Democracy Isn’t the Only System in Crisis Now

Lincoln A. Mitchell

March 4, 2010

The collapse of the Greek economy, which has exacerbated the crisis facing the European Union, along with the bickering, partisanship and inability to get anything done in Washington reflects the post-recession meltdown facing western democracies. Europe and the U.S. are experiencing one of the periodic crises which have come and gone in recent decades. Because of the economic problems, this one may well be worse.

It may take years for the west to recover from the current economic crisis as chronic unemployment may become the new reality for many of these countries. The promise of economic growth and opportunity which has been a defining characteristic of the post-Cold War period is, at least for now, becoming a thing of the past. This new reality will inevitably have a major political impact as people will become increasingly frustrated with government’s inability to solve problems and to inevitable cuts to government services. New parties and angry social movements, like the Tea Parties in the U.S., may emerge; and racial and ethnic tensions will likely increase perhaps coalescing around anti-immigrant policies.

The broad turmoil which this will cause for the western democracies will be serious, but it should be seen in a broader context. The next few years will be tough for the world’s major democracies, but they may be worse for the world’s non-democratic regimes. Keeping non-democratic regimes running smoothly also requires resources, economic growth and stability. However, when these are not in place, it is often more difficult for authoritarian regimes to manage the consequences and the corresponding voter anger.

The sovereign democracy model of Putin’s Russia, for example, was premised on a tradeoff of liberty for order as Russians weary from the turmoil of the 1990s prioritized economic growth and a strong state over the nebulous promise of democracy. Similarly, the social contract of the state corporatist regime in another post-Communist country, China, was based on, among other things, the promise of economic growth and expansion. Throwing incumbents out of office, holding colorful and angry demonstrations, and making vicious, public and personal attacks on the country’s leadership, however, are not options in China, Russia or other similar countries. This leads to weaker accountability in these systems as leaders can fool themselves more easily into thinking that voter anger is not aimed at them.

One of the interesting aspects of the current economic crisis in the U.S. is that while American economic strength, and accordingly, economic power is waning, no other country is really poised to fill the void. The only country that might be able to do this is China, but China’s economy is deeply tied to that of the U.S. Additionally, while China could emerge as the world’s next superpower, it is also possible that the Chinese...
economic bubble could burst or that domestic instability could undermine China’s potential.

While little solace can be taken in the notion that times are rough all over, it remains true. As bad as things are in Europe and the U.S., when the global economy begins to recover, it may be that the west has survived better than the rest of the world. This counterintuitive view is obscured by our own myopia, but it may turn out to be true. The crisis in the west is one of economics and politics, but not really one of regime and governance. The same cannot be so clearly said for the rest of the world.