

Tolerance and Democracy in Liberal and Authoritarian Market Economies

Report from conference proceedings
on authoritarian capitalism

Glasshouse Forum

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Glasshouse Forum's Executive Summary

According to the established modernisation theory, economic growth leads in the long term to a liberal democratic system. This view presumably contributes to the belief in China's coming democratisation being so widespread. But if Azar Gat is correct in that it is possible to have economic development without liberal democracy, then the modernisation theory needs to be modified so that it can explain why economic development in certain cases leads to democracy, but in other cases does not.

Glasshouse Forum has approached the political scientists Sten Widmalm and Sven Oskarsson in order to acquire a complementary empirical elucidation of the question of the return of authoritarian capitalist states and a critical discussion of the modernisation theory from this perspective. What other factors apart from economic development are significant for the growth and maintenance of a democracy? For a long time the extent of social capital has been considered to be of great significance, but Widmalm and Oskarsson claim that the extent of tolerance is one of the surest ways of predicting whether a society will develop into a democracy.

The position of tolerance in different societies can be measured using the World Values Survey. Widmalm's and Oskarsson's analysis shows that Russia and China have conspicuously low values for tolerance unlike other emergent countries such as India, South Africa and Brazil. This means that the prerequisites for developing liberal democracies in China and Russia are poor, and the study therefore provides support to Gat's line of argument.

This also gives rise to a reformulation of the modernisation theory. Tolerance does not necessarily follow from economic development, is Widmalm's and Oskarsson's conclusion, and for that reason nor does democracy follow from economic development. The prerequisite for tolerance and economic development to go hand-in-hand is that income differences are not too great. Russia and China are markedly unequal societies.

This is how the modified modernisation theory runs: economic development favours tolerance which favours democracy presupposing that societies are relatively equal.