.
\(^4\) This is not to say that autocracies do not make use of public goods or that democracies never distribute private goods. Bueno de Mesquita et al. simply argue that the relative size of the winning coalition and selectorate provide autocratic leaders and democratic leaders with clear incentives to offer private goods and public goods, respectively.
constrain the actions of the state and provide incentives for leaders to provide public services to maintain the support of constituents (Lake & Baum 2001, p. 598).

The discussion in these texts provides us with a useful list and exploration of potential causal mechanisms for the strong relationship between democracy and public services, but they all stop short of trying to determine empirically which component of democracy is the dominant factor. It is understandable that this was not the goal of the authors discussed above; their aim was to examine the impact of different regime types, not to pinpoint the specific aspect that was responsible for their results. Yet, as many new democracies in Latin America move beyond the transitional phase, it is no longer enough to know that democracies tend to provide better public services; it is essential to begin to explore why they do so.

**The State of Democracy in Latin America**

Latin American democracies, many of them belonging to the “third wave” of democratization (see Huntington 1991), are at a crucial stage of their development. An extensive review of Latin American democratic performance will not be undertaken here. Instead, some key observations and trends relevant to this study will be highlighted here and developed throughout this paper.

The main theme characterizing the study of Latin American democracy in recent years has been a more sober view of the extent and accomplishments of democratization in the region. As discussed above, democracy enjoys nearly universal acceptance throughout the region, and indeed Latin American democracies have made remarkable progress over the past two decades. In sharp contrast with the regimes of the 1960s and 1970s, elected governments rule in every Latin American country (except Cuba and, more recently, Haiti). Moreover, regular and (reasonably) free and fair elections, universal suffrage and, to varying degrees, party competition are now the norm throughout

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5 For comprehensive surveys and in-depth analysis of the development of democratic rule in Latin America, see Dominguez and Shifter (2003); Diamond et al. (1999); and Fowleraker et al. (2003).
most of the region. Even Mexico, a nation with the region’s most stable undemocratic government of the twentieth century, saw the emergence of real party competition when the seven-decade rule of the PRI was broken with the electoral victory of Vicente Fox of the PAN in 2000.

But if there were some cause for optimism about the prospects for Latin American democracy, it would be tempered considerably by the facts on the ground. The fact remains that, despite the gains made in electoral and other types of procedures, democracy in Latin America remains largely unconsolidated. The region’s relatively new democracies continue to grapple with problems of democratic governance due to their generally fragile institutions and weak political parties, the legacy of dominant, personalistic presidents, the constant problem of pervasive inequality, and the challenges of incorporating previously excluded groups into the political process (see Diamond et al. 1999; Dominguez & Shifter 2003).

To elaborate briefly on one of the more troubling trends in recent years, we have seen the development of some undemocratic practices with regard to executives. The first set of events concerns the frequency with which Latin American presidents have left office “ahead of schedule” (see Valenzuela 2004). From the resignations of Brazil’s Collor de Mello in 1992, Venezuela’s Perez in 1993, Ecuador’s Bucaram in 1997, and Argentina’s de la Rua in 2001, to those of Bolivia’s Sanchez de Lozada in 2003, and Haiti’s Aristide in 2004, we have seen many presidents leave office before the end of their term amid corruption charges, failed economic policies, and widespread social unrest. The second group of events deals with the emergence of “neopopulists” of sorts whose actions undermine democratic rule. Fujimori’s autogolpe in 1992 and the election of former coup-leader Hugo Chavez as president of Venezuela in 1998, who went on to eliminate a number of properties of liberal democracy, stand out as clear examples. The most striking element of these sets

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6 Another recent trend, the emergence and development of what Smulovitz and Peruzzotti (2000) call “societal accountability” is extremely encouraging and a positive sign for the prospects of democracy in Latin America. These processes will be discussed in greater detail below.
of experiences—both where presidents were removed from office before the end of their constitutionally designated term, and where executives took action to increase their own authority at the expense of democratic institutions—is that they were generally undertaken with widespread popular support (certainly with the exception of Aristide in Haiti in 1991 and to a lesser extent in 2004).

The above cases of problematic experiences with executives are highlighted here because they are indicative of another recent trend: growing public frustration with democracy in Latin America. As mentioned earlier, Latin Americans continue to express broad support for democracy (Valenzuela 2004, p. 5); but there is also increasing dissatisfaction with the performance of democratic governments. On average, there is a low level of trust in political institutions throughout the region and the percentage of people who agree with the statement “Democracy is preferable [to authoritarianism]” declined significantly between 2000 and 2001, according to one poll, from 60% to 48% (Lagos 2003, p. 150).

While public opinion polls are not without their problems, the data do indicate the occurrence of the inevitable. Whether correct or not, Latin Americans expected democracy to improve economic conditions and meet the needs of the people. Thus we should not be surprised that many are becoming increasingly disheartened about the benefits of democracy as they fail to see the desired results. As former Panamanian president Nicolas Ardito Barletta foreshadowed, “The success of democracy in the region will remain closely tied to the effectiveness of governments in producing concrete results for the millions of people seeking employment, housing, education, health, nutrition, electricity and water, participation and recognition” (Ardito Barletta 1989, p. 104).

Latin American democracy is thus at a critical stage. If institutions are not improved and do not become more responsive to the needs of the people, we are likely to see even more public discontent and challenges to democratic legitimacy, and possibly a recurrence of authoritarian
episodes (Mainwaring & Welna 2003, p. 4). In a speech during Argentina’s presidential campaign in 1983, Raúl Alfonsín told the crowd, “with democracy you eat, you educate and you cure” (Lagos 2003, p. 139). As we have seen, however, the reality is much more complicated than Alfonsín’s comments suggest. The need to improve democratic performance in delivering basic public services is clear. What is less evident, however, is how to go about doing so. An attempt to identify the mechanism at work in the superior ability of democracies to provide public services could perhaps guide the efforts of Latin American policymakers as they move toward achieving the consolidation of democracy.

**Defining Democracy**

Before moving forward, it is necessary to pause and discuss further what is meant when we speak of “democracy.” The debate over the definition of democracy is considerably older than the writer of this paper and certainly older than anyone reading it, so my aim is not to recreate the arguments here but rather to draw attention to a few key points before turning to the task at hand.

Defining democracy is a significant challenge, particularly because our expectations of what democracy can accomplish depends on how we define it. The central tension is played out between two different approaches. The first is the preference for minimal or procedural definitions of democracy, focusing on various aspects of electoral competition. The second approach broadens the definition considerably by asserting that conditions such as social and economic equality are intrinsic to democratic rule. Each approach has its deficiencies. The latter suffers from its breadth: not only would such theories encounter quite a bit of difficulty in finding countries that fit their definition of democracy, they also do not permit the empirical investigation of the “hypothetical relationship between competitive political forms and progressive economic outcomes because this important issue is assumed away by the very definition of regime type” (Karl 1990, p. 2).

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7 See Foweraker et al. (2003), especially chapters 2 and 7, for a discussion of “social definitions” of democracy and an analysis of the performance of Latin American democracies in providing “social rights.”
Due to the obvious drawbacks of such overly broad definitions of democracy, most political scientists have generally stayed away from them. Instead, many prominent scholars, such as Joseph Schumpeter, Robert Dahl, Samuel Huntington, and Adam Przeworski, have opted for narrower, more procedural definitions that conceptualize democracy in terms of contestation and participation in the context of free and fair elections. Indeed, many studies of the relationship between regime type and public services have used such “minimal” definitions as the starting point of their analysis. Zweifel and Navia (2000), for instance, adopt Przeworski’s view that “Democracy is a system in which parties lose elections” (p. 100). Similarly, the concept of “contestability” presented in Lake and Baum (2001) rests on “competition among alternative leaders for office” and the “costs of removing existing rulers from power” (p.604). While there is some evidence to support the importance of elections in influencing public expenditures as a means of maintaining electoral support (see Ames 1987), procedural definitions that concentrate on the incentives created by electoral competition alone are quite problematic for a number of reasons.

One obvious drawback of definitions that focus solely or predominantly on elections is that they would potentially classify as democracies regimes that have instituted democratic procedures such as regular elections, but are otherwise of dubious democratic quality. Whitehead (1989), for example, argues that despite its regularly held elections under a sophisticated proportional representation system, calling El Salvador a democracy in the 1960s and 1970s would have been a “highly partisan act” (p. 77).

Beyond casting an excessively wide net that captures many countries that in reality are less than democratic, the real problem with procedure-based definitions of democracy is that they generally assume that democratic properties such as civil liberties and accountability are automatically derived from elections. Both Vanhanen (2000) and Huntington (1989) focus their respective analyses on electoral factors and assert that civil and political liberties are concomitants of
the electoral process and therefore, do not treat them as separate indicators of democracy. The shortcomings of such an approach will be discussed below. First, however, I turn to the task of defining democracy.

Returning to the notion that the definition of democracy is a vital component of subsequent evaluations of it, and the desire to avoid both overly broad and excessively narrow definitions, I will rely on a “middle-range” definition for this project, derived from those presented in Karl (1990) and Diamond et al. (1999). Under this combined definition, democracy is a system of government exhibiting the following characteristics: (1) meaningful competition for political office and contestation over policy among individuals and organized groups; (2) extensive citizen participation in the selection of leaders and policies; (3) the exercise of civil and political liberties “sufficient to ensure the integrity of political competition and participation;” and (4) accountability of rulers through mechanisms of oversight, representation and the rule of law (see Karl 1990, p. 2; Diamond et al. 1999, p. ix). This definition presents multiple dimensions of democracy and will allow us to examine the relative impact of each aspect to determine which, if any, is the dominant causal mechanism in the strong relationship between democracy and public services.

It is not difficult to see why scholars would gravitate toward minimalist conceptions of democracy. Such an approach is more inclusive; it allows us to designate a larger number of countries as democratic (though I have already discussed why this might be problematic). It also offers us a relatively simple and unambiguous rubric with which to evaluate democracy and is incredibly useful for distinguishing between democratic and nondemocratic regimes. However, this approach comes up short in two major ways. First, as I will argue at length, elections alone do not guarantee accountability and responsiveness. Second, such an approach is of dubious value when dealing with questions, not of transition to democracy, but rather of democratic consolidation and renewal. To paraphrase Rustow (1970), a definition that may be useful in identifying and measuring
the factors that lead to the emergence of democracy may not be as functional in an evaluation of the factors needed to develop it. This is precisely why I have instead opted for a “middle-range” definition. Indeed, it is important to emphasize that the linkage between voters and elected officials is essential for democracy, and sets the tone for all other accountability relationships (Mainwaring & Welna 2003, p. 21). But a more multi-faceted approach to democracy will allow us to explain better why elections often come up short in delivering what many scholars say are concomitants of elections and explore ways to strengthen other components of democratic rule so that elections can perform as they should. Furthermore, it will be of greater help in the effort to determine which feature of democracy (if any) has the greatest impact on better provision of public services.

Possible Causal Stories

The definition of democracy proposed above identifies four different features of democracy—electoral competition, extent of participation by the citizenry, civil liberties, and accountability of elected officials—that play a role in the provision of public services. It is possible to conceive of arguments for why one would expect each of the characteristics of democracy outlined above to influence democratic performance in the provision of public services.

The first, meaningful competition for political office, can present citizens with a range of policy alternatives offered by the different candidates for office, allowing citizens to choose the one they feel best represents their preferences and meets their needs. The second, extensive citizen participation, suggests that politicians would have to appeal to larger segments of the population in order to get elected (and reelected), and would thus seek to broaden their electoral support by providing benefits that reach large cross-sections of the population, such as public services.

While the first two features of democracy, discussed above, are directly related to the political incentives created by elections, the following two factors, though certainly related to elections, are also meant to function between elections. Constitutional protections for and the
effective exercise of civil liberties—such as freedom of speech, a free press, freedom of association and the right to petition—can arm citizens with the power to express their preferences to their elected leaders more effectively, to monitor the performance of public officials in meeting their needs, and to disseminate information about government activities to the rest of the population. Finally, accountability refers to a “formalized relationship of oversight and/or sanctions of public officials by other actors” including other elected and non-elected officials (Mainwaring & Welna 2003, p. 7). Politicians that are accountable face greater constraints on their actions and will thus be less likely to engage in rent-seeking behavior and will administer public resources fairly and effectively.

Although in reality these four concepts are obviously related, they do represent different dimensions of democracy. Thus, for the purposes of this exercise, we can test the relative effect of each factor on a range of public services to see whether one stands out as the dominant causal mechanism in the relationship between democracy and public services.

**A Break in the “Electoral Connection”?—Reexamining What Elections Accomplish**

As was mentioned previously, many prominent political scientists have opted for minimal, election-centered definitions of democracy. A number of scholars have also turned to such definitions to explain why democracies are better than nondemocracies in providing public services. The arguments made in Lake and Baum (2001) and Bueno de Mesquita et al. (2003) have already been discussed. In short, they both hinge on the ability of voters in democracies to select among competing alternatives presented by different candidates, and to hold their leaders accountable once in office. Yet, even without denying the importance of elections in a democracy, it is difficult to accept that the mere presence of free and fair elections will successfully bring about these other practices. As Carothers (2002) argues, “the notion that achieving regular, genuine elections will not only confer democratic legitimacy on new governments but continuously deepen political
participation and democratic accountability—has often come up short” (p. 15). What follows is a discussion of a number of “democratic deficits,” as Carothers would say, particularly for the Latin American case, that prevent elections from accomplishing all of the things that many scholars assume are concomitants of the electoral process, and thus call into question arguments that attribute democracies’ better public service provision to elements of electoral competition.

None of the arguments presented here are intended to undermine the essential role that elections play in a democracy. It is certainly not without just cause that elections are a central element in democratic theory. However, a look at some of the key functions of elections demonstrate how a number of factors intervene in the process and can often prevent elections from operating in the desired manner. One of the primary obstacles is the persistent informational asymmetry between voters and candidates. Elections give voters the opportunity to select from a range of candidates and policy platforms the one that best meets their preferences. The underlying assumption here is that voters will have at their disposal sufficient information about the different candidates and policy proposals, and the effects of each on their own well being, to allow them to make an informed choice at the voting booth. The reality, however, is that information asymmetry between candidates and voters often impedes voters’ ability to make an informed rational choice between candidates. Recent Latin American experiences can provide us with plenty of evidence. The immediate reversals from “anti-shock” campaign messages to the adoption of neoliberal policies of Argentina’s Menem in 1989, Venezuela’s Perez in 1988, Ecuador’s Borja in 1998 and Peru’s Fujimori in 1990 (see Stokes 2001), are clear examples of the incentives politicians have to conceal their true intentions during electoral campaigns. They also demonstrate how information asymmetry can infringe upon voters’ ability to select their preferred candidate, even when voters think they are choosing the candidate that best reflects their priorities.
The above examples of leaders who abandon their electoral mandates once in office illustrate the shortcomings of a second purpose elections are supposed to serve, indicating the presence of an apparent break in the “electoral connection.” Elections, so the theory goes, allow voters to punish or reward incumbents based on their performance in office, which is supposed to hold leaders accountable and make them more responsive to citizen needs and demands in order to maintain electoral support (see Mayhew 1974). This, after all, forms the core of Lake and Baum’s argument, as well as that of Bueno de Mesquita et al (2003). Yet, nothing guarantees that politicians will act according to voter preferences between elections or that voters will be able to hold them accountable during the next elections. If the aforementioned experiences with policy switchers teach us anything, it is that, due to information asymmetries, elected officials have plenty of opportunities to “shirk” and to behave with greater autonomy once they win an election (Mainwaring & Welna 2003, p. 23).

The above discussion certainly calls into question the notion that elections are the primary causal factor leading democracies to provide better public services than autocracies. This is not to say that such a claim is incorrect. I would argue, however, that it is incomplete. Arguments centered predominantly on electoral contestation and participation cannot adequately explain the typically superior performance of democratic governments in providing public services. Free and fair elections do not guarantee the ability of voters to hold leaders accountable while in office nor do they ensure that voters will be able to make informed choices between policy alternatives presented by candidates during those elections. Thus, the incentives that are supposed to make elected officials more responsive to citizen preferences and induce them to provide public services as a means of building and maintaining electoral support do not always materialize. It may well be the case that the presence of elections plays an important role when democracies are in the transition phase. But as
democratic rule moves beyond initial stages of development, other factors are likely to play a more important role.

**Horizontal Accountability and Its Shortcomings**

Even a number of scholars who have a preference for election-focused conceptions of democracy recognize that “elections are not a sufficient mechanism to ensure that governments will do everything they can to maximize citizens’ welfare” (Przeworski et al. 1999, 50). For all of the reasons outlined above, including voters’ incomplete information and recurrent policy switching by elected officials, elections do not guarantee that “the will of the people” will be translated into government policy. What, then, must be done in order to produce these results?

For many, the way to strengthen electoral accountability is through mechanisms of what O’Donnell (1998) terms “horizontal” accountability, the extent to which state actors are legally authorized and actually willing and able to exercise oversight and sanctions over other state actors.\(^8\) Horizontal accountability functions by placing limits on the behavior of elected officials (as well as nonelected officials) by authorizing other elected (or nonelected) officials to (1) monitor their activity, and (2) punish them for transgressions. Such mechanisms serve to guard against the abuse of power by elected officials as well as to minimize rent-seeking behavior.

Horizontal accountability can be achieved through a range of institutional mechanisms that include, but are not limited to, checks and balances between different branches of government. Many scholars have also recommended, and a number of Latin American governments have implemented, other institutions whereby independent (though still within the state) agencies and actors, such as fiscalías (agencies that investigate corruption) and contralorías (general accounting

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\(^8\) There is some disagreement in the literature about whether horizontal accountability extends to actions by state actors that are not considered unlawful. (There is also considerable disagreement about whether the term itself is appropriate and accurate. Others prefer to use the term “intrastate” accountability.) I will not deal with either question here. For a discussion of points of contention around the concept, see Kenney (2003).
offices), can audit, sanction and provide independent information about certain aspects of government activity (see O’Donnell 1998, p. 123; Przeworski et al. 1999, p. 50).

In the context of the question being examined here—what mechanisms of democracy lead to better public service provision—horizontal accountability can serve as a potent way to complement electoral accountability. During elections, voters select the candidates and policies that best represent their own needs and priorities, and can either punish or reward incumbents based on the extent to which they governed according to voter preferences. Because this mechanism does not always work properly on its own, its shortcomings can (partially) be offset by institutions that ensure that elected officials will be sufficiently constrained by other state actors such that public resources will be administered more fairly and efficiently, and go toward their intended use rather than used for the personal enrichment of corrupt politicians or to line the pockets of key supporters. Thus we can expect that public services will be better in a setting where horizontal accountability exists than one in which it is absent.

While few would disagree with the desirability of horizontal accountability, one key question remains unanswered by the literature on horizontal accountability: how does it work? There is plenty of reason to be skeptical about what motivates state actors to hold other government actors accountable, particularly in a setting like Latin America, “a region known for a gap between the law and political practice” (Mainwaring & Welna 2003, p. 5). Indeed, in Latin American history there is no shortage of political figures that subverted horizontal accountability, or for that matter, any other form of accountability.

Demonstrating that state actors can and often do apply the law in a manner that is less than fair and impartial, the legendary Brazilian populist Getúlio Vargas once said, “Aos meus amigos, tudo; aos meus inimigos, a lei” (For my friends, everything; for my enemies, the law). Indeed, there are countless examples of state actors using oversight and accountability mechanisms as political
tools. When Joaquin Balaguer returned to the presidency of the Dominican Republic in 1986, he actively prosecuted corruption in the previous administration as a way to weaken his political opponents and to divert attention from economic problems; as soon as it stopped being politically advantageous, he stopped prosecuting corrupt members of the Blanco administration (see Hartlyn 1998, p. 201). Furthermore, as Kenney (2003) points out, “new caudillos” like Venezuela’s Hugo Chavez “present themselves as agents of accountability confronting the corruption of unaccountable legislative and judicial institutions and political parties,” while simultaneously subverting mechanisms of horizontal accountability that would place limits on their own actions (p. 72). Even in states where institutions and “governability” are strong as many argue was once true of Venezuela, obstacles to the effective exercise of horizontal accountability can be difficult to overcome if power is so concentrated between two parties that nearly all sectors of government and society become strictly polarized along partisan lines. Coppedge (2003), even while lamenting the “elimination of horizontal accountability” under Chavez, notes that in pre-Chavez Venezuela, “the courts, like the bureaucracy, the universities, and most other institutions, were thoroughly politicized along party lines and seemed never to find sufficient evidence to justify a trial or a conviction” (p. 174). Despite being touted as a way to strengthen electoral accountability, horizontal accountability has its own limits. Thus, it seems as though it, too, may fall short of being the dominant causal factor in democracy’s impact on public service provision.

**Beyond Voting: Rethinking the Role of the Citizen**

Horizontal accountability is often proposed as a way to reinforce electoral accountability, and vice versa. The former makes up for the fact that the threat of not being reelected is on its own

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9 Electoral accountability reinforces horizontal accountability through the following mechanism: State actors with formal duties to ensure the accountability of other actors are in many cases elected officials themselves, so the pressure for them to actually exercise their oversight functions (unless they have their own politically motivated reasons or are genuinely interested in accountability and the rule of law) comes from the people that have the power to vote them out of office. Yet, as has already been discussed, there are a number of factors that can interfere with electoral accountability.
inadequate for inducing elected officials to follow electoral mandates (as Stokes ably demonstrates) or abide by voter preferences. Yet, as the above examples indicate, there are strong incentives for public officials to abuse and misuse mechanisms of horizontal accountability to suit their own political ends. Thus, neither elections nor mechanisms of horizontal accountability, individually or combined, are enough to ensure that elected officials will act according to voter preferences.

Perhaps the reason that theories focused on electoral contestation, and even those that emphasize horizontal accountability as an essential aspect of democracy, often come up short in explaining the incentives that cause elected officials to abide by citizen preferences (as well as the rule of law) is the way that both treat a key set of political actors: the citizens. The nature of the interaction between citizens and government leaders—specifically, the former select the latter—is the defining characteristic of democratic regimes. Despite its importance, however, there is a tendency among democratic theorists to limit considerably the role of citizens in those interactions. Even when there is broad participation, the citizen is reduced to a single role: the voter (see Przeworski et al. 1999; also Lake & Baum 2001, p. 596). If this were all that citizens do in a democracy, then indeed, it would come as no surprise when elected officials violated their mandate or when mechanisms of horizontal accountability failed to constrain inappropriate behavior by government officials. After all, “[g]overnments make thousands of decisions that affect individual welfare; citizens have only one instrument to control these decisions: the vote” (Przeworski et al. 1999, p. 50). If reality were actually thus, such that power relations between citizens and elected officials are so highly skewed, it would be a wonder that elected leaders ever abided by citizen preferences!

Reality, however, does not necessarily fall along those lines. In a democracy citizens do in fact have other tools at their disposal by which they can exercise control over elected officials. The vote is certainly the most important of these tools in that it serves as an enforcement mechanism for
other types of citizen action. Politicians are unlikely to respond to citizen activity unless it presents electoral consequences. For example, congressional representative X from the state of Alabama cares very little if the New York City public or a bunch of “Massachusetts liberals” are scandalized by some act, unless his own constituents are similarly outraged, because on their own they have virtually no say over the electoral fate of our congressman from Alabama. Nevertheless, the vote on its own is insufficient to ensure responsiveness, representation and accountability.

In order to understand the mechanisms that may help compensate for the shortcomings, or if you prefer, the “democratic deficits,” discussed above, it is important to rethink the notion of citizenship and the interactions between government leaders and citizens in a democracy. Citizenship goes well beyond the practice of voting in periodic elections (see Jelin 1995). Along those same lines, the means by which citizens can interact with elected officials extends beyond the right to vote. Citizens contact elected officials, they participate in rallies and demonstrations, they join organizations concerned with working on a specific issue, etc. In short, contrary to what Przeworski et al. argue (quoted above), citizens have more than one instrument through which they can influence the decision making process.

The Role of Civil Liberties

Civil liberties are among the most important sets of tools available to citizens in a democracy. Where elections and mechanisms of horizontal accountability come up short, the protection and effective exercise of civil liberties can be essential for citizens themselves to take action to ensure greater government responsiveness, representation and accountability.

Civil liberties, including freedom of speech and association, freedom of the press, and the right to petition, allow citizens to expand their engagement with the state in a number of ways. First, they give citizens more effective ways to express their preferences beyond casting a vote in an election every three to six years. People can join other likeminded individuals to organize to
advocate more effectively for their needs and demands, whether it be greater funding for a specific program, the initiation of an investigation or sanctioning of some unlawful activity, or institutional reform. Individuals and groups can also engage in public education campaigns to inform their fellow citizens about some issue that concerns them so that they, too, will be motivated to put pressure on elected officials to follow one course of action rather than another. Strategies such as these, whether they involve the media, mass demonstrations, public forums, etc., can provide citizens with a higher level of access to and influence in policymaking venues.

Second, besides giving citizens more of a voice in the decision making process, civil liberties can also allow citizens the opportunity to monitor the way government conducts the people’s business. Information about government activity in some issue area can be accessed by the media, groups, or even curious individuals, and then disseminated among the general public who can react by either rewarding or inflicting some form of punishment (reputational cost, lowered reelection prospects, etc.) on elected officials. This can be an important mechanism for citizens to hold government leaders accountable for their actions. When civil liberties are not just written into the constitution, but actually observed and utilized effectively by citizens, they have the potential to alter the nature of the interactions between elected officials and their constituents. Rather than only having the opportunity to express their preferences and hold elected officials accountable by voting in periodic elections, citizens can have additional tools at their disposal to accomplish these goals between elections as well.

Having already discussed the factors that may prevent elections from functioning properly as instruments of government responsiveness and accountability, and the incentives that may lead to improper use of mechanisms of horizontal accountability, we can begin to think about the ways that the effective exercise of civil liberties may help offset these shortcomings by (1) making information
more widely available during and between elections; (2) allowing for more effective expression of citizen preferences; and (3) reinforcing horizontal accountability.

Making Information Accessible During and Between Elections

As was discussed above, information asymmetry is a major obstacle when it comes to elections. The effective exercise of civil liberties can help correct this problem during elections by allowing citizens, groups, the media, etc. to provide voters with independent information about candidates and policy alternatives, and the potential impact of each, so that voters can make a more informed choice at the polls. Most voters do not have the time, or frankly, the motivation, necessary to stay truly informed about government activity, even on issues that are important to them. Making information more easily accessible to the public (whether through the media, the Internet, or other channels) is an essential service, both during and between elections, because it can help overcome the informational costs that often prevent voters from becoming as knowledgeable about politics and current events as they may want to be. Groups in nations all over Latin America are facilitating the free flow of information so that citizens are kept aware of what their elected representatives are doing. For example, Brazil’s SOS Mata Atlântica, an organization dedicated to environmental protection, has recently launched a project where it will gather up to date information about the status of environmental legislation and regulations in Congress and make this information available on its website where it can be accessed by anyone concerned about the environment. The project, called “Observatório Parlamentar Mata Atlântica,” is intended to facilitate greater transparency and accountability in the legislative process and use civil society and the media to put pressure on legislators.¹⁰

¹⁰ SOS Mata Atlântica, www.sosmatatlantica.org.br
More Effective Expression of Citizen Preferences

A greater degree of protection and use of civil liberties not only provides citizens with information about candidates and elected leaders; it also allows citizens to let their representatives know more about them as well. Citizen action—whether it involves contacting public officials directly, rallies and demonstrations, or other activities—can serve to convey citizens’ needs and demands more effectively, making citizen preferences clearer for elected officials. This, combined with monitoring of government activity by citizen groups, puts public officials on notice and gives them less room to “shirk,” making the abandonment of electoral mandates and policy switches less likely.11

Reinforcing Horizontal Accountability

Although they are intended to function among state actors, civil liberties can allow citizens to reinforce mechanisms of horizontal accountability as well. In cases where one state actor, such as a legislative committee charged with investigating some form of malfeasance by another state actor, is loath to take action, citizens can exert enough pressure on this particular agent to overcome its reluctance. For example, it was media reports of acts of government corruption and citizen demands for due process that acted as the catalyst for the impeachment of Brazilian president Fernando Collor de Mello in 1992 (Smulovitz & Peruzzotti 2000, p. 147). In addition, media attention and social mobilization can be an essential force in pushing for important institutional reform. A number of organizations in Latin America, including Participación Ciudadana in the Dominican Republic, have undertaken serious efforts to strengthen the independence of the judiciary from political or partisan influence.

11 This is not to say that government officials should be denied the flexibility to change policy when new information or changed circumstances require it. Clearly, such flexibility is necessary for public officials to have, but this differs greatly from instances in which politicians use public policy as a tool to serve their own political needs or win elections with policies they know are supported by the public and then abandon these policies as soon as they come to office. Both have been all too common in Latin America.
Civil Liberties and Public Services

Based on this discussion of the shortcomings of elections and horizontal accountability, and the ways in which civil liberties, or societal accountability,\textsuperscript{12} might offset those shortcomings, I would expect civil liberties to have a greater impact on public service provision in democracies than would elections or horizontal accountability. Throughout my analysis, I have pointed to areas where the latter may fail in producing the desired results and have alluded to the lack of a particular factor. They do not give citizens sufficient tools to communicate their needs and priorities to elected officials, nor to know enough about what their representatives are doing to evaluate whether they are acting according to voter preferences and whether they should be rewarded or punished at the polls. In many ways, civil liberties can serve as that missing factor: a key step that seemed to be missing from the process yet is necessary for ensuring greater citizen access to government, as well as improved government responsiveness and accountability. In thinking about how this might function, it is important to keep in mind the links between these mechanisms. The increased availability of information can help voters make better decisions when electing representatives. Improved communication of citizen preferences and increased monitoring of government activity can help ensure that these representatives will be responsive and act according to those preferences, though it is important to emphasize that citizen pressure is most effective when it presents electoral consequences. Furthermore, knowing that their actions are being observed closely will encourage state actors to utilize their authority to exercise oversight and sanctions over other state actors when they should, rather than just when it is politically expedient. Thus, I would expect that public service

\textsuperscript{12} The effective exercise of civil liberties and societal accountability are not entirely the same concepts, but they are close enough for the role they play here. Both share the notion of involving citizens in the decision making process beyond the practice of voting in elections, precisely because of the deficiencies of elections to ensure that government officials will act according to voter preferences or that they will be accountable to citizens. Thus they will be used interchangeably here, even if for no reason other than that “the effective exercise of civil liberties” does not quite roll off the tongue.
provision would be better in settings where citizens utilize civil liberties to a greater degree than in settings where citizens do not have such rights or exercise them to a lesser degree.

Clearly, these three components of democracy are closely connected and serve to reinforce one another. Yet, until relatively recently, little had been written about the ways in which citizens in Latin America have used these linkages to insert themselves in the decision-making process in largely unprecedented ways and make their voices heard. Smulovitz and Peruzzotti (2000) call these promising new developments “societal accountability,” a suitable complement to electoral (or “vertical”) accountability and horizontal accountability. Societal accountability is a process where the central actors are individual citizens, civic associations, nongovernmental organizations and the media, using institutional mechanisms (such as initiating legal action) and noninstitutional tools (such as media exposes and social mobilization) alike to exercise political control over elected officials. Societal accountability is based on civil liberties, particularly the right to petition, and can be used to overcome the “deficiency of electoral mechanisms of control” (Smulovitz & Peruzzotti 2000, p. 151) Though it lacks a legally binding enforcement mechanism, it can come with damaging reputational costs for politicians, as well as reinforce horizontal accountability by triggering action in the courts or in oversight agencies.

“Societal Accountability” in Latin America: Two Cases

Given the potentially strong implications of civil liberties and societal accountability for the provision of public services, I want to discuss developments in societal accountability in Latin America in recent years. There seems to be a consensus among many scholars that, for the reasons outlined above, mechanisms of electoral and horizontal accountability in Latin American democracies leave much to be desired (see Mainwaring & Welna 2003; Smulovitz & Peruzzotti 2000; Dominguez & Shifter 2003; Przeworski et al. 1999). Thus it is not surprising that there have been robust efforts throughout Latin America to increase citizen participation in the decision making
process as a way to compensate for the traditional lack of transparency, accountability and inclusion that often characterized the political arena in many Latin American countries. Although these currents have been strong throughout the region, I will focus on two different strategies for giving citizens a greater voice in government to offset the shortcomings of electoral and horizontal accountability. The first involves the work of Participación Ciudadana in the Dominican Republic to encourage improved expression of citizen preferences and to serve as a watchdog of political processes. The strategies and goals pursued by Participación Ciudadana is very close to what I mean by the effective exercise of civil liberties: the use of liberties such as the freedoms of speech, press and association, as well as the right to petition, to educate citizens about their rights, to raise awareness about and mobilize citizens around issues of importance, to organize citizens to better communicate needs and priorities to elected officials, and to monitor and disseminate information about government activity. The second case, that of orçamento participativo (participatory budgeting) in municipalities throughout Brazil, goes well beyond the effective exercise of civil liberties in that it involves a direct insertion of citizens into the decision making process. Citizens do not just have access to policymaking venues to give their input; they actually become part of the body that decides how public resources will be used. The dynamics of each case are different, but both have the same goals: greater citizen participation and institutional reform as a way to create more transparent and accountable government institutions in the hopes that this will change the nature of citizen-state interactions and will make governments more responsive to the needs and priorities of citizens that had long been excluded and ignored by the political system. What follows is not an analysis of whether these strategies have led to better public service provision in these two countries (the relationship between civil liberties and public services will be tested more systematically below); rather, my aim is to demonstrate how, as the electoral process and mechanisms of horizontal accountability have come up short in ensuring greater government responsiveness, accountability
and transparency, civil society and progressive governments throughout Latin America are implementing new strategies to improve these outcomes based on the creation of spaces for greater citizen access to decision-making venues.

Participación Ciudadana in the Dominican Republic

Deficiencies in electoral and horizontal accountability have been a persistent factor in the political system of the Dominican Republic since its transition from authoritarian rule in 1966. Observers have referred to it as “neopatrimonialism,” a regime characterized by the concentration of power in the hands of a single leader whose dominance is sustained by the dependence and loyalty of his followers, which are in turn generated by a complex system of clientelism and patronage, with an element of coercion (Hartlyn 1998, pp. 14-18). In such regimes, the leader possesses nearly limitless authority over state resources, the rule of law is far from established and state institutions and civil society organizations alike are inherently weak, such that the only (relatively) strong formal organizations that exist in the political sphere are political parties.

The above conditions have characterized Dominican politics, to varying degrees, throughout the last four decades, particularly during the 22-year rule of Joaquín Balaguer. A neopatrimonial leader through and through, Balaguer ruled with a strongly personalistic style: he concentrated power in his own hands, weakened the opposition through a mixed bag of political tricks that included co-optation and intimidation, and used his wide latitude over state resources to maintain support through massive public works projects. The political climate of the last few decades has been riddled with rampant corruption, remnants of a long authoritarian legacy, and the emergence of a population that is, for the most part, distrustful of government and cynical about what political participation can accomplish.

The consequences of this flawed political system for a nation plagued by high levels of social and economic inequality have been felt most strongly by the country’s poor, who have
disproportionately born the burden of the misguided policies of one administration after another. For decades, the provision of basic public services in the Dominican Republic was subordinated to political concerns and clientelist practices. Indeed, throughout his presidency, Joaquin Balaguer preferred funding construction and public works projects that would allow him to fulfill his patronage commitments, to funding education and health. By the early 1990s, the effects of these neopatrimonial practices were evident: between 1991 and 1993, government spending on education was 1.6% of GDP, less than half the average for Latin America; similarly, spending on health was 1% of GDP, well below the Latin American average of 5.2% (Hartlyn 1998, p. 212).

Relations between citizens and elected leaders were characterized by patterns of clientelism and patronage. For example, during his final reelection campaign in 1994, as Balaguer made a stop in one of the country’s poor villages, his campaign workers distributed bags of food to long lines of impoverished Dominicans; when they ran out of food, they distributed envelopes filled with money (Wucker 1999, p. 180). That state-citizen relations developed this way is not surprising given the scarcity of spaces in which citizens could express their preferences to their representatives. Indeed, due to the blatant electoral fraud that plagued many of the nation’s elections between the 1970s and 1990s, even elections were not an adequate forum for citizens’ preferences to be heard.

During the 1980s, as many Dominicans grew tired of the lack of responsiveness of their government, this began to change. The harsh economic conditions that devastated most of Latin America in the 1980s sparked waves of urban protests in the Dominican Republic in opposition to neoliberal economic policies and led to the formation of local urban organizations. As Hartlyn (1998) points out, these protest movements “did not call for a radical restructuring of society, and their political demands rarely went beyond a rejection of neoliberal economic policies and the IMF” (p. 198). However, the leaders of these movements saw them as possible spaces for the construction of a new political character and as potential agents for change in the Dominican political system.
Out of these experiences, as well as that of the massively fraudulent “trauma electoral” known as the 1990 elections, would grow a new movement of civil society organizations that would seek to change the nature of the Dominican political system. Here I will focus on the contributions of one of these, Participación Ciudadana.

Participación Ciudadana describes itself as a nonpartisan civic movement dedicated to promoting the expression of those needs that are at the heart of civil society and to encouraging citizen participation as a means of achieving the political, institutional and democratic reforms required for a more fair and balanced social development (Participación Ciudadana, Sec. I). Indeed, throughout its ten-year existence, PC has made good progress in moving closer toward these highly ambitious aims. Among its most important successes are the organization’s aggressive education and outreach efforts to raise awareness among the public about the major problems facing the country as well as to teach them about the benefits of democratic governance. For example, PC has devoted significant resources to developing educational materials and opportunities for youth and students to learn about their government and their rights, as well as to engage in important discussions about the ever-present problem of corruption. Participación Ciudadana has also undertaken several publicity campaigns urging greater involvement by the general public in addressing the problems of corruption and to join the effort to ensure a transparent, fair, and honest electoral process, including “Tiempo de Actuar…La corrupción es un problema de todos” (Time to Act…Corruption is Everyone’s Problem) and “La democracia ve por tus ojos” (Democracy Sees Through Your Eyes) (Candelario & Roldan 2003, pp. 98-104).

In addition to these efforts, PC has also helped create spaces for direct interaction between the people and their representatives, giving many citizens a level of access to the decision-making process that might have been inconceivable just two decades earlier. During the 2000 elections, PC worked with other groups to put together a series of encounters called “El pueblo propone a los
candidatos” (The people propose to the candidates), in which thousands of citizens presented their proposals and ideas to the presidential candidates. Consistent with its goal of encouraging greater citizen participation in local government, PC has also worked with citizens in various municipalities to propose an agenda for candidates for local and legislative office in 1998 and 2002. It has also organized encounters called “Los fiscales y la comunidad” (Prosecutors and the community) in all of the provinces, to encourage dialogue between the people and local prosecutors and judicial authorities.

In bringing citizens and elected leaders closer during and between elections, groups like Participación Ciudadana are helping to enhance electoral accountability, but in a country that has experienced more than one set of “crisis-ridden elections,” much had to be done to clean up the electoral process itself. Participación Ciudadana and the other groups making up the Red Ciudadana de Observadores Electorales (Citizen Network of Electoral Observers) have done terrific work in mobilizing, training and organizing thousands of Dominicans as electoral observers. Mass mobilization around electoral observation gained momentum after the scandalous elections of 1994,\(^\text{13}\) a process tainted with such fraud that it was nearly three months before a winner was declared, intense negotiations had to take place to decide the outcome and the incumbent president was forced to limit his term to only two years. Although international and small domestic groups of observers had been present in Dominican elections for years, the system of electoral observation initiated by Participación Ciudadana was remarkable for a number of reasons. First, the mobilization of 40,000 Dominicans to participate in the Citizen Network of Electoral Observers to ensure the legitimacy and fairness of the electoral process is unprecedented in the Dominican Republic. Second, the scope of the observations went beyond anything that had previously been

\(^{13}\) In fact, PC initially did not intend to participate in electoral observation, but the experience prompted civil society, including the members of PC, to take action to prevent similar catastrophes in the future (interview with Vianela Díaz, Director of Participación Ciudadana’s Electoral Observation Program, 12 August 2004).
seen in the country to ensure the transparency and validity of the process from beginning to end. The volunteer observers not only observe the process on election day; they also observe closely the process by which political parties select their candidates to ensure that this is done in an open, lawful manner. During the campaigns, PC often has candidates for office sign ethics pledges where they commit to a free and fair electoral process and to respect the results. Furthermore, on election day, observers serve not only to ensure that Dominicans can exercise their right to vote without incident, they also help provide a “quick count,” an additional set of results that acts as a check on the Junta Central Electoral (Central Electoral Board, JCE), a body that has often been accused of partisanship, fraud and inefficiency, making it a much more accountable institution.

Participación Ciudadana is based on the principle that civil society should have an active role in government because it is average citizens and social organizations that are best situated to know the priorities and needs of the community. Thus, their input should be invaluable for public officials and to the decision-making process and, to the extent possible, they should have a central role in the design and execution of social programs (Oviedo 2001, p. 20). However, recognizing that the historical weakness of institutional mechanisms of horizontal accountability could well undermine the progress made by Dominican civil society in making government more responsive, long-term efforts must also be made to combat the pervasive corruption that has long been a staple of Dominican politics. PC has undertaken this task through its Programa de Transparencia de la Gestión Pública (Transparency in Public Administration Program). This program researches and publicizes anti-corruption measures introduced in the legislature and the extent to which they are implemented, or more commonly their lack of implementation, in the state’s administrative functions and by the judiciary; makes recommendations about how the state can undertake anti-corruption efforts more effectively at the legislative, executive, judicial and administrative levels (Collado 2004, p. 5); and encourages greater involvement by civil society in monitoring corruption in
government and anti-corruption initiatives. While these efforts have been decidedly less effective than the group’s mobilization and public education campaigns, the struggle for institutional reform and transparency is a much-needed endeavor, even if at times it seems futile.

Organizations such as Participación Ciudadana face a number of obstacles in carrying out its duties. The first has to do with how they are perceived. Because the bulk of PC’s funding comes from outside entities, including a substantial amount of financing from the United States Agency for International Development, the group was often accused of bringing undue external influence to Dominican affairs (Hartlyn 1999, p. 263). Furthermore, many conservative sectors have accused PC of favoring one candidate over another in presidential elections, particularly in the 1990s when the organization was believed to have favored Jose Francisco Pena Gomez of the Partido Revolucionario Dominicano (PRD).

Furthermore, despite some cause for optimism, democracy in the Dominican Republic continues to exhibit some of its past neopatrimonial traits. In 2003, Banco Internacional or Baninter, the country’s second-largest private bank collapsed due to grave mismanagement by its leaders and a failure by the government to regulate its activities—the president of the bank often gave large sums of money to politicians and popular causes, including two SUVs to President Hipólito Mejía (“Dominican Republic in Crisis”, 2003). The bank’s collapse not only led to severe economic conditions, it also led to “one of the worst economic and moral crises” in Dominican history, one which was almost entirely caused by corruption. Despite the progress that has been made, the

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14 Part of the organization’s funding comes from a number of Dominican corporations, including Brugal & Co., Grupo BHD, and Compañía Dominicana de Telefonos (Codetel). As with so many other Latin American NGOs, however, much of the funding also comes from a number of outside sources including US Agency for International Development (USAID), the Canadian Embassy, UNICEF, the Kellogg Foundation, and the National Endowment for Democracy. See Candelario & Roldan (2003), p. 190 for a full list of funders.

Baninter scandal continues to serve as a sobering reminder that more needs to be done to combat corruption in the Dominican Republic.

Despite these significant drawbacks, Participación Ciudadana’s achievements over the last ten years have been remarkable, particularly in a country where, in 1994, three-fourths of the population agreed with the statement “A good president should be like a father to whom one must go to resolve problems” (Hartlyn 1998, p. 320). Clearly, much more needs to be done to overcome neopatrimonial tendencies and pervasive corruption in Dominican politics, but, no matter how modest the progress, there is no denying that groups like Participación Ciudadana are proving that citizen participation and the effective exercise of civil liberties can be used to make government more responsive to the needs of citizens, and giving citizens increased opportunities to monitor government activity where electoral and horizontal accountability leave much to be desired.

Orçamento Participativo: Combating “Clientelismo” in Brazil

A similar strategy has been pursued in Brazil. Following its return to democratic rule in 1985, Brazilian municipalities began experimenting with a number of participatory mechanisms to give citizens greater access to local decision making venues. In many cases facilitated by the local electoral victories of the Partido dos Trabalhadores (Workers’ Party- PT), these instruments of political inclusion brought forth strategies for incorporating citizens in urban planning, particularly decision-making over land-use, as well as institutions for greater citizen input and oversight in the budgeting process. The latter, known as orçamento participativo (participatory budgeting- OP), will be discussed in detail below.

Brazil’s participatory institutions were, in many ways, intended to confront the rampant inequality and exclusion that plagued Brazil for most of the last century and continues to do so today. Brazil’s high levels of income inequality, among the highest in the world (see Skidmore 2004), along with persistent social exclusion, can be traced back to colonial and post-independence land
distribution patterns, as well as the policies of urban modernization and industrialization of the late 19th and early 20th centuries that favored political and economic elites over the poor masses (Cabral and Sobreira de Moura 1996, pp. 54-55). The widespread dissatisfaction that resulted from pervasive inequality and exclusion paved the way for the emergence of populist leaders, including the aforementioned Getúlio Vargas, who appealed directly to the masses with their anti-status quo messages and calls for greater social justice. The rise of populist reformers in Brazil during the early decades of the 20th century also brought with it a strong legacy of clientelism, the populists’ answer to traditional exclusion. Populist hegemony was broken in 1960 with the election of economic conservative Jânio Quadros and was seemingly eradicated after the 1964 military coup. The military’s 20-year rule generated rapid economic growth and development; industry expanded rapidly and by the end of the 1970s, Brazil had the 8th largest economy in the capitalist world (Halperin-Donghi 1993, p. 318). The “Brazilian Miracle,” however, did not reach the poor masses, exacerbating income inequality and potentially setting the stage for a return to the populist and clientelist practices of the past following the 1985 transition.

Progressive sectors of society advocated for participatory institutions as a means of reducing the tradition of inequality and exclusion, as well as the corruption and inefficiency that impeded the development of democratic governance. As Wampler points out, however, the emergence and subsequent success of OP would, for the most part, depend on the support of individual mayors. OP was first implemented in Porto Alegre in the late 1980s where the winning candidate for mayor was from the Partido dos Trabalhadores, came to office with significant support from participatory civil society organizations, and had moderate support in the city council (Wampler 2004, p. 84). These conditions created a favorable political environment for the initial and subsequent success of OP in Porto Alegre, still one of the most successful cases of participatory budgeting in Brazil, but the implementation of OP would spread throughout the country in subsequent years, even under
considerably less favorable conditions. Between 1989 and 1992, up to a dozen municipalities implemented participatory budgeting. By 1996 this number had grown to about 30; and by 2000 the nearly 140 municipalities and a handful of states could boast some mechanism identified as *orçamento participativo* (Torres Ribeiro & de Grazia 2003, p. 13). OP is an established practice in many cities, supported by parties all along the political spectrum. In Porto Alegre, for example, all candidates for the 1996 mayoral elections vowed to respect it (de Oliveira Santos 2004, p. 21).

The practice of OP varies greatly from one municipality to another, but most share a number of common characteristics. In some form or other, and to varying degrees, OP generally allows citizens to participate in the identification of budget priorities, to select projects for the budget and to supervise the implementation of the selected projects. In most cases, OP is concerned with discretionary spending and participants deliberate over specific public works projects. In some “financially-strapped” cities, participants instead engage in a general discussion about and then vote on the policy priorities of the government (Wampler 2000, p. 7). The process generally begins with the division of the municipality into smaller regions to facilitate the shifting of public resources to the poorer, more populated regions. The division into regions also serves to facilitate meetings where residents discuss regional priorities and elect a number of delegates, generally based on the number of people present at the assemblies, to represent them. These delegates engage in further discussion and debate about regional and municipal priorities, propose potential public works efforts, visit the sites of potential projects, and vote for a particular project. The delegates then elect (among themselves) two *conselheiros* from each region, representatives to serve on the Municipal Budget Council. The proposal is then added to the municipal budget and is submitted by the mayor’s office to the city council for approval, which is almost always granted. The chosen project is then implemented over the course of the next year or two. Although participants have a reduced role in the implementation process, the regional representatives sitting on the Municipal Budget
Council, which also consists of representatives from government, civil society organizations, and business, monitor the implementation of the project.

The basic formula outlined above is approached differently by different municipalities, but the factors that determine the success of OP are the same in every setting. First, the municipal administration must be supportive of the process and willing to delegate authority to citizens, and it must also make committed efforts to provide citizens with substantial information about budgeting as well as the technical support to help them understand it. Second, citizens and civil society organizations must engage in significant social mobilization to ensure that citizens know about and participate in regional assemblies, are kept abreast of the process, and most of all, support participatory budgeting mechanisms. Without the latter, OP lacks legitimacy. Without the former, it becomes exceedingly difficult to execute.

In most cases, substantial social mobilization around OP has been achieved. Municipal governments, civil society organizations, neighborhood associations, and former participants work to encourage citizen participation in OP, which some view as “Escolas de Cidadania” or Citizenship Schools (Torres Ribeiro & de Grazia 2003, 13). Announcements about upcoming assemblies are disseminated throughout the city in local press, on the radio, through personal correspondence, and by “carros de som,” which drive around neighborhoods with sound equipment to help broadcast information. Orçamento participativo has been received enthusiastically by those citizens who had long been excluded from the political sphere and who felt that the people they were electing were not responding to their needs, priorities and wishes, and thus demanded new forms of popular participation (de Oliveira Santos 2004, p. 19). An encouraging aspect of OP is that Brazilians most likely to have been excluded in the past—those with low levels of education, the poor, and women—have participated in OP in relatively large numbers, though certainly to different degrees and with a tendency for their numbers to decline at higher levels of participation (i.e., among
delegates and conselheiros). For their part, civil society organizations and NGOs strongly advocated for new institutions that would break with past populist, patrimonialist, and clientelist patterns, as well as introduce greater transparency and accountability into a political system where these were to a large extent conspicuously absent. Civil society initially welcomed these new participatory mechanisms with caution, but support for and participation in OP has grown significantly over the years. For example, in Porto Alegre, the number of participants in OP was 976 in 1990, while by 2002, participation grew to over 20,000 (de Oliveira Santos 2004, p. 21).

Though it has been embraced as an instrument to make up for the shortcomings of electoral accountability, OP has in some ways functioned to weaken horizontal accountability. In most cases, OP is not “legally constituted” but is instead enacted through some form of executive decree, technically making it part of the mayor’s office (Wampler 2004, p. 89; Torres Ribeiro & de Grazia 2003, p. 80). This gives the mayor’s office greater authority and constrains the ability of the municipal council to act as a check on the mayor’s actions. Furthermore, as was mentioned previously, participatory budgeting mechanisms depend in large part on the good will of mayoral administrations. The organization of meetings, the level of information provided, the willingness of bureaucrats to meet with citizens, the authority granted to oversight committees, and the likelihood that projects will be implemented, are all dependent on the commitment that the mayor and his/her governing coalition bring to the program. The wide discretion possessed by mayors, besides undermining horizontal accountability, could potentially cause OP to deteriorate into a “new form of clientelism” in some cases (Wampler 2000, p. 23).

Orçamento participativo was deemed one of the best strategies for urban public administration in the world by the United Nations. Certainly an innovative form of societal accountability, OP

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16 It should be noted that most studies of orçamento participativo tend to focus on the most successful cases, including Porto Alegre. Thus, these figures are in no way representative of the experiences of Brazilian municipalities in general. But they do follow the general expansive trend of OP in Brazil, which has not only grown in terms of the number of participants, but also expanded across the country’s large territory to reach nearly all regions.
simultaneously presents an ideal opportunity to incorporate citizens’ priorities into the policymaking process where elections do not succeed in doing so, well beyond the improved articulation of citizen needs and preferences sought by Participación Ciudadana in the Dominican Republic, but one which is also that much harder to achieve. Aside from being unduly subject to the discretion of mayors, OP must overcome other significant obstacles to truly resolve the problems it was initially intended to address. First, organizers and supporters of the program must “treat unequal people unequally” by making a concerted effort to reach out to the poorest communities and helping to train and prepare them to participate in OP (de Oliveira Santos 2004, p. 24). This is no easy undertaking in poor neighborhoods where residents spend most of the day—and in many cases, much of the night—working, and have very little time to participate in such activities. But, some community organizations are doing just that by employing unique teaching methods and flexible schedules to help accommodate members of these communities. A second, and decidedly more difficult task of OP programs is to instill a long-term outlook in its participants. As Wampler (2000) notes, many participants become involved in the process only because they seek implementation of a specific public works project; once that project is complete, they lose interest in the program (p. 23). Much more must to be done to give participants the ability to think about and discuss long-term regional and municipal priorities and the future of the city. It is, of course, necessary to keep in mind that OP programs are still relatively young and that they will need several years to grow and develop before they can truly confront the complex goals they were intended to achieve. Though much work still needs to be done, like the efforts of Participación Ciudadana, they have at least succeeded (for the most part) in initiating an important change in the nature of relations between citizens and their elected representatives by giving citizens much greater access to the decision making process and improved ability to monitor government activity.
Public Services in Latin America, 1980-2000

The extended interlude presented above give us an indication of the efforts being undertaken by Latin American citizens and civil society groups to improve democratic governance and the challenges they face. But it does not give us a full picture of democratic performance throughout the region. As discussed in earlier sections, we have seen growing frustration among the public with regard to democracy in much of Latin America. Tempered views about democracy can be explained, at least in part, by the initial high expectations of what democracy should accomplish. Recall the statement made by Raul Alfonsin during the 1983 presidential campaign in Argentina: “with democracy you eat, you educate and you cure.” The notion that democracy is a panacea for all of the problems that plague the region has all but vanished from the minds of many Latin Americans. Yet perhaps they were right to expect some measure of improvement in “social rights” with the transition to democracy. Figure 1 below shows regional averages for a number of public service indicators. The second column shows figures for countries prior to their transition to democratic rule while the third column shows post-transition figures. It is readily apparent that, without drawing conclusions about relationships or causality, there were clear improvements in each indicator when moving from the pre-transition column to the post-transition column.

**Fig. 1**
Public Services in Latin America, Before and After Transition to Democracy, 1980-2000

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pre-Transition</th>
<th>Post-Transition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary School Enrollment (% gross)</td>
<td>102.34</td>
<td>105.82</td>
</tr>
<tr>
<td>Secondary School Enrollment (% gross)</td>
<td>46.76</td>
<td>53.79</td>
</tr>
<tr>
<td>Adult Literacy (% ages 15 and above)</td>
<td>75.79</td>
<td>83.53</td>
</tr>
<tr>
<td>Youth Literacy (% ages 15-24)</td>
<td>84.32</td>
<td>90.95</td>
</tr>
<tr>
<td>DPT Immunization (% immunized)</td>
<td>54.04</td>
<td>70.54</td>
</tr>
<tr>
<td>Measles Immunization (% immunized)</td>
<td>56.70</td>
<td>73.39</td>
</tr>
<tr>
<td>Infant Mortality (per 1,000 live births)</td>
<td>54.99</td>
<td>33.49</td>
</tr>
<tr>
<td>Life Expectancy at Birth (years)</td>
<td>64.49</td>
<td>68.20</td>
</tr>
<tr>
<td>Spending on Education (% of GDP)</td>
<td>3.07</td>
<td>3.40</td>
</tr>
<tr>
<td>Spending on Health (% of GDP)</td>
<td>2.18</td>
<td>2.39</td>
</tr>
</tbody>
</table>

*Source:* World Bank, World Development Indicators; CEPAL, Base de Estadisticas e Indicadores Sociales
We can conclude that with the emergence of democracy we have seen a difference in public service provision; the factors that might lead to that difference will be examined at greater length below. Before moving along, however, I want to discuss some general trends in public service provision in Latin America (see graphs in Appendix). The graphs show a number of public service indicators for Latin America as a whole (except Cuba) for the years 1978-2002. Although there are certainly variations over time and across the various nations, there is a general upward trend in all of the indicators over time. Some, such as adult and youth literacy, life expectancy and infant mortality, show steady improvement with little variation, meaning that this trend probably extends back prior to the emergence of the “third wave” of democratization. Other indicators, such as primary and secondary school enrollment as well as spending on education and health, saw significantly greater improvements during the 1990s than in the 1980s. These graphs of public service indicators seem to show that just as democracy increased in the region from the 1980s to the 1990s, so too have certain types of public service provision, lending further support for the notion that democracy generally leads to better public services. Now that we know a bit more about democracy in Latin America, and about public services in the region, I will now proceed to a discussion of how I will try to examine this relationship more rigorously.

Variables and Data

The dataset I constructed includes data from twenty Latin American countries between 1978 and 2002, yielding a total of 520 observations. In order to test the relative effects of our four different components of democracy on the provision of public services, I will employ multiple regression analysis using a number of indicators of democracy as the independent variables, several measures of public service provision as dependent variables, and per capita income as a control variable.
Independent Variables: Indicators of Democracy

The independent variables in this study are four components of democracy, each of which is measured by one of the indicators of democracy discussed below. Although they do not always correspond perfectly with the definition of democracy above, they are fairly close approximations (at least as close as available measures of democracy will allow me to get) and capture the essence of the concepts represented by each of the characteristics of democracy included in the definition.

The first component of democracy, electoral contestation, will be represented by Tatu Vanhanen’s Index of Democracy (ID) measure. Vanhanen (2000) defines democracy as a “political system in which ideologically and socially different groups are legally entitled to compete for political power, and in which institutional power-holders are elected by the people and are responsible to the people” (p. 252). Reflecting what Vanhanen views as the most important dimensions of democracy, ID is a combination of the degree of competition and the degree of participation. The former is measured by the percentage share of votes for the smaller parties in an election (or their share of seats in the legislature); the latter is measured by the percentage of the adult population that voted in the elections.\footnote{Vanhanen’s dataset includes annual values for the three variables for all countries in the world from 1810 (or year of independence) to 1998.}

The concept of the winning coalition size in Bueno de Mesquita et al. (2003), discussed above, will serve as a proxy for the second dimension of democracy, citizen participation. Although these are not exactly the same concept, they both convey a notion of the size of the group to whom politicians must be responsive and on whom they depend to stay in office. The variable $W$, or winning coalition size, is a composite index based on variables from Arthur Banks’ Political Handbook of the World and Polity IV: REGTYPE, XRCOMP, XROPEN, and PARCOMP. Banks’ REGTYPE refers to a regime’s status as military or civilian; Polity IV’s XRCOMP and XROPEN refers to the

\footnote{The Index of Democracy is constructed by multiplying the Competition and Participation values and then dividing the product by 100 (see Vanhanen 2000, p. 256).}
competitiveness and openness of executive recruitment, respectively; PARCOMP, also from the Polity IV dataset, measures the competitiveness of participation. Bueno de Mesquita et al. (2003) use these four variables to construct $W$ because each “speak[s] directly to the dependence on more or fewer people in gaining and holding office” (p. 135). The dataset offers values of $W$ ranging from 0 to 1 for 192 different countries between 1816 and 2000.

The data for the civil liberties component will come from Freedom House’s “Freedom in the World” series, which, since 1972, provides annual ratings of countries as Free, Partly Free or Not Free, based on a 25-point political rights and civil liberties checklist. Aptly enough, I will use the Civil Liberties variable to measure the degree of civil liberties in a particular country. Civil liberties measures freedom of expression, freedom of the press, freedom of association, etc., directly; and the “ability of private individuals and groups to monitor and criticize the government and to freely engage in social, political and economic activity” indirectly (Broz 2002, p. 877). The values for Civil Liberties range from a high level of 1 to a low level of 7. In order to have all independent values moving in the same direction, I reversed the scale so that the measure now ranges from 0 (representing low civil liberties) to 6 (representing high civil liberties).

The final indicator of democracy is, arguably, an approximation of the horizontal accountability dimension. It comes from the widely used Polity IV dataset, which rates nations, from 1810 (or year of independence) to 2002, as democracies or autocracies along a 21-point scale according to the following indicators: (1) competitiveness of political participation; (2) regulation of political participation; (3) competitiveness of executive recruitment; (4) openness of executive recruitment; and (5) constraints on the chief executive. The Polity scale ranges from $-10$ to $+10$ (coherent autocracy to coherent democracy). Although it measures other factors as well, Polity is

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18 It should be noted that the Freedom House measure does not simply discern the level of civil liberties in a nation by looking at what is written in its constitution. The measure is based on the extent to which these freedoms are actually observed and exercised in practice.
used here as a measure of horizontal accountability because, as Gleditsch and Ward (1997) demonstrated, the degree of constraints on the executive “virtually determines the democracy and autocracy scale values” with a correlation of 0.90 between XCONST and the final value of democracy (p. 380). Indeed, the concept of executive constraint is “similar to the notion of ‘horizontal accountability’ found in the democracy literature” (Marshall & Jaggers 2002, p. 63).

Using these four indicators of democracy as measures of the dimensions identified above, we can test empirically the impact of each one on the provision of public services. It is worth reiterating that these four components of democracy are not independent of one another by any stretch of the imagination. But for this exercise, it will be useful to think about them as such in order to see which, if any, appears to be the main factor at work in the observed strong relationship between democracy and public services. Such an effort is particularly important in a setting of many imperfect democracies such as those found in Latin America, where we see different configurations of these elements over time and across countries. We may not come to any decisive conclusions but it is essential to begin thinking about this question and to try to arrive at some tentative answers.

**Dependent Variables**

The dependent variables representing public service provision consist of ten health and education indicators. The health indicators are: (1) public spending on health as a percentage of GDP; (2) infant mortality rates, per 1,000 live births (3) life expectancy at birth; (4) immunization rates of children between the ages of 12 and 23 months who were immunized for DPT before the age of one (diphtheria, pertussis, and tetanus); and (5) immunization rates of children between the ages of 12 and 23 months who were immunized for the measles before the age of one. The following are the education indicators: (1) public spending on education as a percentage of GDP; (2)

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19 In fact, for the Latin American cases between 1978 and 2002, the correlation between the XCONST variable and the final Polity score was .96.
primary school enrollment (% gross)\textsuperscript{20}; (3) secondary school enrollment (% gross); (4) adult literacy rates (% of people ages 15 and above); and (5) youth literacy rates (% of people ages 15-24). The data for public spending on health and education come from the Economic Commission for Latin America and the Caribbean’s “Base de Estadisticas e Indicadores Sociales” database. Data for all other variables come from the World Bank’s World Development Indicators database.

**Control Variable**

As so many scholars have emphasized, one must always control for per capita income when testing the relationship between regime type and public services. This is particularly important considering the strong correlation between wealth and democracy (see Przeworski & Limongi 1997), and the tempering influence of regime type on public services at higher levels of economic development (see Brown 1999). Wealth will thus be controlled for here using data for real GDP per capita in constant dollars (international prices, base year 1985), from NYU’s Development Research Institute’s Global Development Network Growth Database.

**Regressions**

Due to large amounts of missing data for some of the dependent variables, the regressions will be run using two main samples in order to keep the number of observations \((N)\) somewhat more stable. The first sample (Sample 1) consists of 114 observations for 19 countries\textsuperscript{21} for the years 1980, 1985, 1990, 1992, 1995, and 1997; while the second sample (Sample 2) includes only data for 1991-1998, yielding 152 observations. The latter is of particular relevance to this discussion because after 1990, all the countries of Latin America (except of course, Cuba) were at least nominally

\textsuperscript{20} This corresponds to the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to that level of education.

\textsuperscript{21} While the dataset includes Cuba, it is excluded from the regressions because reliable data for per capita income is not available. In any case, as a “nondemocracy” throughout the observed period, Cuba is not necessarily relevant to this study.
democratic. Comparing a group consisting only of democracies grants us the opportunity to examine more precisely the effects of the development of different democratic components.

As Figure 1 above demonstrates, democracy has made a difference in public service provision in Latin America. But in order to test the now familiar relationship between democracy and public services more thoroughly, I performed individual regressions with each of the four indicators of democracy and each of the public service indicators, first using Sample 1 and then using Sample 2 (not shown). As expected, I found that democracy (operationalized differently by each indicator) was generally positively correlated with public service provision when income per capita was held constant. The trend was stronger for Sample 1, which includes data from both the 1980s and 1990s, than for Sample 2, which consists of observations from the 1990s alone. In particular, *ID* and *Polity* both performed significantly better when Sample 1 was used.

Having regressed each measure of democracy individually and observed that democracy (however one chooses to define it) generally leads to improvements in public service provision, we can proceed to testing the relative effect of each component. I did this by regressing all four indicators simultaneously, so that the relationship between each indicator and public services can be calculated while holding every other indicator, as well as income per capita, constant. Several sets of regressions were run with these variables to measure the relationship between the democracy indicators and the various public service indicators, with both Sample 1 and Sample 2. A second set of regressions seeks to examine this relationship more closely with respect to the role of economic development.

*Hypotheses*

As discussed above, several of the factors that make Latin America an interesting region from which to study the relationship between democracy and public services, and which heighten the imperative for democracy to produce good results—such as the relative youth of democracy in
the region as a whole, the appallingly high levels of inequality, and the constraints placed by neoliberal reforms—also serve potentially to hinder democracy’s ability to do so. Thus, I do not expect to see any definitive answers to the question proposed in this paper: which component of democracy is responsible for the better provision of public services? Yet, even without expecting overwhelmingly strong results, I would nonetheless anticipate to see a number of positive correlations that, together with the discussion presented in this paper, may help inform democratic reforms intended to improve public service provision, and perhaps serve as a foundation for further, more rigorous, study of this complex but encouraging relationship.

With the above clarifications in mind, I expect to see a number of general, if tentative, trends in the regression analysis based on my previous discussion of the potential role of various components of democracy on public service provision. In short, I argued that elections and horizontal accountability had serious shortcomings and could therefore not be the principal causal mechanism leading democracies to provide better public services. Even the freest and fairest of elections (on their own) do not guarantee that citizens will have sufficient information about candidates and their proposals in order to make informed choices at the voting booth. Nor do they necessarily mean that citizens will have the information about what leaders do while in office necessary to decide whether to punish or reward incumbents during the next election. Mechanisms of horizontal accountability can often fall short in this regard, particularly in settings such as Latin America, where institutions are generally weak. Furthermore, neither of these provides citizens with any other tools, aside from the vote, to express their priorities and preferences to elected officials. I argued that in order to facilitate this, additional mechanisms, including freedom of expression and association, the right to petition and the free flow of information—in short, civil liberties—are necessary. Thus, I would expect the ID variable (measuring electoral contestation and participation), and even the Polity variable (an indicator of horizontal accountability) to diminish in importance
when it is regressed together with the other independent variables. In addition, based on the discussion above, I would expect that the Civil Liberties variable would generally outperform the other indicators of democracy, though probably not by much. Naturally, I also expect level of economic development to be an important factor, with all indicators of democracy having a greater effect on public service provision at lower levels of per capita income.

Results and Interpretation

As anticipated, the regressions did not produce particularly strong results. No one component can truly be singled out as the seemingly determinant factor in the provision of public services. The results do allow us, however, to observe a number of interesting relationships, some of which support the arguments made here, while others do not.

The results from the regressions using Sample 1 data (Table 1) at first glance appear to challenge the predictions made above. Contrary to these arguments, the ID measure does in fact outperform the other components of democracy on four of the public service indicators, though the Civil Liberties variable also yields statistically significant positive relationships with a number of the dependent variables, particularly literacy and life expectancy. When considered together with the results presented in Table 2, which consists of the results of regressions using Sample 2 (data for 1991-1998), we begin to get a slightly different picture. Whereas ID outperformed the other democracy variables in the first sample, civil liberties performs better (as does winning coalition size, W) and the effect of ID, which maintains only a strong relationship with secondary school enrollment, diminishes significantly when data from the 1990s are used. These results make sense when one considers the data included in each sample. The first sample, Sample 1, includes observations for countries that had been democratic for a number of years, countries that had only recently undergone transitions, and countries that had yet to make those transitions. Meanwhile,
Table 1 Here
Table 2 Here
with the data in Sample 2, consisting of observations for 1991-1998, all of our 19 countries were at least nominally democratic.

Certainly, our 19 countries had each been democratic for a different length of time and were at different stages of democratic development. But the presence of (presumably) competitive elections in all countries during this period makes this a less useful characteristic for differentiating between countries. Electoral contestation and participation are essential characteristics of democracy, as Table 1 demonstrates. These were a key feature for identifying democracy at a period when we saw the emergence of many new democracies, as well as for distinguishing democracies from nondemocracies. However, as more democracies emerge, and nations become increasingly democratic, other components become more important for distinguishing one country’s democratic performance from that of another. Though the data do not allow us to be too certain in drawing conclusions, they do at least appear to support this notion. We certainly do see that more competitive elections generally do lead to better public services (Table 1). Table 2 on the other hand, seems to tell us that, as democracy develops, other factors come to play a more significant role in public service provision. We see, for example, that ID’s effect on DPT and measles immunization disappears and instead the Civil Liberties and W variables come to have greater effects on immunization. Thus, when there are mechanisms allowing people to express their preferences more effectively and to monitor government performance (Civil Liberties), as well as when elected officials must be responsive to larger numbers of people (W), we might expect these factors to lead to better public service provision than electoral contestation alone.

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22 A separate set of regressions was run using both samples controlling for the length of time a country had been democratic, loosely defined as the number of years since that country began its transition to democracy. Surprisingly, the years since the transition to democracy began did not appear to be a major factor when democracy and wealth were held constant; the results were very similar to those in Tables 1 and 2.
The Impact of Economic Development

As can be seen in Tables 1 and 2, economic development has a slight, yet significant, effect on public service provision. In order to arrive at a better understanding of this relationship, we would have to learn more about the role of economic growth. With this in mind, I ran the same sets of regressions as before, this time using a variable for growth (the percentage increase each year) in real GDP per capita. Given the double-digit coefficients and the statistically significant relationships with many of the public service indicators, including school enrollment, literacy, and infant mortality, economic growth appears to be a more important factor than simply the level of economic development during a given year (see Table 3). We also see a familiar pattern: when Sample 1 is used, the ID variable is the democratic component that correlates best with public service provision, yielding statistically significant relationships with all but two of our public service variables (primary school enrollment and public spending on education). Yet, with Sample 2 (Table 4) civil liberties comes to play a greater role than ID and the other indicators of democracy. An interesting result, however, distinguishes Tables 3 and 4 from the first two tables, where the level of income per capita, rather than growth, was used. Whereas with Tables 1 and 2 wealth appeared to have a relatively minor (though certainly significant) effect on public service provision, Table 3 demonstrates that not only is economic growth a key factor in public service provision, but that its effect may well be exponentially greater than that of democracy. Table 4 supports this to a considerably lesser extent, though we still see the strong effect of economic growth on DPT immunization and secondary school enrollment.

These results tell us more about the role of wealth in public service provision, but the relationships being examined here are extremely complicated and remain somewhat of a mystery. The importance of controlling for wealth when trying to ascertain the role of democracy in the provision of public services has already been discussed here. Yet it is worth mentioning again that
Table 3 here
Table 4 here
wealth has a considerable impact on public service provision on its own. At the same time, there is also a strong relationship between wealth and democracy. Thus, at higher levels of income, it may not be possible to discern whether the factor most affecting a country’s public service provision is its wealth or its level of democratic development. Simply put, as wealth increases, there will be more private alternatives to traditional public services, so that the impact of regime type may well become considerably less significant. With the goal of excluding wealthier countries from the study, I ran a separate set of regressions for both samples including only observations for which the real GDP per capita was below $4365.23

When observations where real GDP per capita exceeded $4365 were dropped from each sample, we get somewhat surprising results. Given the effect of higher income on public service provision, one might have expected that at lower levels of economic development, the impact of democracy would have been even more pronounced than in the general samples used earlier. As the results in Table 5 demonstrate, however, this is not quite the case. Here we see that even when per capita income was relatively low, it nonetheless had a significant impact on public services. Although one would probably be correct in supposing that, where resources are low, any incremental increases in those resources would make a substantial difference, it seems unusual that our indicators of democracy do not play a more significant role. The effect of even the ID variable, which was an important factor when all observations in Sample 1 were used in previous regressions (see Table 1), was notably diminished here.

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23 This amount was chosen based on Brown’s finding that once per capita income reaches $4,365, the effect of regime type becomes less significant, as discussed above. It should be noted that Brown uses a different measure of GDP per capita from that used here, which raises some methodological issues. But the purpose of this exercise is merely to separate wealthier countries from less wealthy countries, and to examine the role of democracy in the latter subset of countries, not to find the level of wealth at which democracy no longer makes a difference (this is certainly an essential question, but with the relatively low number of observations, breaking up each sample further by income would not be likely to yield much in the way of statistically significant results). Thus, for this purpose, the $4365 figure serves as good a cutoff point as any other.
Table 5 Here
Table 6 here
Once again, our second sample, which consists of only 1990s data, tells a slightly different story. Just as with the first sample, real GDP per capita still has a significant positive relationship with many of the public service indicators (Table 6). However, we can also see that our democracy indicators begin to make a comeback, so to speak. Just as we saw in Table 2, the Civil Liberties variable displays a more significant relationship with measles immunization, literacy, life expectancy and infant mortality; although $W$ (winning coalition size) also does relatively well, with a strong and significant effect on DPT and measles immunization. Thus we see at least some support for the arguments developed above regarding the role of different components of democracy in the provision of public services.

The results in Table 3 appear to contradict those of Table 1, but perhaps this discrepancy can be explained by the fact that, in dropping the wealthier countries from the sample, we also lost a substantial number of democracies.\textsuperscript{24} Under these conditions, Sample 1 included a higher proportion of autocracies than was the case in the earlier set of regressions. Here, elements of democracy such as competitive elections and civil liberties become less relevant, as can be seen in Table 3. Sample 2, on the other hand, did not present the same problem. Although there were certainly autocratic episodes within the sample, including Fujimori’s autogolpe in 1992 and the overthrow of Aristide in 1991, the vast majority of observations were of democracies, giving us a better opportunity to test the effects of different elements of democracy on public services than does the first sample.

\textit{Some Additional Puzzles}

Before concluding this discussion of the multiple regression analysis, it seems necessary to pause in order to highlight briefly, and explore further, a couple of puzzling results that seem contrary to those of previous studies of the relationship between democracy and public services.

\textsuperscript{24} In general, democracies tend to make up a much larger proportion among the wealthier countries in the world than nondemocracies (see Zweifel & Navia 2000, p. 103).
The first “puzzle” concerns the less than stellar performance of the *Polity* variable in our regressions of various components of democracy. *Polity* is one of the most, if not the most, widely used measures of democracy in political science. Indeed, both Brown’s and Lake and Baum’s studies relied on *Polity* as their primary measure of democracy and generally found strong positive and statistically significant relationships between *Polity* and the public service indicators. Yet, in Tables 1-6 we see that not only is the *Polity* variable rarely positively related to the public service indicators, in some instances, it is *negatively* and significantly related to some of the public service variables. How can we account for this apparent contradiction?

Although we may not be able to single out the cause with certainty, it seems likely that *Polity* does not perform as well when other components of democracy are held constant. Using different elements of democracy as independent variables in regressions means that each one is tested with all other components held constant. In reality, of course, these different components do not function independently of one another; they are in fact very closely related. The effect of this relationship might be that they may cancel each other out to varying degrees when all are used as independent variables. In the studies done by Brown and by Lake and Baum, *Polity* was the sole measure of democracy used\(^{25}\) and it proved to be a strong factor in public service provision. But it is highly possible that its effects were canceled out by the other indicators of democracy that were used as independent variables in my study.

The second set of results that are inconsistent with previous studies has to do with primary school enrollment. Tables 1-6 would seem to tell us that democracy does not have much of an impact on primary school enrollment: none of our independent variables appears to have a consistent significant relationship with primary school enrollment, though the *ID* variable has a strong effect on secondary school enrollment. Yet, Brown’s study clearly provides us with strong

\(^{25}\) Both studies also used the Freedom House measure to check the robustness of their results, but the two measures of democracy were not used simultaneously in the regressions.
evidence to the contrary. How do we reconcile this blatant contradiction? Is it a result of the “canceling out” effect of separating components of democracy and using them as independent variables? Or is primary school enrollment the result of some other factor, such as government expenditure on education?

In order to clarify the situation a bit more, I ran regressions where I added public spending on education as a percentage of GDP as an independent variable. The results are shown in Table 7 below. As we can see, spending on education appears to have the greatest impact on primary school enrollment overall. In fact, it is the only significant factor when Sample 1 is used. Yet, when only data from the 1990s are used we see that, although spending on education remains an important factor, the \( ID \) variable and the \( W \) variable especially, come to play significant roles as well. Intuitively, these relationships make sense. School enrollment is a highly visible indicator of government performance that also reaches a large part of the population. Thus it is not surprising that more competitive elections (\( ID \)) and having to maintain the support of a larger group of people to stay in office (\( W \)) would lead government officials to work to increase school enrollment in order to demonstrate that they are “doing something” to benefit large segments of the population.
Table 7 - Factors Affecting Primary School Enrollment

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>(1)</th>
<th>(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>81.306***</td>
<td>81.356***</td>
</tr>
<tr>
<td></td>
<td>(6.152)</td>
<td>(5.911)</td>
</tr>
<tr>
<td>Spending on Education</td>
<td>2.137**</td>
<td>3.104***</td>
</tr>
<tr>
<td></td>
<td>(.911)</td>
<td>(.670)</td>
</tr>
<tr>
<td>Civil Liberties</td>
<td>.532</td>
<td>-7.19</td>
</tr>
<tr>
<td></td>
<td>(1.580)</td>
<td>(1.208)</td>
</tr>
<tr>
<td>ID</td>
<td>.244</td>
<td>.375**</td>
</tr>
<tr>
<td></td>
<td>(.185)</td>
<td>(.136)</td>
</tr>
<tr>
<td>W</td>
<td>13.413</td>
<td>19.566**</td>
</tr>
<tr>
<td></td>
<td>(8.409)</td>
<td>(9.149)</td>
</tr>
<tr>
<td>Polity</td>
<td>-.678</td>
<td>-1.228**</td>
</tr>
<tr>
<td></td>
<td>(.411)</td>
<td>(.429)</td>
</tr>
<tr>
<td>Real GDP per capita</td>
<td>.001</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>(.001)</td>
<td>(.001)</td>
</tr>
<tr>
<td>R^2</td>
<td>.21</td>
<td>.34</td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>115</td>
</tr>
</tbody>
</table>

Note

(1) Regressions were done using Sample 1; (2) Regressions were done using Sample 2
*p ≤ .10. **p ≤ .05. ***p ≤ .001

A More Sober View

As would be expected, it is not possible to single out with certainty the aspect of democracy that is most prominent in improved provision of public services based on the results presented above. The relationships we saw here were often inconsistent and uncertain, and in some cases, could well be spurious. We should be particularly cautious, for example, in drawing conclusions with variables, such as adult and youth literacy, that displayed a steady upward trend even before the emergence of democracy throughout the region. More sophisticated statistical analysis must be performed before we can truly be confident that the positive relationships between individual components of democracy and public service indicators are not in fact due to a third, unknown factor.
Although these results do not allow us to come to definitive conclusions, they do at least help us understand a couple of things about the relationship between various components of democracy and the provision of public services. By using two samples, we were able to see the roles that different components of democracy might play under different conditions. The first sample included a wide range of regimes—outright autocracies, countries in transition, young democracies and consolidated democracies. The second sample consisted only of democracies, though some were only minimally democratic. In general, results from regressions using the first sample showed that the ID variable outperformed the other indicators of democracy, highlighted the importance of competitive elections. Yet, as expected, the ID variable became considerably less important when the second sample was used. When all but a few observations were of democracies that hold elections, this feature becomes less useful, both as a point of comparison across countries and as an explanatory factor for the relationship between democracy and public services. With the results for the second sample, we saw that other components of democracy assume more prominent roles.

Consistent with the arguments advanced above, the observance of civil liberties became much more important and often outperformed the other democracy indicators, although in some cases, the \( W \) measure yielded strong relationships with some of the public service variables. Although I must stress once more the need to be cautious with these results, particularly because of the strong relationship between \textit{Civil Liberties} and the literacy variables, these patterns did show themselves to be fairly consistent, and can perhaps serve as a basis for further study of the complex relationship between democracy and public services.

\textbf{Conclusion}

As has been emphasized throughout this paper, it is essential to study which aspect of democracy is primarily responsible for the strong relationship between democracy and public services that so many authors have observed. Such an effort could be quite useful in guiding
policymakers throughout the region and could suggest new directions in institutional reforms to make Latin American governments more responsive and accountable to its citizens. This is of particular importance as a growing number of Latin Americans feel that democratic rule is not living up to their expectations. In this paper, I began a search for answers to these complex questions. I presented a discussion of different components of democracy—elections, horizontal accountability, and civil liberties—and considered the potential effects of each on public service provision. Having found that elections and horizontal accountability often come up short in bringing about government responsiveness and accountability, particularly in the Latin American setting, I argued that the effective exercise of civil liberties could offset these shortcomings by providing citizens with more instruments to express their preferences more effectively as well as to monitor and disseminate information about government performance. Indeed, as Smulovitz and Peruzzotti (2000) observed, citizens throughout Latin America are utilizing such strategies, which they call “societal accountability,” to overcome the “deficiency of electoral mechanisms of control” (p. 151).

Regression analysis provided some support for my argument. The results underscored the importance of electoral competition, but they also showed that as democracy develops, elections become less useful as a means of distinguishing one country’s public service provision from that of another, and civil liberties come to play a more significant role.

Although these results are encouraging and tell us a great deal about the relative effects of different components of democracy on the provision of public services, this is only the beginning. Much more research must be done on this subject before we can truly begin to understand this relationship. First, as has already been mentioned, more rigorous testing of the relationship between distinct elements of democracy and public services in Latin America must be performed before we can be confident in the results presented above. It may well be the case, for example, that twenty years is not a long enough period to allow us to fully examine this relationship. Along with extending
this study forward, so to speak, as more time passes, it might also be worthwhile to extend it backwards in order to compare the provision of public services during and after the “third wave” of democratization to that during the two decades preceding the third wave, when dictatorships rather than democracies, were the norm throughout most of Latin America. Second, the analysis of the relationship between different elements of democracy and public services should be expanded to include democracies throughout the developing world, though more factors would have to be controlled for. Such a study would not only shed additional light on this essential question, it could also provide guidance for policymakers, NGOs, and citizens around the world seeking new strategies to improve government responsiveness and accountability. A third area of research that could lead to a better understanding of democracy, would be further study of other outcomes produced by different components of democratic rule. Bueno de Mesquita et al. (2004), for example, study the relative impact of various features of democracy—based on the different dimensions that compose the Polity scale—on human rights and find that multiparty competition appeared to have a greater effect on human rights conditions than other factors.

These are but a few of the many ways in which we can come to achieve a better understanding of democracy; of what factors cause it to have such a “positive and profound effect on the daily lives and well-being of individuals around the globe;” and how we can strengthen democratic governance throughout the developing world to ensure that its benefits can reach even those sectors of society that have been traditionally neglected by and excluded from political processes.
Appendix

Public Service Provision in Latin America, 1978-2002
Figure 1  Adult literacy rates in Latin America, 1978-2002
Source: World Bank’s World Development Indicators Database

Figure 2  Youth literacy rates in Latin America, 1978-2002
Source: World Bank’s World Development Indicators Database
Figure 3  Primary School Enrollment in Latin America, 1978-2002
Source: World Bank’s World Development Indicators Database

Figure 4  Secondary School Enrollment in Latin America, 1978-2002
Source: World Bank’s World Development Indicators Database
Figure 5  Immunization rates for DPT (diphtheria, pertussis, and tetanus) in Latin America, 1978-2002
Source: World Bank’s World Development Indicators Database

Figure 6  Immunization rates for Measles in Latin America, 1978-2002
Source: World Bank’s World Development Indicators Database
Figure 7  Infant mortality in Latin America, 1978-2002
*Source:* World Bank's World Development Indicators Database

Figure 8  Life Expectancy in Latin America, 1978-2002
*Source:* World Bank's World Development Indicators Database
**Figure 9** Public spending on education as a percentage of GDP in Latin America, 1978-2002
*Source: ECLA/CEPAL, Base de Estadistica e Indicadores Sociales*

**Figure 10** Public spending on health as a percentage of GDP in Latin America, 1978-2002
*Source: ECLA/CEPAL, Base de Estadistica e Indicadores Sociales*
References


