



*“Lipset’s observation that democracy is related to economic development, first advanced in 1959, has generated the largest body of research on any topic in comparative politics.”*  
*(Przeworski and Limongi, 156)*

Adam Przeworski and Fernando Limongi, “Modernization: Theory and Facts,” *World Politics* 49, 2 (January 1997): 155-183.

*Thesis:* Przeworski and Limongi analyze Lipset’s theory of modernization empirically by distinguishing two possible theories of modernization (endogenous and exogenous modernization) and testing them.

*Contribution:* Przeworski and Limongi’s work is hailed in some circles as having debunked the myth of modernization. In other circles it is criticized as being too general and misleading because it is missing the specifics that make modernization such a wonderful theory. In either case, Przeworski and Limongi successfully criticized and began debate on a prominent theory in political science.

*Argument:* According to P and L there are two possible assumptions to be derived from Lipset’s theory of modernization- The modernization theory might hold because democracies emerge as countries develop or countries develop and democracy emerges independently of any economic factors.

P and L observed 224 regimes from 1950 to 1990 with reference to levels of development and growth rates.

Endogenous Modernization: The theory of change from within, that autocracies become democracies. Using income per capita, P and L tested to see whether there was a threshold where dictatorships turned into democracies.

The argument against endogenous modernization: Dictatorships can collapse for many reasons: Dictator dies, economic troubles, foreign pressure, etc. Therborn emphasized that Europe democratized because of wars, not democratization (P&L, 158).

Exogenous modernization: The theory that economic progress makes democracies stable.

Still using income per capital and 224 regimes, P and L ran regressions to see if a good economy makes a democracy more stable.

“The more well to do a nation, the greater the chances it will sustain democracy” (Lipset as seen in P and L, 158)

*Assumption* If democracies emerge as countries become economically developed then dictatorships die as countries become economically developed (157)

*Hypothesis:* Dictatorships are equally likely to die and democracies emerge at any level of development.

*Justification:* “Democracy is no a byproduct of economic development”, its presence or absence “is the result of political actors pursuing their goals” (177)

*Findings:*

Endogenous Modernization: P and L found that the theory of endogenous modernization does not hold.

Poor countries (under \$1000) dictatorships succeed one another

Less stable in countries from \$1001-4000 and even less above \$4000, but once they hit \$6000 “the transition to democracy becomes less likely (160).”

Exogenous modernization: P and L found that the theory of exogenous modernization does hold.

In democratic countries democracy survives because “a country is ‘modern’ but [not because] of modernization. (159)”

Income and survival are related since no democracy ever fell in a country with an income per capita greater than Argentina’s in 1975 and Argentina was just a fluke (outlier) anyway (sorry O’Donnell).

Also Found That:

Rapid growth and crisis- growth is good, crisis is bad no matter the state.

*Questions:*

-So if modernization applies only in a few cases as P and L indicate, is it still useful as a theory? Should it be retained or discarded?

-Do P and L offer a new theory or explanation?

-P and L say that democracy is “impregnable in rich [countries]” yet a number of wealthy democracies have changed their forms of democracies. Does that say anything about the impregnability, or is the point moot since they are still democracies?

-Is there a point at which you can write off a case study as an outlier that does not invalidate your findings?

Carles Boix and Susan C. Stokes, "Endogenous Democratization," *World Politics* 55 (July 2003): 517-549.

*Thesis:* Przeworski and Limongi are wrong because they asked the wrong questions and reached the wrong inferences.

*Contribution:* Boix and Stokes "challenge Przeworski and Limongi's refutation of endogenous democratization on both theoretical and empirical grounds. Przeworski and Limongi's work revolutionized the debate on modernization, but it is important to see the work replicated and refuted on theoretical and empirical grounds to test its durability.

*Argument:* Boix and Stokes replicate P and L's study to show that "development in poor and middle income countries increases the probability of democracy for both endogenous and exogenous reasons" (518). They extend the sample size and start collecting data from the mid 1800s instead of the 1950s. And lastly, Boix and Stokes include controls in their model of democratization.

*Assumption:* The initial form of government matters in modernization. Is a weak democracy more likely to stick around as the economy grows and are the actors in a dictatorship more likely to change to a democracy as the economy grows?

*Hypothesis:* P and L make incorrect inferences based on their findings, they have selection problems and they have omitted variable bias.

*Findings:* Chile in 1985 was more likely to become a democracy than Benin due to the hidden mechanisms and consequences of the economic system that P and L did not analyze.

Boix and Stokes, in their replication of P and L, found that only 19 of 123 dictatorships developed and became 'modern.' Only 19 of 123 dictatorships "achieved income per capita of \$4,115" which gave them a probability of 0.5 of becoming a democracy. Because of these numbers Boix and Stokes find it acceptable that some of the dictatorships stayed the same, some fell on time and some fell later (523,524)

B and S also theorize that there are few dictatorships left at high levels of income because they transitioned at lower levels of income (524).

**Findings summed:** With democracies income growth increases the stability. With dictatorships income growth increases incentives to democratize.

*Questions:*

- If P and L did indeed have a "small but significant" finding that they ignored because it didn't fit their theory, what does this indicate?

-Is P and L's study good evidence that sanctions are fine as political tactics since they will not hinder the development of democracy?