Late Colonial Antecedents of Modern Democracy

Christian Bjørnskov, Martin Rode

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Christian Bjørnskov [a, b], Martin Rode [c,*]

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[a] *Aarhus University, Department of Economic, Fuglesangs Allé 4, 8210 Aarhus V, Denmark*

[b] *Research Institute of Industrial Economics (IFN), P.O. Box 55665, 102 15 Stockholm, Sweden*

[c] *Universidad de Navarra, Departamento de Economía, Edificio Amigos, 31009 Pamplona, Spain*

Abstract: Some of the most contested questions in political science and political economy revolve around the conditions under which democratization is likely to happen and when democracy becomes a stable institutional choice. This paper revisits the particular claim in the democratization literature that the type of colonization, and particularly the degree to which Europeans settled in a colony, fundamentally affected the probability that democratic institutions developed and became stable. We revisit this and several other theories of democratization by using a unique source of information – the Statesman's Yearbook – on a large number of non-sovereign countries in the immediate aftermath of WWII. Analysis shows that neither the size of the European population nor the existence of institutions of higher education appear to be important for the subsequent democratization of countries decolonized during the latter half of the 20th century, while the existence of representative political bodies during the late colonial period clearly predicts the existence and stability of democracy in recent decades.

Keywords: Political regimes, Democratization, Colonialism

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* Corresponding author. Tel: +45 87 16 48 19; e-mail: chbj@econ.au.dk. We thank David Savage and participants of the 2019 Australasian Public Choice Conference (Brisbane) for comments on an earlier version, and Jerg Gutmann for data assistance. Bjørnskov also gratefully acknowledges financial support from the Jan Wallander and Tom Hedelius Foundation.

Introduction

The post-communist transition and parallel developments in Africa and Latin America after 1990 rekindled the academic interest in democratization. Since then, questions under which conditions democratization is likely to happen, and when democracy becomes a stable institutional choice, have become some of the most contested in political science and political economy. The recent resurgence of autocracy and the potential decline of established democracies are presently further attracting considerable research interest.

During the last 60 years, multiple studies have dealt with the question of when democratization happens. On the one hand, a prominent strand of the debate holds that stable democracy is predominantly a consequence of economic development. Lipset (1959) famously argued that economic development would bring democracy, as it entails better education and industrialization that would, among other things, result in a modern party system.[1] Przeworski (1991) conversely argues that democratization is not a result of economic development but tends to become a stable institutional choice the richer the country is.

On the other hand, Treisman (2017) and others argue that most democratizations are due to random chance and political miscalculation and only relatively few events are consciously planned regime transitions. Paldam and Gundlach (2018) contend that while events of democratization are almost impossible to predict and may well be random, the direction of institutional change once they occur is systematic: When political institutions change, they predominantly become more democratic in richer countries. As such, Paldam and Gundlach take a middle position between Treisman's rejection of systematic trends and the Lipset / Przeworski argument.

[1] Lipset's claim was that democracy requires sufficiently educated and informed citizens to persist and stable group or class interests to give rise to visible and stable party differences.

Parallel to this ongoing debate on the development-democracy nexus, another strand of the literature finds the determinants of democracy in historical differences, rather than in current economic conditions. A large part of this research line has effectively focused on whether colonial institutions affect post-independence political institutions in a path-dependent manner, and if such persistence is normatively desirable.[2] Most contributions here investigate the impact of colonial structures on comparative economic development (e.g. Acemoglu et al., 2001; La Porta et al., 2008), while a subset has more specifically analysed the importance of colonialism for the democratic development of former colonial dominions and the exact transmission mechanisms (e.g. Guardado, 2018; Lee and Paine, 2019). Notwithstanding, both find overwhelming evidence that colonial history matters a great deal for the development of formal institutions and economic prosperity after transition to independence. Questions on the persistence of these effects have only been raised very recently, with some authors emphasizing the declining impact of colonialism and the growing importance of pre-colonial institutions (Maseland, 2018).

In one of the most influential contributions to this literature, Acemoglu et al. (2001) argue that the introduction of representative political institutions in European colonies was much more likely when Europeans chose to settle permanently: Where the disease environment was favourable, Europeans settled and brought the beginnings of representative democratic institutions. Their claim has since been re-evaluated in the relevant literature (e.g. Ketterer and Rodríguez-Pose, 2018), albeit with some criticisms voiced regarding the accuracy of their data and strategy (e.g. Olsson, 2004; Albouy, 2012). Hariri (2012, 471) also explores historical factors but argues that countries with established statehood *prior* to colonization were less likely to experience institutional transplants, as they had "enough state infrastructure that the colonial powers would

[2] A small literature also explores the historical roots of democracy and institutional capacity in Western countries that were never colonies. Pavlik and Young (2020) for example document the very long-term influence of representative governance institutions in the Medieval period for modern state capacity.

rule to a considerable degree through existing institutions." Some of these institutional transplants may have enabled the development of democracy while others have had the opposite effect. As such, this literature still remains inconclusive.

In this paper, we return to the question of whether modern democracy in developing countries has colonial roots. Yet, contrary to most research following Acemoglu et al. (2001), we focus on factors in the *late* colonial period instead of settlement patterns in early colonial expansion. We do so for several reasons, but most specifically because major institutional changes occurred in most colonies in the interwar period and the years immediately following World War II. In French colonies, the constitution of 1946 that established the Fourth Republic, implied that all colonies would elect representatives to parliament in Paris. Ten years later, *la Loi Cadre* paved the way for decolonisation by establishing national parliaments, formally democratic elections and full suffrage. The degree to which these parliaments were actually representative and elections were *de facto* democratic nevertheless varied. The United Kingdom took a different route by treating each colony as unique, and several colonies had established representative institutions much earlier. Likewise, other colonial powers varied in the ways they approached institutional development in their colonies, such that the late colonial period became characterised by a level of institutional diversity often ignored in popular historical accounts.

We therefore explore whether certain features, such as the size of the European population, institutions of higher education, and total population, affect the probability of having representative political institutions *prior* to independence in the late colonial period, and whether the influence of those same factors persist in the sense of affecting the choice of political institutions today. Employing unique and novel sources of information for a large number of non-sovereign countries in the immediate aftermath of WWII, our findings suggest that neither the size of the European population nor educational institutions appear to be important for subsequent democratization after the last big decolonization wave. Conversely, the existence of representative

political bodies during the late colonial period clearly predicts the existence and stability of democracy in recent decades.

Data

In the following, we rely mainly on two data sources: First, we employ the recently developed database in Bjørnskov and Rode (2020) who provide an update and expansion of the information on regime types and political institutions in the Democracy-Dictatorship data by Cheibub et al. (2010) dating back to 1950. Among other innovations, Bjørnskov and Rode (2020) offer new institutional data for periods under colonial rule covering more than ninety entities at present, thereby offering substantially wider coverage of non-sovereign countries than comparable alternatives, such as the Varieties of Democracy project (Coppedge et al., 2016).

As part of the post-1990 wave has been the rise of illiberal democracy, where some states have introduced multi-party elections but implemented in a way that de facto implies little electoral risk for the incumbent (Zakaria, 1997), it might sometimes be difficult to distinguish between these two concepts. For that reason, Bjørnskov and Rode (2020) provide a variable that captures whether colonies have no regular elections, hold elections in one-party states, elections with opposition parties but without an actual chance of government change, or have full electoral democracy. For the present analysis, this allows us to separate colonies into three groups: Those with a functioning democracy, territories in which the colonial power still 'directed' the elections, and colonies without any representative institutions. Of 94 former colonies in the dataset, 58 are currently categorized as democracies, 34 as electoral autocracies, and only two do not have multi-party institutions: Equatorial Guinea is essentially a single-party military dictatorship and Somalia, as the quintessential failed state, is unable to even hold nation-wide elections. From the same source, we add a dummy capturing if a colony was self-governing.

Second, we combine this data with hand-collected information from early 1950's editions of *The Statesman's Yearbook*. This reference book has been published annually since 1864 and provides

general information on the countries of the world, among it, reliable data on educational institutions and population structure at the time. To the best of our knowledge, the only other recent use of this source in political science or economics is Bjørnskov and Rode (2020).

In particular, we hand collect data on the relative size of the European (or White) population at the end of the 1940s, the total population, the total land area covered by the colony, and whether colonies presented institutions of secondary or tertiary education at the time (Statesman's Yearbook, vd). Combining data on colonial and current democracy with information on the share of European population can be thought of as a direct test of Acemoglu and Robinson's (2001) claim that colonial and post-independence democracy was much more likely to develop where Europeans settled permanently, in our case simply for the last wave of decolonized countries where one would think the association ought to be strongest. In turn, employing data on population density, and the presence of educational institutions (primary, secondary or tertiary) at the time is somewhat more inspired by the influential hypotheses of Lipset (1959).

With a cross-sectional dataset of up to 75 former colonies that are all observed before and after their transition to independence, we attempt to empirically establish the determinants of countries' political institutions at the moment of independence, and for the present day, in the following section. Apart from an application by Bjørnskov and Rode (2020) and Lee and Paine (2019), we are also unaware of any further study that directly associates pre-independence political institutions of colonies with the democratic outcomes of post-independence.

Results

Before going into a more formalized econometric investigation of our cross-sectional dataset, we present a descriptive analysis of transitions between colonial autocracy or democracy and present-day/modern autocracy or democracy in Tables 1 and 2. Table 1 categorizes colonial institutions just before formal independence, while Table 2 does so at the last election before formal

independence. In the case no elections were held, observations in Table 2 are five years prior to independence.

Table 1. Colonial institutions and modern institutions, immediately prior to independence

	Colonial autocracy	Colonial democracy
Modern autocracy	29 (18)	9 (6)
Modern democracy	7 (6)	30 (27)

Note: numbers in parenthesis refer to colonies that were self-governing immediately prior to independence.

Table 2. Colonial institutions and modern institutions, one election prior to independence

	Colonial autocracy	Colonial democracy
Modern autocracy	28 (7)	14 (2)
Modern democracy	8 (5)	25 (22)

Note: numbers in parenthesis refer to colonies that were self-governing already an election prior to independence.

Both tables clearly suggest that political institutions are highly persistent. Only one in five former colonies have not retained the basic type of institutions that were in place in the late colonial period: of 36 that were autocratic in the year prior to independence 29 are still autocratic, and of 39 that were democratic in the last year of being a colony, 30 have been democratic during the last ten years. With respect to the institutional persistence of democracy, the high share of territories with a self-governing status is also notable in both tables. In fact, there are only three democracies in non-self-governing colonies, namely one election in the *Assemblee Territoriale* of French Moyen Congo (the present Republic of Congo) in May 1957, the May 1962 elections in the Gambia (which

gained home rule the year after), and elections in the UN trust territory of the Pacific Islands from 1966.[3]

Table 3 presents a simple linear estimation with Ordinary Least Squares (OLS), where we explore a set of potential structural predictors of the existence of colonial democracy or representative institutions in a cross-sectional dataset of 65 former colonies (with full data). Both of these variables are observed 4-5 years before formal independence of the colony and immediately before the transition to independence. Most control variables refer to the data collected from the 1950-54 editions of the Statesman's Yearbook, as described in the preceding section, where we only do a simple log conversion of the total population and the total area covered by the colony. Following the literature, we further introduce a dummy for colonies of the British Commonwealth, and another one for French colonies.

The findings in Table 3 clearly show that none of these variables can be considered robust predictors of colonial democracy or representation. Only for the dependent variable 'democratic at independence' do we find some indications that having an institution of tertiary education and being a British colony are both significantly and positively associated. In turn, a comparatively larger population and being self-governing are negatively and significantly associated with this same dependent variable. Still, these variables are insignificant in the other four estimations, which is why we cannot consider them to be robust predictors of colonial democracy. For the case of explaining representative institutions at independence, we also find a significant and positive effect of having been a being a British colony, which is very much in line with large parts of the relevant literature (cf. Fails and Krieckhaus 2010; La Porta et al., 2008; Bergh and Fink, 2018).

[3] In 1979, the UN trust territory split into its four current units: the Federated States of Micronesia, the Marshall Islands, and Palau became independent while the Northern Mariana Islands became a commonwealth of the United States.

Notably, the share of the European population is always insignificant in Table 3. This sheds doubt on the hypothesis that colonial powers were more likely to grant their settlement colonies democratic (or representative) institutions during colonial rule. Neither does it seem to be a factor for having been able to create democratic institutions at the moment of formal independence.

Table 3. Predicting colonial democracy

	Democratic five years before independence	Democratic at independence	Representative institutions five years prior	Representative institutions at independence
European	.084	.043	-.004	-.009
population	(.143)	(.033)	(.021)	(.028)
Log area	-.117	.359	-.477*	-.266
	(.234)	(.369)	(.245)	(.349)
Log population	-.422	-1.271*	.123	.126
	(.464)	(.711)	(.426)	(.667)
Secondary	-1.179	2.251	1.107	-.287
education	(1.189)	(1.543)	(.849)	(1.028)
Higher education	.432	3.299**	.007	-.996
	(1.369)	(1.633)	(1.055)	(1.279)
British	1.390	2.470***	-.197	2.076*
	(.856)	(.918)	(.909)	(1.137)
French	-	-1.697	2.427*	.323
		(1.545)	(1.361)	(.939)
Self-governing	.266	-3.692*	-.439	-1.236
	(1.266)	(1.969)	(1.188)	(1.987)
Countries	65	65	65	65
Wald chi square	9.06	16.77	15.65	14.66
R squared	.304	.413	.224	.146

Note: *** (**) [*] denote significance at p<.01 (p<.05) [p<.10]. All regressions include a constant term; numbers in parentheses are robust standard errors.

In the following, Table 4 presents linear OLS results where we explore potential predictors of current democracy in the same cross-sectional dataset of 65 former colonies. The dependent variable is whether the country is classified as democratic in 2018, or the share of time it has been democratic for the last 25 years. We employ the same basic control variables as in Table 3, further introducing a series of dummy variables from the Bjørnskov and Rode (2020) dataset to capture political institutions of colonies at independence or five years prior.

The findings from Table 4 again show that none of the structural colonial variables that we collected from the Statesman's Yearbook can be considered robust predictors of current

democracy. In fact, this time none of them turn out significant in any of the four regressions, which again also includes the share of the European population. Similar to the findings above, this sheds doubt on the hypothesis that settler colonies becoming independent during the last big decolonization wave are substantially more likely to be democratic at the present moment, nor does it seem to be a significant factor for determining whether the former colony has been mostly democratic since formal independence.

Table 4. Predicting modern democracy

	Democratic 2018	Democratic 2018	Democracy share last 25 years	Democracy share last 25 years
European	.002	.001	-.013	.019
population	(.026)	(.019)	(.054)	(.061)
Log area	-.225	.112	-.577	.362
	(.212)	(.205)	(.729)	(.818)
Log population	-.047	-.481	-.280	-1.398
	(.362)	(.386)	(1.448)	(1.533)
Secondary	-1.189	-.433	-6.168*	-2.943
education	(.953)	(.860)	(3.632)	(3.411)
Higher education	-.550	.357	-.926	1.891
	(1.129)	(1.212)	(4.644)	(4.4809)
British	.031	1.404	-1.867	3.534
	(.940)	(.816)	(3.162)	(3.123)
French	1.088	.034	1.723	-1.698
	(1.198)	(1.014)	(3.769)	(3.711)
Self-governing	1.193	-.651	4.228	-3.197
	(1.229)	(1.404)	(4.285)	(4.976)
Institutions at independence				
Single-party	-		6.483	
autocracy			(4.939)	
Multi-party	1.401		4.648	
autocracy	(1.355)		(3.182)	
Democracy	3.702**		17.421***	
	(1.527)		(3.566)	
Institutions five years prior				
Multi-party		2.818**		8.924***
autocracy		(1.393)		(3.196)
Democracy		4.830***		19.344***
		(1.609)		(3.609)
Countries	63	65	65	65
Wald / F stat	25.56	34.07	16.13	17.42
R squared	.266	.328	.463	.489

Note: *** (**) [*] denote significance at p<.01 (p<.05) [p<.10]. All regressions include a constant term; numbers in parentheses are robust standard errors.

In turn, the existence of a colonial democracy, either at the moment of independence, or five years before, is a statistically highly significant predictor of former colonies being an

institutional democracy in Table 4. This is also true for both our dependent variables, the classification as democratic in 2018, and the share of time the respective country has been democratic for the last 25 years. Notably, at five years before a transition to independence, even having been a multiparty autocracy as a colony is positive and statistically highly significant for both dependent variables after decades of independence.

The path dependent element that is present in formalized democratic institutions is indeed strong and highly persistent over time. As reviewed above, this finding is not specifically new, and we are merely able to verify it with new and more detailed cross-country data. Yet, contrary to some of the notable contributions in this area, our findings do not show an influence of geography through settlement patterns conditioning the underlying post-independence institutional environment, at least not for countries that became independent during the last big decolonization wave of the 1950's, 60's and 70's. Our findings rather point in the direction that once even rather rudimentary formal democratic institutions had been set up by the colonial power, for whatever reason that might be, these act as a powerful conditioning factor for the future political development of former colonies.

Discussion

Employing a unique source of information for a large number of non-sovereign countries in the immediate aftermath of WWII, the Statesman's Yearbook, allows us to directly explore some critical claims in the institutional democracy literature. We ask whether certain features such as the size of the European population or the presence of institutions of higher education affect the probability of having representative political institutions prior to independence, and whether the influence of those same factors persist in the sense of affecting the choice of political institutions today.

Notably, we find no evidence that the size of the European population in the late colonial period matters for whether the country subsequently became democratic or, indeed, whether the

colonial institutions were representative or fully democratic at the time. This sheds some doubt on the hypothesis that colonial powers were more likely to grant their settler colonies democratic (or representative) institutions during colonial rule. Settler status also does not seem to be a factor for having been able to create democratic institutions at the moment of formal independence, at least not for countries that became independent during the latter half of the 20th century. Still, one potential reason why we find no differences for settler colonies and those of a more extractive nature, to use the terminology by Acemoglu et al. (2001), could perhaps be that many countries in their study were effectively independent at the time under consideration in our research, most specifically countries in Latin America and certain settler colonies of Great Britain (Australia, Canada, New Zealand). As suggested by Fails and Krieckhaus (2010), the settler hypothesis may only apply to a specific subset of British colonies.

For the subset of former colonies that became independent after 1950, our findings show that the path dependent element, which is present in formalized democratic institutions, is strong and highly persistent over time. It seems that once even rather rudimentary formal democratic institutions had been set up by the colonial power, these acted as a powerful conditioning factor for future political development of newly independent countries.

A separate question, nevertheless, is if the political institutions inherited from colonial times proved to be stable. Occasionally, coups lead to democratization although it remains the exception more than the rule (Derpanopoulos et al., 2016). If colonial history systematically affects the likelihood to experience coups, this could pose a potential problem for an analysis such as the one presented above. However, Bjørnskov and Rode (2020) find no evidence that colonial political institutions affected the subsequent coup risk and although some countries have been particularly prone to experiencing coups, we still observe in institutional persistence in the very long run.

The hopeful message contained in our findings is that the promise of democracy is not necessarily one that has to be achieved over hundreds of years via systematic changes in informal institutions in order to be able to work properly. Within one generation, profound changes to

formal institutions can potentially condition future decisions on political development and turn political democracy into a viable and stable choice. Yet, two crucial questions arise from these findings. First, whether formal path-dependent conditioning also exists for the renewed establishment of more authoritarian political institutions? And second, what factors exactly create these *special* moments in time possible, where profound institutional changes are made possible that condition future political decisions to such a large degree? We leave these questions to future research.

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