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DE JURE AND *DE FACTO* DEMOCRACY IN POST-SOCIALIST COUNTRIES

Are *de jure* rules that formally shape democratic systems relevant for the actual condition of democracy? The authors pose this question with regard to post-socialist countries of Europe and Asia and their experiences with democracy since the beginning of their transition process, and the contribution consists in extending the focus to *de jure* institutions underpinning *de facto* democratization and economic performance of these countries. The empirical part employs panel data regression techniques to identify whether certain *de jure* rules of democracy established in the new post-socialist constitutions after 1989 were significant for these countries' 'democratic performance' during transition. The authors relate, in particular, to core components of electoral democracy, as well as to some aspects of its participatory dimension.

Keywords: democracy, *de jure* and *de facto* institutions, post-socialist transition

JEL Classification: H11, K19, K38, K42, P26, P37
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1. INTRODUCTION

For nearly 20 years empirical studies in constitutional economics have been confirming the relevance of constitutions for various economic outcomes (for a survey of much of this scholarship up to 2010 see Voigt, 2011). In principle, these works emphasize the role of factually functioning constitutional rules as commitment mechanisms for political actors. A much more recent strand of this literature is interested in finding whether, and if so, then to what extent, *de jure* constitutional rules, i.e. formal provisions of constitution texts, play a significant role in this context. Given the problems of law enforcement and well-documented cases of *de jure – de facto* constitutional gaps (see e.g. Law and Versteeg, 2013; Metelska-Szaniawska, 2020), the principal research question here concerns whether *de jure* constitutional provisions translate into factual constitutional practice. The

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aim of the paper is, therefore, to examine the relevance of *de jure* constitutional rules for the development of democracy in post-socialist countries.

De jure – de facto constitutional gaps have to date been investigated most thoroughly for constitutional rights and freedoms. With regard to this set of constitutional rules the terms of constitutional underperformance (when countries fail to respect rights which have been coded in their constitutions) and constitutional overperformance (when citizens of those countries actually enjoy rights not encoded in their constitutions), were formulated in the seminal work by Law and Versteeg (2013). More recent studies aimed to identify the determinants/correlates of these gaps (e.g. Metelska-Szaniawska, 2021), underperformance or overperformance (Metelska-Szaniawska and Lewczuk, 2022), as well as asked whether *de jure* protection of constitutional rights and freedoms significantly impacts its *de facto* equivalent (e.g. Melton, 2013; Chilton and Versteeg, 2016; Metelska-Szaniawska and Lewkowicz, 2021).

The current study concentrates on the *de jure* / *de facto* distinction with regard to another crucial component of countries' constitutions – their structural provisions determining the political system according to which these states are governed. This topic was earlier the focus of a global historical study pertaining to data from the period 1820-2000 (Foldvari, 2017), which found a non-linear U-shaped pattern between *de jure* and *de facto* democracy measures with a strong positive statistical relation present from the 1970s onwards. The current paper focuses on post-socialist countries of Europe and Asia[1], which provide a particularly interesting ground for such study. The fall of communism in Central and Eastern Europe in 1989, and later in the former Soviet republics, as well as the transition of their political systems towards democracy that followed, were a turning point in history, when more countries became qualified as democracies than non-democracies (Marshall et al., 2014). To allow for the systemic changes that occurred after 1989, these countries faced the need to introduce new constitutional frameworks. In fact, the adoption of post-socialist constitutions took place in the period 1990-2011, with the greatest intensity from 1990 to 1996[2]. There exists an extensive body of literature linking democratization in post-socialist countries with their economic performance during transition (e.g. Fidrmuc, 2003; Peev and Mueller, 2012; Piatek, 2013), however these studies again focused mainly on *de facto* democratization. The current approaches to

[1] These are: countries of Central and Eastern Europe (Albania, Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia); former Yugoslavian republics (Bosnia and Herzegovina, Croatia, North Macedonia, Montenegro, Serbia, Slovenia); and former Soviet republics (Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan).

[2] All countries except Hungary and Latvia introduced at least a provisional constitution in this period. Hungary operated on the basis of its repeatedly amended 1949 constitution throughout most of the transition, adopting a new constitution as late as in 2011. Latvia returned in 1991 to its 1922 constitution (with significant amendments).

the delineation and analysis of relations between *de jure* and *de facto* institutions, also with regard to their economic effects (see e.g. Lewkowicz and Metelska-Szaniawska, 2016), shed more light and add precision to these studies. The novelty of this paper's approach consists, therefore, in shifting the focus to an unanswered question on the role of *de jure* provisions of post-socialist constitutions, laying the foundations for building democracy in these countries throughout the transition period, for *de facto* democratization of these states.

Democracy, meaning literally 'rule by the people', is in itself a very broad concept. Depending on its precise understanding, current research differentiates between several varieties of this notion, identifying e.g. electoral, liberal, participatory, majoritarian, deliberative, and egalitarian democracy (Coppedge et al., 2011). Given that, as mentioned earlier, protection of rights and freedoms, i.e. the crucial component of liberal democracy, has already received attention with regard to its *de jure / de facto* distinction, this paper concentrates on the core electoral dimension of democracy, as well as on some aspects of its participatory dimension[3]. The empirical part considers the period 1989-2014 and investigates whether post-socialist countries that decided to establish, in their constitutions, political institutions reflecting higher levels of *de jure* democracy relating to the two dimensions mentioned above (in particular, concerning competitiveness of executive selection, the degree of institutionalization of political participation, and the extent of government restriction on political competition), also experienced a higher *de facto* democratization level in the competition and participation dimensions (namely composition of parliaments and voter turnout) and if so, what were the direction and dynamics of this relationship.

The paper is structured as follows: Section 2 provides background information concerning *de jure* democratic institutions included in the new constitutions of post-socialist countries enacted after 1989, as well as the *de facto* condition of democracy in these states during the transition period. It shows significant differences both in the formal institutional frameworks of structure of power in these countries, as well as a variety of experiences regarding their post-1989 path of democratization (including reversals). Section 3 reviews the relevant literature concerning the relations between *de jure* and *de facto* institutions, in particular with regard to political institutions (democracy), determinants of constitutional *de jure / de facto* gaps in post-socialist countries, as well as other factors that were found to influence *de facto* development of democracy in post-socialist countries. Sections 4 and 5 present the building blocks of this study's empirical model and discuss the obtained results according to which there exists limited evidence of the role of *de jure* democratic arrangements in the studied context. The paper ends with the conclusions.

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[3] We refrain from analyzing direct democracy mechanisms, which obviously also contribute to the participatory dimension of democracy, as the *de jure/de facto* distinction in this area has already received some attention e.g. in Blume et al. (2009, 2015).

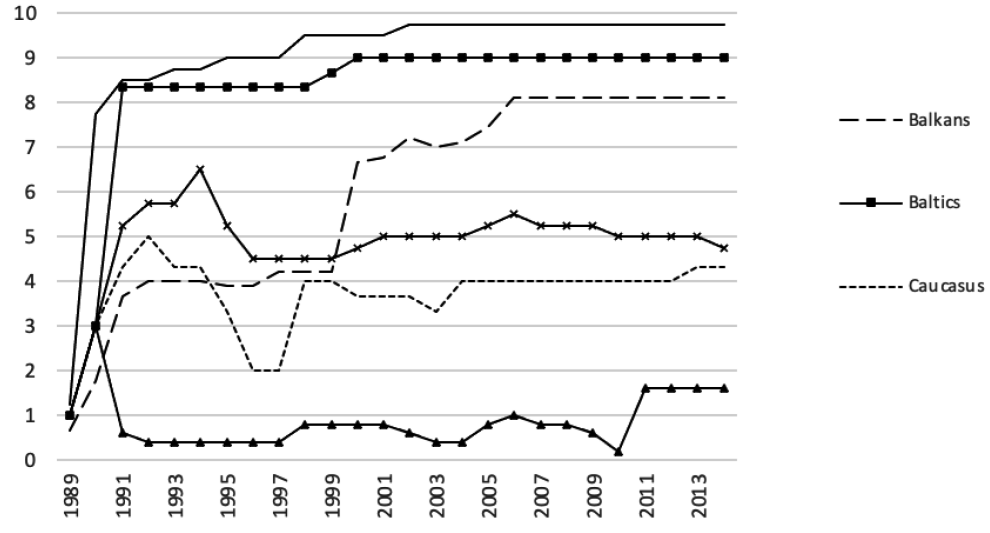
2. DEMOCRACY IN THE POST-SOCIALIST WORLD

The collapse of socialism constituted a remarkable event in world history and created fertile grounds for investigating the mechanisms of democratic transitions. The changes in post-communist countries were in some cases turbulent. Classified as third wave democracies (see Huntington, 1991; Rose and Shin, 2001), these states developed in various directions as far as their political systems are concerned: completing democratization, repudiating free elections and moving to some undemocratic regime, or falling into a low-level equilibrium trap. Political instability in the region was reflected, for instance, during the so-called 'coloured' revolutions of 2003-2005 (Hale, 2005). At the same time, the literature generally confirms that democracy facilitated economic liberalization and through this channel, exerted a positive effect on economic growth during the post-socialist transition (Fidrmuc, 2003).

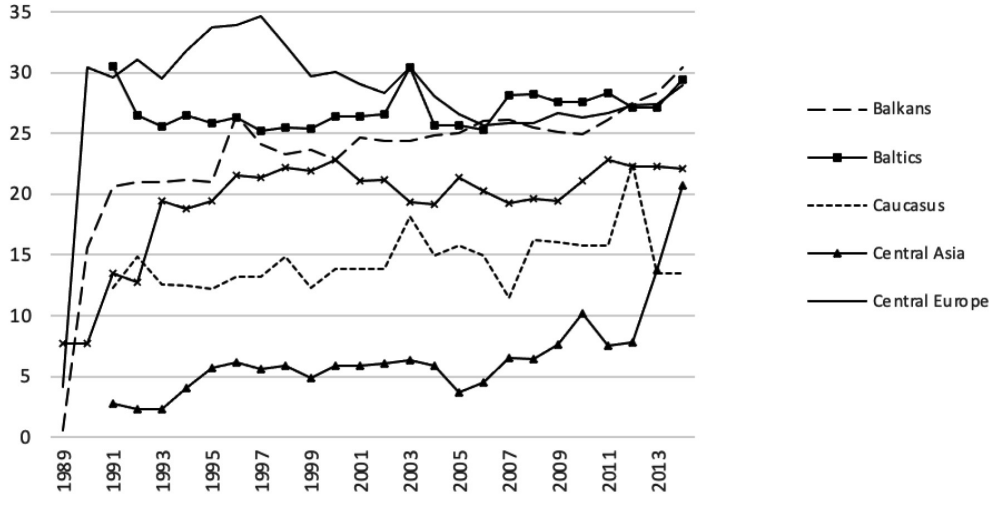
Figure 1 presents the evolution of democracy in various groups of post-socialist countries during their time of transition, as measured by average values of the composite index of institutionalized democracy from the Polity IV database (Marshall et al., 2014) in part (a) and Vanhanen's Index of Democracy (Vanhanen, 2000, 2016) in part (b). These two frequently used measures of democracy aim at capturing the same two dimensions of democracy crucial for our study – competition and participation – however while the components of the former are correlated with formal rules and practices (*de jure* institutions of democracy), the latter relate to a greater extent to actual outcomes (*de facto* democracy) such as the composition of parliaments and voter turnout (Munck and Verkuilen, 2002; Foldvari, 2017)[4]. For the sake of clarity the authors divided the post-socialist countries into six groups based on geography and cultural similarities.

In general, both parts of Figure 1 confirm the increases in democracy scores in the first years of transition (in most cases of a rather radical character), however the trajectories of democratization in subsequent years differ significantly. With regard to the crucial interest of the paper, one can observe that in both graphs the same three groups of countries are the 'better' and the 'worse' performers. As far as the proxy for *de jure* aspects of democracy is concerned, presented in part a) of Figure 1, Central Europe and the Baltics are the unquestionable leaders, reaching an average score above 8 (out of 10) as early as in 1990-1991, with the Balkans catching up gradually and achieving 8 in 2005. The remaining three groups demonstrate significantly

[4] Foldvari (2017) refers to the analysis of main historical trends, Granger causality tests, and correlation with existing measures of *de jure* political institutions to argue that due to the different methodology in constructing these two indices, they turn out to be better proxies of either *de jure* or *de facto* political institutions (pertaining to democracy) and that they may be useful in studying trends of convergence and divergence between these two aspects of institutions. Spruk (2016) also used the same two datasets as the basis for constructing *de jure* and *de facto* measures of political institutions.



a) composite index of institutionalized democracy (*de jure*)



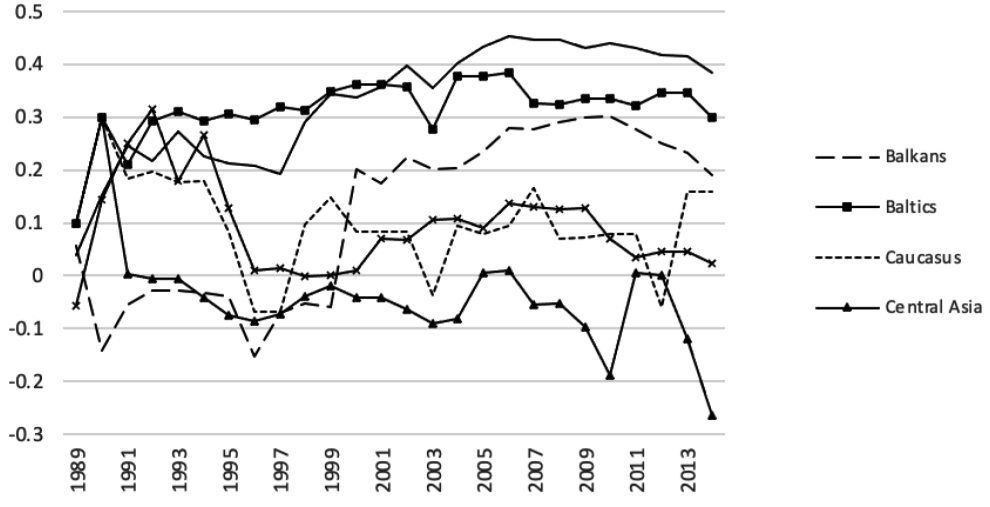
b) index of democracy (*de facto*)

Notes: Balkans: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Montenegro, Romania, Serbia, Slovenia; Baltics: Estonia, Latvia, Lithuania; Caucasus: Armenia, Azerbaijan, Georgia; Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan; Uzbekistan; Central Europe: Czech Republic, Hungary, Poland, Slovakia; Other former Soviet republics: Belarus, Moldova, Russia, Ukraine.

Fig. 1. Democracy in post-socialist countries, 1989-2014

Sources: authors' calculations and graphs based on Marshall et al. (2014) and Vanhanen (2016).

weaker *de jure* democratic institutionalization. The group of "other former Soviet republics" (i.e. Belarus, Moldova, Russia, and Ukraine) started with gradual *de jure* democratization, reaching an average above 6 by 1994, however experienced a reversal thereafter and stabilized around the average of 5 from 1996 onwards. Countries of the Caucasus followed a similar pattern (with scores approximately 1 point lower) with a short plunge and revival between 1994 and 1998. Finally, for Central Asia the average *de jure* democratization score fell to less than 1 in 1991 and remained below 2 until the end of the studied period. In part b) of Figure 1, reflecting *de facto* democratization, Central Europe, the Baltics and the Balkans were once more the leaders (with the latter catching up again some years later), however their *de facto* performance experiences, not unexpectedly, considerably more variation (in particular, with regard to the first two groups). The remaining three groups of post-socialist countries were in a similar order as previously until 2012, when Central Asian countries experienced a radical increase and nearly caught up with "other former Soviet republics" by the end of the studied period, leaving the Caucasus countries with the lowest average scores on *de facto* democratic performance.



Notes: Country groups as in Figure 1.

Fig. 2. *De jure – de facto* democracy gaps in post-socialist countries, 1989-2014

Sources: authors' calculations and graph based on Marshall et al. (2014) and Vanhanen (2016).

The authors refrained from further detailed analysis of the levels and dynamics of *de jure* and *de facto* democracy in post-socialist countries and concentrated on their comparison as this is the crucial point of interest in the paper. Indeed, all in all the same three groups of countries perform better both in terms of *de jure* and *de facto*

democracy. A general look at the trajectories of their performance also reveals some similarity between the *de jure* and the *de facto* trends. These two observations imply that *de facto* democratic performance may potentially be significantly related to countries' *de jure* democratic frameworks, however a more systematic comparison between *de jure* and *de facto* democracy, as presented in Figure 2, reveals a great diversity of experiences. The latter figure shows the evolution of *de jure – de facto* democracy gaps, which were calculated by subtracting group-average *de facto* scores from their group-average *de jure* values (in both cases normalized to 1) for each country group and year considered. Yet this is a very crude gap measure and, therefore, the authors refrained from its detailed interpretation, believing it shows in a convincing way that the relation between *de jure* and *de facto* democracy in post-socialist countries is far from straightforward, and merits a more detailed analysis. The empirical study, presented in Section 3, contains a more nuanced analysis of this relationship aiming to provide more reliable results and more convincing conclusions. Firstly, the authors analysed the evidence at country, not country group, level, and secondly focused on individual components of *de jure* and *de facto* democracy measures relating to specific features of democratic competition and participation. Thirdly, a multivariate econometric analysis was conducted, allowing to trace *ceteris paribus* effects and account, at least to some extent, for potential causality and endogeneity issues that may plague the *de jure – de facto* democracy relationship.

3. LITERATURE OVERVIEW

Given the main focus of the paper, i.e. determining whether *de jure* democratic institutions established in post-socialist countries of Europe and Asia impacted on democratic practice in this area (with its economic effects in mind), this section discusses the relevant literature providing a theoretical background for the analysis of relations between *de jure* and *de facto* rules, in particular with regard to political institutions, the results of studies concerned with analysis of the *de jure – de facto* constitutional gaps in post-socialist countries, as well as conclusions of the existing works on the determinants of successful (*de facto*) democratization in these countries after 1989.

3.1. *De jure* and *de facto* democratic institutions

The interrelations between *de jure* and *de facto* rules or institutions constitute a rather recent focus in economic literature[5]. A *de jure* institution is a state of affairs

[5] A connected problem already thoroughly studied by institutional economics and related fields is that of the interrelations between formal and informal rules/institutions (or, put differently, between the law and social norms).

that is in accordance with the law, while a *de facto* institution is a state of affairs which is true in fact, but does not have to be officially sanctioned (Lewkowicz and Metelska-Szaniawska, 2016). There exist different types and structures of interactions between *de jure* and *de facto* institutions. While the literature usually suggests classifying formal and informal institutions as complementary, substitutes or overlapping (Jütting et al., 2007), Lewkowicz and Metelska-Szaniawska (2016) argue that the distinction between "boosting" and "inhibiting" is a more suitable approach to the problem of interactions between *de jure* and *de facto* institutions, in particular with the latter's economic effects in mind. *De facto* and *de jure* institutions boost each other when they lead to commonly desired behaviour, while they inhibit each other when they create incentives leading to different/contrary decisions (Lewkowicz and Metelska-Szaniawska, 2016). Interactions between *de jure* and *de facto* institutions regarded from this perspective vary depending on whether these institutions are functioning in different or the same area of human interaction. When considering institutions from different regulatory spheres, it is likely that there is no interaction between them (i.e. neutrality)[6], however for institutions functioning in the same area of regulation interrelations are inevitable.

While political systems certainly contribute to several different areas of human interaction, this paper frames the problem in a more standard way by examining the relation between *de jure* aspects of democracy and their *de facto* equivalents within the same area(s), and leaving the consideration of the potential effects between *de jure* rules in one area on *de facto* practice in another for further research. In the same area, *de jure* institutions will boost *de facto* ones when the legislator enacts *de jure* institutions that are in line with the already existing *de facto* institutions. If the enacted *de jure* institutions differ from the existing *de facto* ones and these *de jure* institutions are perfectly enforced, they also become *de facto* institutions and, in effect, both types of institutions overlap and 'boost' each other (nevertheless, at the beginning some friction between them may be inevitable, as changing *de facto* institutions may be a time-consuming process). The divergence between *de jure* and *de facto* institutions functioning in the same area may, however, also result in mutually inhibiting relations or even in a crowding-out effect (i.e. when *de jure* institutions crowd out conflicting *de facto* institutions from the institutional system – cf. Zasu 2007). Both the boosting and inhibiting effects can also function in the reverse direction – from *de facto* institutions to *de jure* ones – however their detailed consideration falls beyond the scope of this study.

This paper is focused on a subset of interactions between *de jure* and *de facto* institutions, namely the potential role of *de jure* rules for *de facto* practice, specifically as far as several aspects of democratic institutions are concerned. Various authors acknowledge that, in general, gaps between the legal text and its functioning in practice are inevitable, both because of imperfectness of the actors drafting the law

[6] However, in specific cases they may also boost or inhibit each other.

(in particular, bounded rationality), as well as the need identified in legal literature to apply 'workarounds' allowing for a more pragmatic approach to situations when the regulatory text is a source of institutional tensions (see e.g. Tushnet, 2009). With this in mind, divergence between *de jure* and *de facto* rules is inevitable. Importantly, as the *de jure – de facto* gap arises dynamically, the state deviates from the institutional equilibrium and this, in turn, may lead to economic downturn (Wilkin 2011). With regard to *de jure* and *de facto* political institutions, Foldvari (2017) brings forward two other possible explanations of divergence. The first, rooted in political economy, relates to Acemoglu and Robinson's (2012) distinction between inclusive and extractive political institutions and argues that in cases when in a country the elite is forced to make concessions to other groups, one will observe relatively fast reforms of *de jure* institutions, but the *de facto* (extractive) institutional framework will react much slower (or not at all). The second explanation, based on institutional economics, is somewhat similar. It relates, to the distinction in Boettke et al. (2008) between foreign-introduced exogenous, indigenously introduced exogenous and indigenously introduced endogenous institutions. While the former are constructed and forced top-down by an external actor (e.g. an international organization) and may change relatively quickly (e.g. may be withdrawn once the external pressure becomes irrelevant), endogenous institutions result from spontaneous processes within the society that take considerable time. This approach also relates to the concepts of path dependence and stickiness of norms, rooted in new institutional economics (Greif, 1994; Boettke et al., 2008). Namely, historical events and actions of a broad range of indigenous agents from the previous periods may affect the pace of actual institutional change. Such a perspective may explain the increasing divergence between *de jure* and *de facto* political institutions in current times of globalization (given the role played by Western powers vis-à-vis non-European states in this process), as well as the successful democratization of Germany and Japan after World War II.

With regard to this topic an important strand of (mainly) political science literature focuses on the question of whether constitutions, i.e. legal acts laying down the foundations of political regimes, impose significant constraints on those in power and establish rules according to which the political game is played within states, or amount to simply no more than "parchment" (see more in Levinson 2011). Some authors, indeed, adopt an extreme view and reject *de jure* constraints as mere "parchment" with no effect on government activity (De Jasay, 1989). On the other hand, literature advocating the relevance of *de jure* rules argues that legal solutions work provided that they are self-enforcing, i.e. it is not necessary that an external actor supervises the execution of a bargain (see e.g. Ordeshook, 1992; Weingast, 1997). Written-down and publicly available legal provisions contribute to the self-enforcement mechanism thanks to providing a focal point around which various actors may concentrate their enforcement efforts (Carey, 2000; Elkins et al., 2009). Additionally, "parchment" may lead to the creation of mutual expectations among

political actors and is essential for *de facto* functioning of institutions (Carey, 2000). Viewed from this perspective, writing down certain rules may contribute to their strength and binding force.

While with regard to the protection of constitutional rights and freedoms various enforcement mechanisms may be at play, such as judicial and electoral enforcement, when considering the relevance of *de jure* rules for *de facto* practice concerning structural provisions, self-enforcement of constitutional rules is of particular relevance. More specifically, for the effective self-enforcement of democracy, institutional mechanisms (of a formal and/or informal character) should evolve to interrupt the possible anti-democratic action of the rulers. A government possessing powers to enforce contracts, as well as provide public security and national defence, is also capable of using its authority against the interests of a democratic society. In order to prevent such situations, in democratic systems individuals are capable of posing threats that they will coordinate to oppose larceny and depredations by the government (Weingast, 1997). Some of the means to do this are protests or rebellions (Fearon, 2011). The ability to limit the impact of the predominant party taking power immediately after the elections is also crucial in this respect (Fink-Hafner and Hafner-Fink, 2009). The initial political circumstances may play a role, as well as past transitions (Gassebner et al., 2012).

3.2. *De jure* and *de facto* constitutional rules in post-socialist countries

The transformation of the political and economic systems that took place in post-socialist countries of Europe and Asia beginning in 1989 required establishing new constitutional frameworks and this unprecedented time of broad-scale constitutional change has sometimes been called in the literature a "gigantic natural experiment" (Elster, 1991, p. 449). Research on the relevance of constitutional rules for post-socialist transition may be regarded as part of a broader strand of literature interested in studying the role of formal and informal rules (institutions) in this process (see e.g. Pejovich, 1997, 1999, 2003; Winiecki, 2004). Studies in constitutional economics confirm that for post-socialist countries a series of *de facto* constitutional rules (e.g. concerning the structure of power, bills of rights, and constitutional court independence) were significant for successful implementation of economic reforms in transition (Metelska-Szaniawska, 2009, 2016). In particular, if these rules impose constraints on representatives of state power in order to enhance their commitment to promises made by enacting given policies or reforms, such rules contribute to a conducive constitutional setting for the implementation of these policies and reforms. The question once again remains whether, and if so to what extent, *de jure* constitutional rules also have such an effect. Bjoernskov (2015) indicates, for example, a *ceteris paribus* negative direct relationship between *de jure* property rights protection in post-socialist countries and their economic growth. Other works (e.g. Smithey and Ishiyama, 2002; Herron and Randazzo, 2003; Metelska-Szaniawska,

2016) find an insignificant, and under some conditions negative, direct relationship between *de jure* constitutional court independence in post-socialist countries in the period 1989-2012 and economic performance. Such findings provide particularly interesting ground for the analysis of the relevance of *de jure* constitutional rules in post-socialist countries for their *de facto* equivalents drawing on the theoretical and empirical arguments presented earlier in this paper. With regard to democracy this motivation is at least as strong, also because, as mentioned at the outset of this paper, its *de facto* variant's relevance for successful economic transition has been confirmed in numerous studies (e.g. Fidrmuc, 2003; Peev and Mueller, 2012; Piatek, 2013).

Although the specific constitutional solutions adopted by post-socialist countries vary significantly, the main common feature of these constitutions was the attempt, reflected in their content, to break away from their socialist or communist past, by giving priority to formal provisions declaring the democratic nature and sovereignty of these states (Sadurski, 2002). Such circumstances correspond with the view of the constitution's role as a blueprint[7]. In such cases the discrepancy between *de jure* and *de facto* constitutional rules was initially determined by the informal institutional framework functioning in post-socialist societies at the moment of drafting and enacting *de jure* rules (cf. Pejovich, 1997; Winiecki, 2004)[8]. In an empirical study for all post-socialist countries for the period 1989-2011 Metelska-Szaniawska (2021) confirmed the presence of two counteracting effects in relation to the evolution of the *de jure – de facto* constitutional gap referring to six constitutional rights and freedoms – the effect of the ageing of constitutions (increase of the gap as time passes from the adoption of a constitution) and the constitution-as-blueprint effect, however the latter only for post-socialist countries other than the former Soviet republics in Asia, Belarus and Russia. More importantly, this study also identified several explanations of the *de jure – de facto* constitutional gap relating, in particular, to the democratization process in these countries, the presence of political conflicts, as well as the age and degree of comprehensiveness of their constitutions. These considerations, however, related to the size of the *de jure – de facto* constitutional gap in the area of selected rights and freedoms and did not raise the question of the significance of *de jure* protection of these rights for their *de facto* functioning. This problem was further taken up by Metelska-Szaniawska and Lewkowicz (2021) in a paper that delivered inconclusive evidence of a direct effect of *de jure* protection

[7] Melton et al. (2013) propose the following classification of constitutions relevant from the point of view of determining the relations between their de jure content and de facto functioning: constitutions being operating manuals, constitutions-blueprints, constitutions-billboards, and constitutions used as window-dressing.

[8] Di Palma (1990) is an interesting work relating to some extent to the initial phase of post-socialist transition in Central and Eastern Europe, focusing on the way how political crafting, involving the choice of de jure constitutional framework for the functioning of the political sphere, motivates incumbents and non-democratic political actors to accept democracy.

of rights on its *de facto* equivalents in post-socialist countries, while at the same time confirming several conditional effects, namely that in post-socialist countries characterized by higher judicial independence and/or more political competition (also perceived as a component of stronger *de facto* democracy) and/or a more robust civil society, the text of the constitution does significantly impact on *de facto* protection of rights (in an expected positive way). Given these findings, by focusing here on the relevance of *de jure* democratic institutions for *de facto* democratic practice the study also contributes to this area of research by shedding more light on the underpinnings of one of these conditional effects.

The problem of the gap between *de jure* and *de facto* democracy in post-socialist countries can also be viewed from the perspective of recent literature on the so-called "3rd autocratization wave" (Luhrmann and Lindberg, 2019) and "illiberal democracies". States where fundamental institutions regarding elections are valid but rights are routinely violated, are classified as electoral but illiberal democracies (Zakaria, 1997). Mukand and Rodrik (2020) argue that for a successful transformation towards a liberal democracy, sets of property rights, political rights and civil rights must be respected. Democratic transitions typically do not lead to liberal democracies as they are a "*product of a settlement between the elite (who care mostly about property rights) and the majority (who care mostly about political rights)*" (Mukand and Rodrik, 2020, p. 765). Minorities have neither the required resources, nor constitute a sufficiently large group in terms of numbers to effectively secure the protection of civil rights. Therefore, electoral, not liberal democracy is the outcome of such political settlement. This study does not limit the considerations to the liberal component of democracies (as previously mentioned, the problem of the effective protection of civil and political rights in post-socialist countries, as well as the role of *de jure* constitutional guarantees in this respect, have already been studied by Metelska-Szaniawska and Lewkowicz, 2021) but reach deeper to the core electoral institutions of democracy, supplementing the focus also by some aspects of another crucial component of democracy – participation. Given the claim in much of this literature that most post-socialist countries have generally been successful in instituting a functioning electoral democracy, the authors ask whether the enacted *de jure* rules in this area were a significant contributing factor in this respect.

3.3. Determinants of *de facto* democratization in post-socialist countries

There exists a vast literature concerning the factors that play a meaningful role for instituting democratic systems of government, sustaining democracy and developing it worldwide[9]. For economists, an important focus has been on the (two-way) relationship between economic growth/development and democracy/democratization.

[9] For a thorough discussion of much of this literature see e.g. Teorell (2010), who proposed to organize it into different categories: the structural approach, the strategic approach, the social forces tradition, and the economic approach (as well as, most recently, a combined approach).

The Lipset hypothesis (Lipset, 1959), or the modernization theory, has inspired many of these works. According to this approach, modernization makes democracy possible and the specific causal chains relate to industrialization, urbanization, education, communication, mobilization, and political incorporation (Przeworski and Limongi, 1997). Several empirical studies confirm that improvements in the standard of living and the level of economic development contribute to increases in democracy levels (e.g. Bollen, 1983; Barro, 1999). Some authors argue that not only the level of income is crucial, but also income inequality (Boix, 2003; Acemoglu and Robinson, 2006). However, in a revisionist paper Acemoglu et al. (2008) claim that although income and democracy are positively correlated, there is no evidence of a causal effect.

The specific channels of influence suggested by the modernization theory have also been subject to much attention (both in theoretical and empirical literature) and in most cases instigated intensive debate. For instance, although according to much of the literature high levels of schooling support democracy and are one of the key causes of democratization (e.g. Barro, 1999; Przeworski et al., 2000; Glaeser et al., 2004), Acemoglu et al. (2005) advocate that such claims are usually based on (pooled) cross-sectional models and the results are not robust with regard to within-country variation, while the cross-sectional education-democracy relation may be driven by omitted factors. However, education may have a long-term influence on democracy (Acemoglu et al., 2005), as well as affect democracy via several indirect channels. The susceptibility for democracy tends to increase with primary schooling and the diminishing gap between male and female primary attainments, as these factors increase the odds for protecting a broader scope of political freedoms (a component of liberal democracy, e.g. Barro, 1999). Education is also one of the factors shaping civic culture and civil society that proved to be significant with respect to the development of democracy (Putnam, 1993; Almond and Verba, 1963; Acemoglu and Robinson, 2006) as it shows how to interact with others and raise the benefits of civic participation (among others via voting). This, in turn, intensifies participation in support of democracy relative to that in support of dictatorship (Glaeser et al. 2007). Social capital, closely related to education, was also found to affect democracy positively (Paxton 2002). With regard to urbanization, Glaeser and Steinberg (2017) indicate three potential channels of its influence on political change (and find empirical support for the first one): facilitation of coordinated public action, increasing the demand for democracy (relative to dictatorship), and the development of "civic capital" enabling citizens to improve institutions. Anthony (2014) also provides evidence that in the developing world various dimensions of urbanization play an important role in the discussed context. In a study combining all channels of influence indicated by the modernization theory, based on global data for the period 1972-2006, Teorell (2010) finds that while modernization does not account for increases in the level of democracy, it does significantly hinder reversals to authoritarianism. Interestingly, this author also indicates that out of the

channels via which modernization might impact on the development of democracy, communication (in particular, media proliferation) is crucial as it contributes to the rise of anti-democratic forces in society.

Some sociological and political science literature associates different levels of democracy with various positions of countries in the world system (Bollen 1983). Both peripheral and semi-peripheral states seem to be less democratic than core nations, and in the case of the former the negative effect is relatively stronger. Interestingly, peripheral and semi-peripheral positions have been found to exert an indirect impact on democracy through economic development (Bollen 1983). A more recent point related to the role of positions in the world system for democracy concerns the impact of neighbourhood. States change their regimes to match the degree of democracy or non-democracy found among their contiguous neighbours (Brinks, Coppedge 2006). Additionally, they follow the direction in which a large group of other countries in the world are moving in this respect.

With regard to democracy and its determinants, the literature also argues that historical and cultural aspects matter. Some examples are the status of a colony, of an island, ethnic heterogeneity and dominant religion (Clague et al., 2001). Cultural background and institutional heritage are identified as key determinants of the viability of democracy in relatively poor countries, also with respect to literacy and level of socioeconomic development.

More recent literature reflects on the relevance of migration for democracy (e.g. Docquier et al. 2016). Openness to migration brings a positive effect on home-country institutional development measured by democracy indices. The external relations of a state are another important aspect for democracy. For instance, membership in the OECD affects democracy positively (Gassebner et al., 2012) but, at the same time, foreign aid flows decrease the likelihood of developing a democratic regime in the recipient country (Kalyvitis and Vlachaki, 2012; Knack, 2004). Trade openness and portfolio investment inflows hinder democracy, while foreign direct investment fosters democracy over time (Li and Reuveny 2003).

With regard to post-socialist democratization in Europe and Asia, apart from the factors discussed above, particular attention is devoted to the role of various types of legacies for successful democratization. The important study by Pop-Eleches (2007) distinguishes between five key legacy dimensions in this respect: geography (proximity to Western Europe), cultural/religious heritage (dominant religion, imperial legacies), economic legacies (energy intensity, natural resource endowment, economic integration with Western Europe, pre-1989 economic reforms), social conditions/modernization (GDP per capita, education, and urbanization), and institutional legacies (including bureaucratic legacies, years under communism, being a part of the Soviet Union before the war, interwar statehood/democratic experience, and ethnic fragmentation). Based on the results of his empirical study, confirming the role of many of these aspects for political change in post-socialist countries after 1989, Pop-Eleches (2007) argues that alternative explanations of

democratic performance put forward with regard to these countries in previous literature, relating to such factors as elite politics and democratic crafting (e.g. Huntington, 1991; Przeworski, 1991), institutional choice (e.g. Frye, 1997, Ishiyama and Velten, 1998; Cheibub, 2006; Treisman, 2007), initial election outcomes (e.g. Fish, 1998), geographical diffusion (Kopstein and Reilly, 2000), as well as European integration (e.g. Kurtz and Barnes, 2002)[10], in fact played a much more modest role (if any) and should be analysed in the context of these differences in legacies. Djankov (2016) also confirms the relevance of several types of legacies for democratization in post-socialist countries. The authors' model draws on the literature surveyed in this section, in particular when selecting control variables, as discussed in Section 4.2.

4. EMPIRICAL MODEL AND METHODOLOGY

In this section the authors constructed an empirical model aimed at answering the question of whether the scope of *de jure* provisions establishing democratic systems of government in post-socialist states mattered for *de facto* functioning of democracy in this area. The main expectation is that by establishing a *de jure* set of rules shaping democracy, post-socialist countries increased the odds for the practical operation of these institutions. The general model specification involves, therefore, explaining the dependent variable pertaining to *de facto* democracy by a set of *de jure* democracy variables and control variables. The choice of variables relating to *de jure* and *de facto* democracy is described below, together with the selection of control variables (in the baseline and extended specifications), descriptive statistics of the data, as well as the applied estimation methods.

4.1. *De jure* and *de facto* democracy variables

There exist several measures of democracy and democratization based on different types of data: observational data, 'in-house' coding, expert surveys, and representative surveys (for a recent survey of 13 large-scale datasets, together with an analysis of their strengths and shortcomings, see Skaaning 2018). In this first attempt to study the relation between *de jure* and *de facto* democracy in post-socialist countries, the authors followed Foldvari (2017) in selecting measures for *de jure* democracy and matching them with their *de facto* equivalents. As mentioned in Section 2, two of the most frequently used measures of democracy – the Polity IV index (Marshall et al., 2014) and Vanhanen's Index of Democracy – VID (Vanhanen, 2000, 2016), aim at capturing the same two crucial dimensions of democracy, namely competition and participation, but while the former's components are correlated with formal rules and practices (*de jure* institutions of democracy), the latter relates to

[10] Along similar lines a later study by Gros (2014) argued in favour of the relevance of accession both to the EU and NATO in the studied context.

actual outcomes (*de facto* democracy) such as the composition of parliaments and voter turnout (Munck and Verkuilen, 2002; Foldvari, 2017)[11]. This study includes the following components of the Polity IV index as proxies for *de jure* democracy: competitiveness of elections of the executive power (variable name: *exec_comp*), the degree of regulation of participation in the political arena (*part_reg*), and the degree of competitiveness of this participation (*part_comp*)[12]. *De facto* proxies of democracy are, in turn, the following two components of VID: participation of minority parties in the political life (*vid_comp*) and voter turnout at the last elections (*vid_part*). The empirical tests in this study involved explaining variation in *de facto* democracy measures (relating to the two components separately) by reference to the three *de jure* democracy aspects enumerated above, as well as other potential determinants.

4.2. Control variables and interactions

The selection of control variables, i.e. potential determinants of *de facto* functioning of democracy other than *de jure* provisions establishing it, is based on the literature survey provided in Section 3.3. The baseline specification includes two economic variables: log of GDP per capita (*lngdppc*) and natural resource endowment (*resources*). Other variables suggested by the literature, relating to education, foreign aid volume, trade openness, and foreign direct investment, proved insignificant in all the tested models and specifications, and therefore were removed from the analysis. Urbanization was only significant in specifications not involving GDP *per capita* and at the same time its significance was less robust to changes in the model specification than GDP *per capita*, therefore this paper presents the results involving only the latter variable; the same pertains to energy intensity and natural resource endowment. Due to serious obstacles in access to reliable data concerning openness to migration and income inequality levels for post-socialist countries during the time period under analysis (in particular, early years of transition), the authors refrained from including these aspects in the study as this would lead to a meaningful reduction in the number of observations. Finally, expecting path dependence, the relevant lagged *de facto* democracy variable was also included in all the specifications.

In the extended specifications, the model was supplemented with the non-economic control variable relating to robustness of civil society in post-socialist countries (*civil_society*)[13], as well as a list of variables relating to various types of

[11] See also the argumentation presented in footnote 6.

[12] Marshall et al. (2014) proposed two more components of their Polity IV composite index of democracy that Foldvari (2017) also included in his study of *de jure/de facto* democracy – openness of executive recruitment and executive constraints. With regard to the first one, all post-socialist countries obtained an identical score, time-invariant during the period under analysis, which excluded this factor from this analysis on technical grounds, while the second one is related to the liberal (not electoral or participatory) aspect of democracy and thus fell outside the scope of interest in this paper.

[13] The study also tested the significance of the general level of trust in the model (as a potential proxy for social capital), however it proved irrelevant in all specifications.

legacies discussed earlier: membership in international organizations – the European Union (EU), the North Atlantic Treaty Organization (NATO), and the Organisation for Economic Co-operation and Development (OECD) – that could contribute to promoting the development of *de facto* democratic institutions (*eu*, *nato,* and *oecd* – respectively)[14]; the dominant religion (*islam*, *catholic*, *orthodox*); as well as the interwar statehood and democracy experiences (*interwar_state*, *interwar_democracy*). Other variables connected with legacies suggested by the literature did not confirm their significance in this setting (or overlap to a great extent with the above variables) and, therefore, are not included in the extended specifications, whose results are presented in the next section.

The final tested specification aims at studying the time dynamics of the relevance of *de jure* democracy variables for the *de facto* measures. This approach consists in including in the model interactions of the *de jure* variables with the "year of transition" (*yot*) variable capturing the lapse of time since the outset of transition. Accounting for the fact that transition started at different times in different countries, transition time is defined as beginning in 1989 for Poland and Hungary, 1990 for other Central and South-Eastern European countries (except for Albania), 1991 for Albania and the Baltic states, and 1992 for the former Soviet republics (Falcetti et al. 2002; Falcetti et al. 2006; Metelska-Szaniawska 2009, 2016, 2021)[15].

4.3. Descriptive statistics

The constructed panel includes 27 countries[16] and the time period under analysis spans from 1989 to 2014 (the upper limit being determined by data availability, however covering the core period of post-socialist transition and the first two decades or more of the functioning of most post-socialist constitutions). The descriptive statistics for the dependent variable and the complete set of explanations are summarized in Table 1. All the variables included in the analyses are listed in the Appendix, together with their descriptions and data sources.

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[14] Given the geopolitical specificity of the post-socialist transition process, the authors believe that including such variables is more justified with respect to these countries than referring to their positions in the world system (e.g. central/semi-peripheral/peripheral) or to political systems in their neighbourhood. Given that accession to the discussed organizations involved years of preparation for membership, these variables are dummy variables, taking the value of 1 if a given country was a member of the given organization at any moment during the studied time period. Including variables that accounted for the time before and after accession did not deliver significant results, thus increasing the confidence in the chosen approach.

[15] Countries were attributed a score of 0 for the beginning transition year, as well as any prior years (since 1989) if their transition started after 1989. The study also experimented with including the *yot* variable as an independent determinant of *de facto* democracy performance in the baseline specification, however, given the inclusion of the lagged dependent variable in the model, this did not deliver meaningful results.

[16] Bosnia and Herzegovina was not included due to some democracy data, central from the point of view of this study, not being available for this country.

Table 1

Descriptive statistics

Variable name	# of observations	Mean	Standard deviation	Minimum	Maximum
vid_part	660	43.908	21.423	0	70
vid_comp	660	45.991	10.606	0	70
exec_comp	701	2.144	0.856	1	3
part_reg	701	3.067	1.114	1	5
part_comp	701	3.285	1.208	0	5
lngdppcp	705	9.056	0.739	7.072	10.340
resources	728	0.464	0.731	0	2
civil_society	694	0.666	0.257	0.022	0.962
eu	728	0.393	0.489	0	1
oecd	728	0.286	0.452	0	1
nato	728	0.464	0.499	0	1
islam	728	0.286	0.452	0	1
catholic	728	0.321	0.467	0	1
orthodox	728	0.393	0.489	0	1
interwar_state	728	0.357	0.479	0	1
interwar_democracy	728	–4.227	4.548	0	1
yot	728	10.701	7.374	0	25

Source: authors' calculations.

4.4. Estimation methods

The main goal of the empirical model was to allow for verification whether the presence of *de jure* institutions of democracy in constitutional frameworks of post-socialist countries contributed, in a statistically significant way, to *de facto* functioning of democratic systems in these countries after 1989. The model was tested by employing panel data regression techniques. As the lack of appropriate instruments precluded the possibility of a fully-fledged instrumental-variable analysis that would allow to deal with potential endogeneity problems in the data, the fixed-effects panel model (FE) was applied, enabling to control for country-specific fixed effects, as more reliable than the random effects model for drawing conclusions based on the results. This was also suggested by the results of the Hausman test for all the included specifications. At the same time, as the fixed-effects model does not allow to study the effect of time-invariant variables, in order to expand the perspective, the Hausman-Taylor (HT) regressions (Hausman, Taylor 1981; Amemiya, MaCurdy 1981) were performed, where the estimators were based on instrumental variables and some of the regressors correlated with the individual

effects. This approach combined the consistency of fixed-effects estimators with the applicability of the random-effects model and allowed to estimate the coefficients of time-invariant variables. The individual means of the exogenous regressors were taken as instruments for the time-invariant regressors, correlated with the individual effects (Baltagi 2001). The key step of the Hausman-Taylor method was, therefore, to distinguish between regressors that were uncorrelated and those that were potentially correlated with the errors. On the basis of the relevant literature, as well as statistical testing, from amongst the independent variables included in the study the authors considered *lngdppc* as endogenous, while the remaining independent variables were taken as exogenous[17]. In the basic specification, the only time-invariant (exogenous) variable was the indicator of a country's endowment in resources (*resources*), while the extended specifications contained several time-invariant exogenous explanations.

5. RESULTS AND DISCUSSION

Table 2 presents the results of the FE and HT estimations conducted for the baseline models aimed at explaining the two components of *de facto* democracy, while Table 3 for the extended specifications for *vid_comp*, and Table 4 for the time interaction effects of *de jure* variables on both *de facto* measures. Several interesting conclusions emerged from the analysis.

Firstly, *de facto* democracy was confirmed to exhibit path dependence, as demonstrated by the strongly significant coefficients on the lagged dependent variables in all the columns in Tables 2 to 4. Secondly, the modernization theory, according to which economic development plays a meaningful role for the development of democracy, was relatively strongly reflected in the results by the significant coefficients on the *lngdppc* variable in nearly all the tested specifications. This was not so much the case for endowment in resources, however the usual finding of an inverse relation between richness in resources and democratization (the 'natural resource curse' effect on democracy – see e.g. Barro 1999) was confirmed in Column II of Table 2 and Columns I and VII of Table 3.

Thirdly, and most importantly from the point of view of the main interest of this paper, the results with regard to *de jure* democracy explanations were far from expected. For the competition component of *de facto* democracy (*vid_comp*), only competitiveness of participation (*part_comp*) demonstrated a significant positive effect (Columns I and II of Table 2), while for the participation aspect (*vid_part*), no single *de jure* democratic feature of post-socialist countries mattered (Column III and IV of Table 2). Interestingly, Column II of Table 2, reporting the results for the basic model HT estimations with regard to *vid_comp*, provided weak evidence (at the 10% significance level) of a possible negative effect of regulation of political

[17] Different classifications of exogenous and endogenous variables did not alter the results and conclusions presented in the subsequent section.

participation. However, once additional explanatory variables were included in the model, relating to specific characteristics of post-socialist countries in Table 3, this conclusion no longer holds. Whether executives are replaced via competitive elections or not (*exec_comp*), turned out to be insignificant for both variants of the proxy for *de facto* democracy and for all tested specifications and estimation techniques. To sum up, this model allows for explaining 86.7% of the overall variation of *vid_comp* and significantly less – nearly 72% – of the variation of *vid_part*[18].

Table 2

Estimation results explaining two *de facto* democracy components – competition and participation

Variable name	*vid_comp*		*vid_part*	
	I FE	**II HT**	**III FE**	**IV HT**
exec_comp	–0.866 (–0.93)	–0.128 (–0.14)	–0.014 (–0.02)	0.009 (0.02)
part_reg	–0.794 (–1.55)	–0.850* (–1.78)	–0.404 (–1.09)	–0.233 (–0.84)
part_comp	1.630*** (2.31)	2.127*** (3.18)	–0.482 (–0.97)	–0.482 (–0.97)
lngdppc	1.326 (1.63)	1.440* (1.78)	1.175*** (1.99)	1.259*** (2.18)
resources	–	–3.792*** (–2.46)	–	–0.860 (–1.62)
vid_comp (lagged)	0.569*** (19.19)	0.586*** (20.10)	–	–
vid_part (lagged)	–	–	0.702*** (26.27)	0.703*** (26.68)
constant	6.340 (0.90)	3.225 (0.47)	5.980 (1.11)	4.945 (1.06)
R^2	0.867	–	0.719	–
F-stat/*chi*^{2}-stat	95.41	702.29	143.65	740.26
# of observations	607 (27 countries)			

Notes: *** significant at a 5% level, * significant at a 10% level, values of the *t*-statistics in brackets.

Source: authors' calculations.

Table 3 enriches the above study framework by introducing a list of additional explanatory variables, selected based on the earlier literature survey, relating to

[18] Political science and sociological literature brings forward several other explanations of voter turnout including, for example, the importance of the given elections (Kostadinova 2003 and Pacek et al. 2009 for post-socialist countries; for a recent general meta-analysis see Stockemer 2017), that the authors believe may account for some of the unexplained variation of *vid_part* (but cannot be included in this study as it does not focus on individual elections but uses aggregated annual values for turnout).

social, cultural and religious factors, as well as historical legacies and membership in international organizations. These results only relate to the competitiveness aspect of *de facto* democracy (for the participation component these additional variables did not confirm their statistical significance) and were all obtained using the HT method since all but one of these explanations are time-invariant.

Robustness of civil society stands out as a particularly relevant condition for *de facto* democracy throughout Table 3[19]. Having accounted for this factor in these models, it was no longer found that regulation of participation (*par_reg*) matters in any way, be it negative or positive, for *de facto* democratization in post-socialist countries. Competitiveness of participation, on the contrary, obtains a significant (positive) coefficient in every column of Table 3, confirming the role of this *de jure* feature of democracies in post-socialist countries.

The results reported in Table 3 also demonstrate the relevance of several other characteristics of post-socialist countries for *de facto* democracy in these countries (its competition aspect), while at the same time not questioning any of the earlier discussed findings concerning the crucial *de jure – de facto* link studied in this paper. The first of these characteristics is membership in international organizations (EU, OECD, or NATO) considered in many post-socialist countries as a guarantee for achieving democracy (Gros 2014). In fact, the models provide evidence that such membership comes with a dividend for *de facto* democratization (as far as its competition aspect is concerned)[20]. Secondly, religious factors matter – countries with a Muslim majority perform on average significantly worse in terms of *de facto* democracy than those primarily Eastern Orthodox and Catholic (the latter countries are the best performers in this context). This is in line with the literature, according to which post-socialist countries with Eastern Orthodox and Muslim religions reformed their politics to a smaller degree than countries with Protestant and Catholic population (see Djankov 2016 and sources mentioned therein). Thirdly, historical legacies matter. While the study did not find a confirmation of the results of some studies mentioned earlier, which attribute particular effects for democratization of post-socialist countries to whether they belonged (from the 14th to the 19th century) to one of the three major empires – Ottoman, Austro-Hungarian, or Russian. However, it was found that more

[19] The employed measure pertaining to civil society – the Core Civil Society Index from Coppedge et al. (2019) relates to the functioning of civil society organizations – CSOs (i.e. interest groups, labor unions, religious organizations, social movements, professional associations, charities, and other non-governmental organizations involved in civic or political activities) within the state, and is constructed, as described in the Appendix, by taking the point estimates from a Bayesian factor analysis model of the indicators for CSOs entry and exit, any repression that they experience and the participatory environment that they enjoy. Constructed in this way the index does not overlap with any of the dependent or independent democracy variables employed in these models. Nevertheless, for reasons of potential co-determination, the *civil_society* variable is treated as endogenous in the HT estimations.

[20] The study confirms the results concerning the relationship in question in a robustness check using propensity score matching (where treatment is accession to the given international organization that took place during the studied period).

Table 3

Additional estimation results explaining *de facto* democracy competition component (HT)

Variable name	I	II	III	IV	V	VI	VII	VIII
exec_comp	–0.799 (–0.88)	–0.676 (–0.76)	–0.771 (–0.86)	–0.657 (–0.74)	–0.765 (–0.86)	–0.701 (–0.80)	–0.657 (–0.74)	–0.683 (–0.77)
part_reg	–0.418 (–0.86)	–0.601 (–1.24)	–0.676 (–1.36)	–0.524 (–1.09)	–0.361 (–0.77)	–0.536 (–1.11)	–0.476 (–1.00)	–0.496 (–1.04)
part_comp	1.331* (1.86)	1.396*** (1.99)	1.277* (1.82)	1.392*** (1.97)	1.243* (1.76)	1.163* (1.67)	1.281* (1.82)	1.365* (1.93)
lngdppc	1.722*** (2.13)	1.346* (1.65)	1.549* (1.90)	1.351* (1.66)	1.413* (1.75)	1.330 (1.64)	1.546* (1.90)	1.424* (1.75)
resources	–2.579* (–1.80)	–1.788 (–1.43)	–1.755 (–1.39)	–1.633 (–1.24)	–1.387 (–1.18)	–0.966 (–0.86)	–2.480*** (–2.07)	–1.471 (–1.14)
vid_comp (lagged)	0.576*** (19.66)	0.574*** (19.54)	–0.576*** (19.64)	0.576*** (19.63)	0.570*** (19.33)	0.572*** (19.39)	0.574*** (19.52)	–0.574*** (19.51)
civil_society	12.125*** (3.18)	10.681*** (2.74)	11.727*** (3.05)	10.667*** (2.73)	11.271*** (2.93)	11.164*** (2.89)	11.253*** (2.92)	11.337*** (2.94)
eu	–	4.267*** (2.01)	–	–	–	–	–	–
oecd	–	–	4.563*** (2.02)	–	–	–	–	–
nato	–	–	–	3.811* (1.74)	–	–	–	–
islam	–	–	–	–	–6.054*** (–2.61)	–	–	–
catholic	–	–	–	–	–	7.967*** (2.94)	–	–
orthodox	–	–	–	–	–	4.961*** (2.33)	–	–
interwar_ state	–	–	–	–	–	–	4.345*** (2.39)	–
interwar_ democracy	–	–	–	–	–	–	–	0.477*** (2.14)
constant	–4.712 (–0.66)	–2.343 (–0.33)	–3.730 (–0.52)	–2.872 (–0.41)	–0.046 (–0.01)	–5.085 (–0.73)	–4.088 (–0.58)	–0.025 (–0.00)
F-stat/*chi*^{2}-stat	771.57	905.20	917.69	878.77	982.98	1093.10	927.28	916.61
# of observations	607 (27 countries)							

Notes: *** significant at a 5% level, * significant at a 10% level, values of the t-statistics in brackets.

Source: authors' calculations.

recent historical factors matter for the current state of *de facto* democracy in post-socialist countries. One relates to whether countries existed as independent states in the interwar period, considered as a prerequisite for democratization (Pop-Eleches 2007). The second one reflects to what extent these countries were democratic, as measured by the average institutionalized polity score from Marshall et al. (2014) for the period 1920-1939, capturing the fact that interwar democracy experiences could facilitate democratization after 1989 thanks to the existence of voters with memories of free elections and by possibly strengthening the anticommunist forces in cases where prewar democratic parties were revived after 1989 (Pop-Eleches 2007). As mentioned at the outset, accounting for all these factors in the model, did not alter the main finding of interest to this paper concerning the link between *de jure* and *de facto* democracy in post-socialist countries after 1989.

Finally, the analysis was supplemented with the results of the estimations involving interactions of *de jure* democracy variables with the measure reflecting the time that passed since the beginning of transition in the studied post-socialist countries. This allows to draw preliminary conclusions on the time dynamics of the *de jure – de facto* democracy relation in these countries after 1989. In the results reported in Table 4, significant coefficients on the discussed interactions are found for competitiveness of elections (in relation to *vid_comp*) and competitiveness of participation (for both *vid_comp* and *vid_part*). This is evidence that the relation between *de jure* and *de facto* democracy underwent certain dynamics during the transition period. For competitiveness of elections this finding of its decreasing role for *de facto* democracy over time of transition supplements the earlier conclusions based on the results reported in Tables 2 and 3, where this feature was consequently found insignificant for all aspects of *de facto* democracy in post-socialist countries when studied throughout the 25-year long transition period (1989-2014). For competitiveness of participation, on the other hand, Table 4 provides evidence that as time passed since the beginning of transition, this feature, which was generally found relevant for *de facto* democratization of post-socialist countries after 1989 (in Tables 2 and 3), was becoming gradually less important (for both aspects of *de facto* democracy – competition and participation) and could at some point in the future become irrelevant, just as the remaining *de jure* characteristics studied in this paper.

Altogether, the results obtained in search for determinants of the state of *de facto* democracy in post-socialist countries do not confirm in a convincing way the broad role of their *de jure* democratic features in this respect. The experiences of post-socialist countries in the period 1989-2014 indicate that only the rule framework determining competitiveness of participation was a relevant aspect for the degree of *de facto* competition component of democracy in these countries. This can be treated as a modest extension of the conclusions formulated earlier in the literature with regard to factors responsible for successful *de facto* democratization in post-socialist countries, as well as a step towards a more complete empirical account

Table 4

Estimation results explaining *de facto* democracy with interactions

Variable name	vid_comp		vid_part	
	I FE	II HT	III FE	IV HT
exec_comp × *yot*	–0.233*** (0.492)	–0.234*** (1.137)	–0.054 (0.589)	–0.059 (0.558)
par_reg × *yot*	–0.028 (–0.123)	–0.009 (–0.23)	0.011 (–0.548)	0.009 (–0.377)
par_comp × *yot*	–0.199*** (3.003***)	–0.198*** (3.255***)	–0.050* (0.084)	–0.053* (0.069)
Control variables	Remaining *de jure* variables (*exec_comp/par_reg/par_comp*), *lngdppc*, *resources*, lagged dependent variables, *yot*			
# of observations	607 (27 countries)			

Notes: *** significant at a 5% level, * significant at a 10% level, values of the relevant *de jure* variable (*exec_comp/par_reg/par_comp*) in brackets.

Source: authors' calculations.

of the constitutional credibility problem resulting in the emergence of such phenomena such as the *de jure – de facto* constitutional gap or constitutional underperformance, studied earlier primarily with regard to the protection of constitutional rights and freedoms. Possible future extensions of this preliminary, explorative study could involve focusing on more *de jure* aspects of democracy (having their sources directly in constitutional provisions of states), on more comprehensive measures of *de facto* democracy[21], as well as on the identification of the potential conditional effects of *de jure* democracy on its *de facto* equivalent. A particularly interesting question could also involve concentrating on the most recent period since 2015, when several post-socialist countries have been found to experience a downturn of democracy.

CONCLUSIONS

The main goal of the paper was to contribute to a better understanding of the relevance of *de jure* rules concerning democratic systems for *de facto* functioning of post-socialist democracies, with the latter's economic effects in mind. As mentioned elsewhere in the paper, Metelska-Szaniawska and Lewkowicz (2021) found, in principle, no significant impact of *de jure* constitutional rules concerning the protection of several constitutional rights and freedoms on their *de facto* equivalents in post-socialist countries of Europe and Asia (however, the electoral competition feature

[21] This is not an easy task as *de jure* and *de facto* aspects of democracy must be well matched in order to allow for conclusions concerning the relevance of the former for the latter. The available databases do not provide for such possibilities at the moment.

of democracy was one of the prerequisites for significant conditional effects in this respect). Following Levinson's (2011, p. 56) conjecture that "structural arrangements will be more politically sustainable than 'parchment' rights", the authors expected to identify a significant role of *de jure* democratic 'arrangements' for the actual functioning of democracies in these countries. However, the results of the empirical tests provided for a rather disappointing picture. The obtained outcomes differ for the competition and participation aspects of democracy. While for the latter *de jure* features (included in this study) turned out completely irrelevant (opening grounds for further research concerning e.g. direct democracy arrangements), for the former a single determinant – the rule framework for competitiveness of participation – has indeed been found to matter (however with a decreasing trend). A tentative conclusion from this study could, therefore, be that aiming to enhance their *de facto* democracy experience, with a view to reap economic benefits or increase effective protection of rights (which also in itself can be economically advantageous – see e.g. Blume, and Voigt, 2007; Metelska-Szaniawska, 2009, 2016), post-socialist countries should not put much store in simply changing the *de jure* rule-framework for democracy.

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APPENDIX

List of variables and data sources

Variable name	Description	Data source
catholic	Catholic majority (dummy variable)	Djankov (2016), CIA (2019)
civil_society	The Core Civil Society Index, i.e. an indicator of the robustness of civil society, understood as one that enjoys autonomy from the state and in which citizens freely and actively pursue their political and civic goals (formed by taking the point estimates from a Bayesian factor analysis model of the indicators for civil society organizations entry and exit, repression, as well as participatory environment for these organizations)	Coppedge et al. (2019)
exec_comp	Competition during the elections of the executive power (1– indication or heirdom; 2 – twofold executive power with different passage; 3 – elections)	Marshall et al. (2014)
eu	Membership in the EU at any moment during the period 1989-2014 (dummy variable)	–
interwar_democracy	Interwar democracy score (average polity2 score reflecting the political regime of a given country on a autocracy-democracy scale for the years 1920-1939)	Authors' calculations based on Marshall et al. (2014)
interwar_state	Interwar statehood – whether a country existed as an independent state at any moment within the period 1920-1939 (dummy variable)	–
islam	Muslim majority (dummy variable)	Djankov (2016), CIA (2019)
lngdppcp	Log of GDP per capita	Feenstra et al. (2015)
nato	Membership in the NATO at any moment during the period 1989-2014 (dummy variable)	–
oecd	Membership in the OECD at any moment during the period 1989-2014 (dummy variable)	–
orthodox	Orthodox majority (dummy variable)	Djankov (2016), CIA (2019)
part_reg	Degree of involvement and regulation of political life (ranging from 1 to 5 where 1 is for total irregularity in political life and 5 – stable and durable political competition)	Marshall et al. (2014)
part_comp	Degree of political competition (ranging from 0 to 5 where 0 represents no competition or generally unregulated competition and 5 means stable and durable political groups of different beliefs)	Marshall et al. (2014)
resources	Richness in natural resources (rich – 2, moderate – 1, poor – 0)	de Melo et al. (1997)

vid_part	Participation of the society in public life (fraction of the society that attends the elections)	Vanhanen (2016)
vid_comp	Share of minority parties (and not ruling) in political life (approximated by the votes gained by them during the elections)	Vanhanen (2016)
yot	Year of transition, where year 0 is 1989 for Poland and Hungary, 1990 for other Central and South-eastern European countries (except Albania), 1991 for Albania and the Baltic states, and 1992 for the former Soviet republics	–