

# Lessons from transition countries (perhaps for MENA Transition)

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## Lesson 1

- Predictability and legitimacy (Timur Kuran on sparks and prairie-fires, 1989, and lessons for Muslim and Arab countries, recent papers)
- - socialist countries were not aiming at legitimacy (the key reading, for those theoretically inclined, Lukacs on History and Class Consciousness, for those politically inclined Lenin's State and Revolution) , but were relying on repression (people's democracy as the dictatorship of the proletariat)
- - thus, once repression became infeasible, after Polish uprising in 1981, the end was predictable as had been predicted since 1921 onwards

## Lesson 2

- Inefficiency of reforms
- - the (economic) system could not be reformed, thus political change was needed for systemic reforms to be undertaken (first democracy than economic transformation)
- Authoritarian regimes, China, oligarchies perhaps – those are different

## Lesson 3

- Gradual strategies are rarely available
- - continuity was possible in rare cases where the system was already reformed enough (e.g. Slovenia)
- - otherwise, shock therapy (partial or more comprehensive liberalization) was necessary for discontinuity
- There is, however, multiplicity of possible outcomes

Cont.

- Though the starting points are different, the overall tasks are the same
- - market liberalization
- - the proper balance between state control of the economy and the private sector
- - institutional development
- - development agenda

## Lesson 4

- Political change is the necessary condition, but reforms are the key to success
- - democracy can be an instrument of continuity, so reforms that dramatically or decisively redistribute power are needed for discontinuity (Acemoglu and Robinson on the cycles of de jure and de facto power or legitimacy; previous influential work: Robert Dahl on stabilization of democracy and Juan Linz on persistence of authoritarianism)

## Lesson 5

- International anchorage is necessary
- - EU provided it in the case of Central Europe, but not necessarily in the case of the Balkans
- Unclear whether it can offer anchored to its neighbourhood
- IMF and the other multilateral institutions are lacking a framework (Washington Consensus abandoned and no model emerging due to the global crisis)
- USA and NATO security roles also fundamental (relates to Lesson 6)

## Lesson 6

- Nationalism does not help and civil and ethnic strife is the major threat (the example of the Balkans)
- The key is the democratic and civilian control of the military
- If the military or the government have no nationalistic goals (e.g. to defend or extend the nation or its brothers) and the democratically elected government controls the military, peacefull transition is likely (also because international influence will be more beneficial, as in Lesson 5)

## Prospects and Outcomes

- Three possibilities
- - successful democratization with reinforcing reforms
- - one or the other type of non-democratic accommodation
- - temporary democratization with return to some type of autocracy