

Does Economic Growth Undermine Democracy?

Economic Factors behind the De-Democratisation in Central and Eastern Europe

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Abstract

Anti-liberal and anti-democratic political (mostly populist) processes in developed countries are seemingly related to the disillusion with liberal democracy. Political analysts cite a weak civil society, growing influence of unelected bureaucracy and judiciary among factors that underlie seemingly irrational voting decisions. We investigate the impact of economic factors on de-democratisation processes in Central and Eastern Europe. There is a general consensus that the unhappiness about growing income disparities often results in voting for anti-democratic parties. Contrary to a common view, we argue that anti-democratic (anti-establishment) voting waves can come at times of robust economic growth (Fidesz 2010, Law & Justice 2015, Trump 2016). That happens because most of developed countries have adopted a specific growth model that intensifies income disparities during high economic growth. On the contrary, during economic crises voters would rather choose established political parties. We try to verify our hypothesis by juxtaposing data on inequalities and living conditions with election voting patterns in our sample countries (to date Hungary, Poland, Slovakia). Our preliminary findings seem to confirm that high economic growth rates did not prevent voting for anti-democratic parties. On the other hand, income inequalities do seem to matter. Populist parties' election gains usually followed prolonged period of inequality growth. The results for Hungary are most robust. Weaker correlation results for Poland may indicate stronger influence of other than economic factors specific for the country like the common attitude to the rule of law, an inefficient education system and (or) the relations between the state and the country's Catholic Church. The other possibility is that the Gini coefficient does not grasp the entire scope of inequalities and there is a need to consider other measures such as differences between various income groups, unemployment and labour rights protection, or a problem of society expectations and perceptions.